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Divider Title: **Budget**

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## **BUDGET Q'S AND A'S**

- o   Balanced Budget**
- o   DOL FY 1998 Request**
  - Q & A**
  - Table**
- o   Streamlining DOL**
- o   Political Appointees**

## BALANCED BUDGET

### Question:

The President has submitted a FY 1998 budget that balances the budget by FY 2002. Shouldn't the Department's spending be cut back if we're trying to achieve a balanced budget?

### Answer:

- o The President's top priority for this year is to reach an agreement with Congress on balancing the budget.
  - o The President's 1998 budget builds on his successful economic program of the last four years by reaching balance in 2002 while investing in the future.
  - o The budget reaches balance the right way -- by cutting unnecessary and lower-priority spending.
    - It strengthens Medicare and Medicaid.
    - It provides tax relief to help Americans raise their children, send them to college, and save for the future.
    - It invests in education and training, the environment, science and technology, and law enforcement to raise living standards and the quality of life for average Americans, now and in the future.
  - o The Department of Labor has a role in advancing these goals:
    - providing employment and training opportunities;
    - enforcing basic labor laws; and
    - protecting the health and safety of American workers.
- 

### Background:

- o The President, working with Congress, has already made significant progress in reducing the budget deficit. Since 1992, the deficit has fallen by 63% -- from \$290 billion to \$107 billion in 1996.
- o The FY 1998 budget builds on this progress and reaches balance by 2002.

## DOL FY 1998 REQUEST

### Question:

How would you characterize the Department's FY 1998 request -- is it a continuation of last year's efforts or are there any new initiatives?

### Answer:

- o The Labor Department programs are central to the President's agenda of focusing on work and families.
  - o The Department's FY 1998 request is clearly linked to two of the President's top priorities:
    - Successful implementation of the welfare reform legislation, moving people from welfare to work.
    - Investments in education and training -- the Nation's number one priority for preparing for the 21st century.
  - o I'm looking forward to working with you and others in Congress on the Department's budget proposals.
  - o Approval of the President's FY 98 budget request for the Department will be one of my highest priorities.
- 

### Background:

- o The Department's FY 1998 request represents an increase above last year's level of \$1.7 billion (17%), which includes \$750 million for the new Welfare-to-Work initiative.
- o The Department's FY 1998 discretionary funding request is \$11.3 billion, an increase of \$974 million, or about 9%, above FY 1997.
- o Of the total increase requested, about \$1.6 billion (94%), is in the employment and training area providing expanded assistance to disadvantaged youth and adults, and dislocated workers, as well as assuring that the heavily automated State employment security system will be ready for the year 2000 conversion.



- o The remaining increase of about \$100 million (6%) is primarily in the worker protection area, which receives an increase of about 7% above FY 1997, and reflects enhancements to programs to promote safe and healthful working conditions, and insure pension security, equal opportunity, and wage protections. Also, additional funds are provided for the continuing revision of the Consumer Price Index and other key statistical programs.

# FY 1998 DOL BUDGET REQUEST

(BUDGET AUTHORITY IN MILLIONS)

|                               | FY96<br>Actual | FY97<br>Final | FY98<br>Request | Request versus<br>FY97 Final |            |
|-------------------------------|----------------|---------------|-----------------|------------------------------|------------|
|                               |                |               |                 | \$                           | %          |
| <b>TRNG &amp; EMPLOY SVS</b>  | <b>4,141</b>   | <b>4,716</b>  | <b>6,052</b>    | <b>1,336</b>                 | <b>28%</b> |
| Adult Training                | 850            | 895           | 1,064           | 169                          | 19%        |
| Dislocated Workers            | 1,092          | 1,286         | 1,351           | 65                           | 5%         |
| Youth Training                | 127            | 127           | 130             | 3                            | 2%         |
| Summer Youth                  | 625            | 871           | 871             | 0                            | 0%         |
| Job Corps                     | 1,094          | 1,154         | 1,246           | 92                           | 8%         |
| School-to-Work                | 170            | 200           | 200             | 0                            | 0%         |
| Out of School Youth           | 0              | 0             | 250             | 250                          | 100%       |
| National Programs             | 183            | 184           | 184             | 0                            | 0%         |
| Welfare-To-Work Jobs          | 0              | 0             | 756 1/          | 756                          | 100%       |
| <b>OLDER WORKERS</b>          | <b>373</b>     | <b>463</b>    | <b>440 2/</b>   | <b>-23</b>                   | <b>-5%</b> |
| <b>SUIESO</b>                 | <b>3,238</b>   | <b>3,316</b>  | <b>3,624</b>    | <b>308</b>                   | <b>9%</b>  |
| Unemployment Insurance        | 2,307          | 2,341         | 2,630           | 289                          | 12%        |
| Employment Svs/WOTC           | 821            | 824           | 844             | 20                           | 2%         |
| One Stop                      | 110            | 150           | 150             | 0                            | 0%         |
| <b>VETS EMPLOY &amp; TRNG</b> | <b>151</b>     | <b>159</b>    | <b>159</b>      | <b>0</b>                     | <b>0%</b>  |
| <b>WORKER PROTECTION</b>      | <b>933</b>     | <b>991</b>    | <b>1,060</b>    | <b>69</b>                    | <b>7%</b>  |
| PWBA                          | 67             | 77            | 84              | 7                            | 9%         |
| ESA                           | 292            | 316           | 340             | 24                           | 8%         |
| [WH] [non-add]                | 100            | 118           | 125             | 7                            | 6%         |
| [OFCCP] [non-add]             | 56             | 59            | 69              | 10                           | 17%        |
| OSHA                          | 304            | 325           | 348             | 23                           | 7%         |
| MSHA                          | 196            | 197           | 206             | 9                            | 5%         |
| SOL                           | 64             | 66            | 71              | 5                            | 8%         |
| ILAB                          | 10             | 9             | 11              | 2                            | 22%        |
| <b>STATISTICS (RLS)</b>       | <b>343</b>     | <b>361</b>    | <b>380</b>      | <b>19</b>                    | <b>5%</b>  |
| <b>OTHER S&amp;E</b>          | <b>290 *</b>   | <b>294</b>    | <b>306</b>      | <b>12</b>                    | <b>4%</b>  |
| ETA/PO                        | 124            | 124           | 135             | 11                           | 9%         |
| PBGC                          | 10             | 10            | 11              | 1                            | 10%        |
| DM (Less SOL & ILAB)          | 88             | 89            | 90              | 1                            | 1%         |
| VETS S&E                      | 19             | 23            | 23              | -0                           | -1%        |
| OIG                           | 48             | 47            | 47              | 0                            | 0%         |
| <b>TOTAL</b>                  | <b>9,413</b>   | <b>10,299</b> | <b>12,021</b>   | <b>1,721</b>                 | <b>17%</b> |

\* Includes \$2M for OAW.

1/ \$750M mandatory and \$6M discretionary.

2/ Program proposed to be transferred to HHS.

New  
2/14/97

## STREAMLINING DOL

### Question:

In this era of downsizing, what steps do you plan to take to streamline or restructure the Department?

### Answer:

- o I am looking forward to working with the Vice President on the government-wide reinvention efforts, and will review the Department's streamlining accomplishments and future plans once I am confirmed.
  - o The Department of Labor is the third smallest Cabinet level department in terms of number of employees. It has already cut its staff by 14% since 1993.
- 

### Background:

- o The Department of Labor has approximately 16,000 staff. It is authorized to be staffed by 16,600 for FY 1997, reflecting the new initiatives primarily in the worker protection area that Congress funded for this year.
- o Compared to the size of the organization when you were last at the Department in 1980, it is approximately one-third smaller. DOL's staffing was 24,000 in 1980 and has fallen to a level of 16,000 in 1996. Compared to the staffing in 1993, it has fallen from 18,500--a reduction of 2,500 positions.
- o The Department has attempted to re-deploy staff from overhead positions to front-line positions where the real work of the Department is concentrated.
- o These cuts have occurred even though the Department has taken on new responsibilities, such as the Family and Medical Leave Act, School-to-Work, and the oversight of 401(k) pensions.
- o The President's FY 1998 request proposes a staffing level of 17,143 -- an increase of 529 over the FY 97 authorized level, reflecting further expansion of its worker protection and related initiatives. In total, the FY 1998 budget represents an increase of 1,173 staff above those on board today.
- o DOL's goal was a 12% staff reduction by 1999, compared to 1993. As of October, 1996, DOL had exceeded this goal by reducing employment by 14%.



- o If Congress adopts the President's FY 1998 request, the Department's staffing reduction as compared to the 1993 level would be 1,357 or 7% lower.
- o The Federal government has achieved the overall 250,000 staff reduction statutory requirement and although the government as a whole is continuing to reduce staff, DOL staffing is increasing modestly to reflect new initiatives and the priority placed on the Department's activities by the President.

New  
2/13/97

## POLITICAL APPOINTEES

### Question:

Commerce Secretary Daley has announced plans to reduce his political staff by one-third. Can you commit to taking similar actions in the Labor Department?

### Answer:

- o I understand that the number of political employees at DOL has remained relatively stable at least since the Bush Administration.
  - o DOL currently has 110 political appointees out of the total 16,000 DOL staff. Given the small size of the Department, I'm not sure this is a problem that needs to be fixed.
- 

### Background:

- o DOL's ratio of political appointees to the overall population is 0.7%.
- o Commerce political appointees are 0.8% of the population -- 256 out of 32,000.
- o Health and Human Services political appointees are 0.2% of the population -- 140 out of 58,000.

### Cautionary Note:

- o We have less than half the number of political employees compared to the Commerce Department.
- o The number of political appointees at the Department has never been an issue with the Hill.
- o You may not want to step into this thicket until you determine your need for political appointees.



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Divider Title: **Miscellaneous**

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## **MISCELLANEOUS Q'S AND A'S**

- o Black Lung Disability Trust Fund Status**
- o Fair Pay Legislation**
- o Future of the Veterans' Employment and Training Service (VETS)**
- o Veterans Preference Legislation**
- o Homeless Veterans: Senate Interest**

## BLACK LUNG DISABILITY TRUST FUND STATUS

### Question:

What will you do to insure the solvency of the Black Lung Disability Trust Fund?

### Answer:

- o I share your concerns about the future of the Black Lung program.
  - o If confirmed, I will look into the status of the Black Lung program with your concerns in mind.
- 

### Background:

- o Program benefits are not in jeopardy because Congress has authorized the program to borrow from the Treasury as needed.
- o Claimants generally feel that they have not been treated fairly. The United Mine Workers has an interest in keeping the program in place at least at the current levels given that its members are the future beneficiaries. The coal companies are concerned about policy changes that would effect future costs and any proposals for addressing the Fund's debt.
- o The Black Lung Disability Fund has an accumulated debt of \$5 billion.
- o DOL pays approximately 87,000 households disability and medical benefits totaling \$500 million a year.
- o DOL claims are paid from the Black Lung Disability Trust Fund which is supported by a tax on coal or by the insurance carrier of the coal company. The coal tax cannot exceed 4.4% of the market rate of coal.
- o In the 1970's and early 1980's, the Trust Fund borrowed significantly from the Treasury. In 1981, Congress acted to tighten eligibility requirements. However, each year the Trust Fund is charged additional interest costs.
- o Senator Byrd is the guardian of the program.

## FAIR PAY LEGISLATION

### Question:

Would you support legislation to reduce the wage gap between men and women?

### Answer:

- o I have always been concerned about the wage disparity between men and women and I'm glad to see Congressional efforts to address it.
  - o When I headed the Women's Bureau, I issued several publications highlighting the fact that working women were paid only 59 cents for every dollar men received.
  - o Now, women workers are paid 71 cents for every dollar men earn, so there has been some progress. But since part of the reason for the resilience of this gap is the fact that low wage earners have not shared in the growth of wealth equitably, we need to keep working on this issue so that all Americans earn a fair wage for their work.
  - o This is a high priority for me and I plan to work with you on it.
- 

### Background:

- o The Senate Democrats have identified fair pay as one of their priority issues. **Senator Daschle** recently introduced **S. 71, The Paycheck Fairness Act**.
- o Part of this bill would amend the **Equal Pay Act of 1963**. The Equal Pay Act of 1963 requires employers to pay equal wages to women and men for substantially equal work. This law established the right to equal pay for women who work in the same jobs that men do, based on skill, effort, responsibility, and working conditions.
- o **The Paycheck Fairness Act** addresses inequities between men's and women's earnings by:
  - o beefing up enforcement of the *Equal Pay Act* by directing more resources to the Equal Employment Opportunity Commission;
  - o strengthening the remedy provisions of the *Equal Pay Act* by allowing compensatory and punitive damages when appropriate and making it easier for cases to proceed as class actions;
  - o improving data collection, education, and outreach about pay differentials between men's and women's occupations;



- o recognizing the achievements of employers who have worked to eliminate unfair pay differentials in the workplace;
  - o lifting the gag rule imposed by many employers who forbid employees from discussing their wages with their co-workers; and
  - o authorizing funding for Women's Bureau's activities to address pay disparities in the workplace (i.e. research, establishment of National Award for Pay Equity).
- o Another pending Senate bill is **The Fair Pay Act of 1997 (S. 232)**, which was introduced by **Senator Tom Harkin (D-IA)**. This is a stronger bill and it would:
- o require an employer to pay **equal wages for equivalent work**, based on skill, effort, responsibility and working conditions, without regard to the sex, race, or national origin of employees holding these jobs;
  - o require the EEOC to issue guidelines for determining whether a job is dominated by employees of a particular sex, race, or national origin;
  - o bar retaliation by employers for employees' inquiring about or disclosing one's own or other employees' wages;
  - o require employers to preserve records of their wage setting practices and file annual reports with the EEOC disclosing wage rates for each job classification within the company, as well as the sex, race, and national origin of employees holding these positions; and
  - o direct the EEOC to provide educational materials and technical assistance to employers, labor unions and other interested persons to assist in implementing fair pay policies.
- o Senator Harkin has been particularly interested in the issue of fair pay and may ask this question in an attempt to get you to express support for such legislation.
- o To date, the Administration has not endorsed any fair pay or other pay equity legislation.

Cautionary Note:

- o The Senate Republicans and Democrats are using the term "paycheck" to describe important legislative proposals. The Republican proposal, "The Paycheck Protection Act," deals with Beck. The Democratic proposals, "The Paycheck Fairness Act" and the Harkin "Fair Pay Act", deal with pay issues in the workplace.

## **FUTURE OF THE VETERANS' EMPLOYMENT AND TRAINING SERVICE (VETS)**

### Question:

Would you support consolidating VETS into ETA?

### Answer:

- o We need to recognize our special debts to America's veterans, reservists and National Guard members.
  - o America's veterans deserve to have representation at the highest policy-making levels at the Department when it comes to assisting veterans in securing employment.
- 

### Background:

- o Early in the first term of the Clinton Administration, the National Performance Review (NPR) recommended consolidating VETS into ETA. Although Secretary Reich opposed this recommendation from the outset, it took time before the NPR stopped making this recommendation. The NPR caused considerable controversy among veterans, veterans service organizations and Members of Congress. The Office of the Assistant Secretary for Veterans' Employment and Training and its affiliated agency, the Veterans' Employment and Training Service, are mandated by chapter 41 of Title 38, United States Code, and there is no likelihood that legislation to abolish or diminish the agency would succeed.



## VETERANS PREFERENCE LEGISLATION

### Question:

Would you support legislation to change the federal civil service rules to provide veterans with more federal employment opportunities?

### Answer:

- o President Clinton has staunchly supported "veterans preference," and I share that view.
  - o I believe that federal personnel rules should be streamlined and want to avoid any changes that would further complicate hiring and reduction in force (RIF) procedures.
  - o Congress and the Administration must make certain that any changes to the veterans preference rules result in more real job opportunities for veterans -- not merely in more complaint investigations.
  - o I look forward to working with the Congress on this important issue.
- 

### Background:

- o Last year, the House passed legislation that purportedly would have enhanced veterans Federal employment opportunities. Congress expected this legislation to become law and, accordingly, increased VETS' FY97 appropriation to provide for 10 additional investigator positions to handle the increased workload. No Senate action was taken on the bill.
- o Substantially similar veterans preference legislation was introduced in the House at the outset of the 105th Congress.
- o If enacted, the bill would: (1) expand federal employment access for veterans by allowing eligible veterans (those with an honorable discharge after 3 years of service) to compete for jobs in Federal agencies whether or not they have previously worked for a Federal agency; (2) strengthen protections for eligible veterans in a reduction in force by requiring that they be placed in the competitive level that has the most jobs if they could be trained for that job within 150 days; and (3) improve redress for veterans who believe that a Federal agency has violated their employment rights by requiring DOL to investigate and try to resolve alleged violations of veterans preference rules.

## HOMELESS VETERANS: SENATE INTEREST

### Question:

I am concerned about the future of the Homeless Veterans Reintegration Project (HVRP). What steps would you take as Secretary of Labor to assure that these valuable services continue to be delivered to veterans in need?

### Answer:

- o First, let me thank you and your Senate colleagues for your continued support for this successful program.
  - o I am pleased to announce that the President's FY98 budget request contains \$2.5 million in HVRP funding. I hope Congress approves this request so as to continue the delivery of these important services.
- 

### Background:

- o The HVRP is a grant program which provides homeless veterans with a variety of services to help them return to the labor force.
- o HVRP expired in 1995. While the program was reauthorized in 1996, no funds were appropriated. VETS allocated all of its remaining JTPA funds -- \$1.3 million -- to HVRP for FY96.
- o Once the HVRP program was reauthorized last year, the Department took initiative and provided funding for this worthy program. Those funds came from JTPA, Title IV, Part C. Unfortunately, those funds are very limited in FY97. Despite this, I understand that VETS has allocated \$400,000 of its remaining JTPA funds to serve homeless veterans for FY97.
- o Fifteen Senators, including five members of the Labor and Human Resources Committee -- Wellstone, Bingaman, Murray, Kennedy, and Warner -- wrote to Secretary Reich on January 8, 1997, and asked the Department to use \$1.3 million in discretionary funds to support HVRP for FY97. The Senators asked for this amount because that is what was provided for HVRP during FY96.



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Divider Title: SECTION III  
BACKGROUND ON DOL

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## **BACKGROUND ON DOL**

- o Secretary Reich Memo**
- o Department Flow Chart & Budget Tables**
- o Agency Mission Statements**

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Divider Title: **Secretary Reich Memo**

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**December 23, 1996**

**MEMORANDUM FOR SECRETARY-DESIGNATE ALEXIS M. HERMAN**

**FROM SECRETARY ROBERT B. REICH**

**REGARDING TRANSITION ISSUES AND MATERIALS**

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I want to reiterate my willingness to help you with your transition in the days and months ahead. Cynthia and I both stand ready to provide you with whatever information you want about the Department. To give you a preliminary picture of the Department's accomplishments and issues which face the Department, we have prepared the following set of materials. This book is intended to be an introductory overview.

This memorandum is divided into four sections. The first section offers a few general observations about my experiences leading the Labor Department over the last four years. The second section offers a summary overview of the Department's accomplishments during the last four years along with potential next steps which flow from and build on accomplishments during the first term. The third segment discusses legislative and regulatory issues that are likely to arise in your first one hundred days as Secretary of Labor. The final section describes the materials which are included in this book.

**I. OBSERVATIONS**

As you know, the Department of Labor contains agencies with a variety of statutory obligations. The next section of this book describes these statutory roles. One of the foundations to our success in the first term has been departmental leadership from the Offices of the Secretary and the Deputy Secretary to craft these disparate responsibilities into a unified whole. We have used cross cutting themes to capture the work of the department to create a sense of a singular mission rather than a federation of independent entities. You will see these themes in this memo and in the section of the notebook on appropriations and budget.

Many of our initiatives have been "driven" from either the Office of the Chief of Staff, the Office of the Deputy Secretary, or the Office of the Assistant Secretary for Policy. A good illustration has been our campaign against sweatshops in the garment industry. This issue involved the Wage and Hour Administration, the International Labor Affairs Bureau, the Office of Congressional and Intergovernmental Affairs, the Office of Public Affairs, the Office of the Assistant Secretary for Policy, and the Solicitor's Office. The Office of the Secretary brought these line agencies together, each with their own policies, programs, and recommendations, into a coordinated team effort. The garment campaign has won national recognition as well as the Ford Foundation/John F. Kennedy School of Government's Innovation in Government Award.



## II. FIRST TERM ACCOMPLISHMENTS AND POSSIBLE NEXT STEPS FOR THE SECOND TERM

As you know, this Department has been central to the President's agenda during the first term and he has indicated by his statements and the decisions on our FY 1998 budget request that the work of the Department remains key to his Presidency. We found that our chances of success were enhanced by pursuing a multi-faceted, multi-year strategy, particularly during those times when the Department has been under attack. Each year we have:

- ◇ assessed our progress from the past year;
- ◇ analyzed the needs of our constituents and the environment;
- ◇ identified and developed ongoing or potential Presidential policy or legislative initiatives, many of which involved interagency coordination and the participation of the White House and other Cabinet departments;
- ◇ created performance agreements between each agency and the Secretary which identified commitments for the upcoming year which were, in turn, reflected in my performance agreement with the President; and
- ◇ built a budget for the year ahead which reflects all of the above.

Over the past months the agency heads and I have discussed the Department's accomplishments and the tasks ahead. Much of the immediate work ahead is contained in the agency specific sections of this book and grows out of the Department's FY 1997 appropriations.

I thought it would be useful to provide some context for a potential second-term agenda by giving a brief list of the department's accomplishments in the first term. I also offer some possible next steps to build on these accomplishments. You will see that we have been successful in many arenas: legislative action, changes in regulations or policies, enforcement actions, and public education efforts, among others.

### RETIREMENT SECURITY

#### First Term Accomplishments

- ✓ Enacted the **Retirement Protection Act** to redress massive under funding of "defined-benefit" pension plans, thereby protecting pensions for 20 million workers;
- ✓ enacted **pension simplification and portability** legislation to make it easier for small businesses to offer retirement plans and for workers to build their retirement savings;
- ✓ launched a nationwide **pension education** program to urge workers to save for their retirement;

- ✓ stepped up **enforcement to recover 401(k) pension** money wrongfully diverted from pension plans, and conducted an "amnesty" payback period in which employers voluntarily restored such money;
- ✓ imposed a new requirement that shortens the amount of time within which employers must **deposit their workers' 401(k)** contribution (from 90 days to 15 days after start of month); and
- ✓ **blocked pension reversion** legislation that would have allowed employers to raid over funded pension plans.

#### Possible Next Steps

- Propose legislation requiring that all large pension plans be **fully audited** (such plans now contain \$950 billion in assets covering 22 million workers, and are not adequately protected);
- propose legislation that would adopt the remaining provision of the President's Retirement Safety and Security Act, including a provision which would require that **employers make at least a 1% of payroll contribution** on behalf of every worker; and
- propose legislation protecting against **inadequate diversification** by 401(k) plans which now concentrate their assets in real estate or in the plan sponsor's own stock.

### HEALTH SECURITY FOR WORKING PEOPLE

#### First Term Accomplishments

- ✓ Stepped up enforcement against **fraudulent health-care** schemes; and
- ✓ litigated against companies that unilaterally **terminated the health benefits they promised** their employees.

#### Possible Next Steps

- Propose legislation expanding **health insurance** coverage for the temporarily **unemployed**; and
- increase enforcement against **health care fraud among multiple employers welfare** arrangements (MEWAs).



## READINESS FOR THE FIRST JOB

### First Term Accomplishments

- ✓ Enacted the **School-to-Work Opportunities Act**, in which 150,000 companies and over a half million high school juniors and seniors are now involved; and
- ✓ created the **National Skills Standards Board**, which is now developing skill standards for a wide range of industries and occupations.

### Possible Next Steps

- Increase funding to **give high-school dropouts minimally adequate skills** to get jobs, and to obtain their GED high school equivalency;
- **expand the Work Opportunity Tax Credit** to target people moving from welfare to work; and
- utilize the **current authority of JTPA Title IIA** (adult training) and our **Welfare-to-Work \$3 billion Challenge proposal** (40 percent of JTPA IIA job training already goes to welfare recipients) to move people from welfare to work.

## TRANSITION TO THE NEXT JOB

### First Term Accomplishments

- ✓ Implemented a **re-employment system** requiring that all people receiving unemployment insurance be screened immediately to determine whether they were permanently laid off, and if so, provided with available job training and job-search assistance;
- ✓ created **One-Stop Career Centers** in more than half the states, providing a full range of re-employment services behind the same door: unemployment insurance, job search, job counseling, and access to job training;
- ✓ established "**America's Job Bank**" on the Internet -- an on-line, full-service job search and job listing for dislocated workers -- which now lists more than a half million job openings and receives more than 7.5 million "hits" per month; and
- ✓ enacted the **Work Opportunities Tax Credit**, which expanded and reformed the old Targeted Jobs Tax Credit for hiring the disadvantaged.

### Possible Next Steps

- **Consolidate all federal job training programs into vouchers** paying up to \$2,600 in skill-grants, which dislocated workers can use at a local community college to upgrade their skills;
- alternatively, expand Pell Grants to include dislocated workers in non-degree programs;
- expand the use of one-stop career centers to include **welfare recipients** looking for work and poor teenagers seeking their first jobs;
- enable all workers with only a high school education to obtain **at least two years of post-secondary education** through a \$1,500 tax credit -- even if they can attend only part time (if the credit is non-refundable, expand Pell Grants to cover disadvantaged adults seeking higher education);
- enable workers of any age to qualify for up to a **\$10,000 tax deduction** per year for their own or their families' post-secondary education and training; and
- ensure that people who lose their jobs have a minimally-adequate income support (so they don't have to go on welfare) by **expanding unemployment insurance so more than the 35 percent of newly-unemployed workers now deemed eligible** receive it.

### SAFETY ON THE JOB

#### First Term Accomplishments

- ✓ Offered employers a choice between establishing their own voluntary health and safety systems to prevent safety hazards (in cooperation with their employees) or being subject to regular inspections and citations;
- ✓ **changed the measure of success** for OSHA inspectors from numbers of inspections and citations to reductions in deaths and injuries; and
- ✓ blocked legislation and appropriations riders that would have reduced OSHA's authority.



### Possible Next Steps

- Establish **"ergonomics" guidelines and standards** in industries and occupations where repetitive stress injuries are mounting;
- encourage or induce all employers to establish workplace health and safety systems;
- address problems associated with **violence in the workplace**, especially against women (particularly vulnerable in certain industries and occupations such as sales clerks in all-night convenience stores); and
- work with constituencies of OSHA, particularly organized labor and small businesses, to get greater appreciation and understanding of the best ways to leverage scare resources to ensure that workplaces are safe and healthy.

## CORE LABOR PROTECTIONS: DOMESTIC

### First Term Accomplishments

- ✓ **Launched the "No Sweat" campaign against sweatshops**, informing consumers about which major retailers or manufacturers were contracting with domestic "sweatshops" paying below minimum wage and subjecting workers to unsafe working conditions;
- ✓ **barred such sweatshops from shipping** their goods in interstate commerce (an additional inducement to getting major retailers and manufacturers involved in solving the problem); and
- ✓ cracked down on abuses of **farm workers**.

### Possible Next Steps

- Support legislation requiring that garments (produced either internationally or domestically) be **labeled** so that consumers can be assured that they are not unwittingly purchasing items produced in sweatshops; and
- expand the **"No Sweat"** initiative to other industries where we have found abusive labor practices, such as poultry processing.

## CORE LABOR STANDARDS: INTERNATIONAL

### First Term Accomplishments

- ✓ Negotiated and implemented the North American Agreement on Labor Cooperation (the **NAFTA labor side agreement**), the first international agreement to link trade objectives with labor law enforcement;
- ✓ participated in efforts to **eradicate child labor** in the rug and soccer-ball manufacturing industries in South Asia -- two epicenters of child labor -- by encouraging the use of labels which assure customers that their goods were not made by children; and
- ✓ issued two precedent-setting reports documenting exploitation of children around the world.

### Possible Next Steps

- Put "**core**" labor standards (against slave labor, forced labor, the employment of very young children) on the agenda of the World Trade Organization, and seek to include them in other trade treaties, decisions over renewal of GSP, et al.; and
- work with the International Labor Organization on a new **convention on exploitative child labor**.

## A LIVING WAGE

### First Term Accomplishments

- ✓ Expanded the **Earned Income Tax Credit**;
- ✓ enacted and implemented a raise in the **minimum wage** for roughly 10 million workers (restoring its purchasing power to the level it was in 1989); and
- ✓ stepped up enforcement of the minimum wage law in low-wage industries like garment, agriculture, and janitorial services.

## WORK AND FAMILY

### First Term Accomplishments

- ✓ Enacted and implemented the **Family and Medical Leave Act** (producing user-friendly regulations in record time after enactment); and
- ✓ launched the **Working Women Count!** Survey and Honor Roll which committed more than 1,000 businesses to improve women's pay and benefits, and make workplaces more family friendly.

### Possible Next Steps

- Propose legislation to **expand the FMLA** to, at a minimum, provide 24 additional hours for workers to attend parent-teacher conferences and tend to routine family medical care;
- propose legislation to **allow workers to take payment for overtime in extra time off** rather than additional wages, as long as the legislation guarantees that workers, not employers, retain the power to choose;
- propose legislation to **lower the threshold of coverage** so more workers benefit from the FMLA; and
- establish a hotline so that working families can easily learn their rights under the FMLA and learn how to file complaints if their rights are being violated.

## IMPROVED MANAGEMENT-LABOR RELATIONS

### First Term Accomplishments

- ✓ Conducted many regional conferences and a national **Conference on the Future of the American Workplace** to highlight the best labor-management cooperative practices;
- ✓ founded the **Commission on the Future of Worker-Management Relations** (also known as the Dunlop Commission) which issued reports in late 1994 and early 1995;



### III. LIKELY ISSUES FOR THE FIRST 100 DAYS

I have divided the issues that could require your attention and action within the first one hundred days into two categories: legislative actions and regulatory/administrative actions. They are not in any order of priority or immediacy. They are listed alphabetically. More detailed information on each issue appears in other sections of this book and, of course, will be provided as you prepare for confirmation. Many of these issues do not involve the Department's statutory responsibilities. The Department plays a leadership role on many issues affecting working families.

#### LEGISLATIVE ACTIONS

##### **Beck - Campaign Finance Reform**

- The issue of whether unions can collect and use dues money for activities that do not relate to collective bargaining activities will arise in the upcoming congressional debate over campaign finance reform.
- The debate will almost certainly occur early in 1997. Employer groups want to see the Supreme Court's decision in *Beck v. Communications Workers of America* expanded. This decision essentially stated that union members could obtain a refund on any dues that would be used for political purposes to which they objected.
- The majority leadership in both houses of Congress will avidly pursue action early in the 105th Congress. Extensive hearings are also likely.
- The Department does not have administrative or enforcement responsibility in this area (the NLRB does), but takes the lead on labor issues of this sort for the Administration.

##### **Compensatory Leave**

- The President proposed his own compensatory leave proposal (entitled "flextime") at the end of the last Congress. It would allow private employees to choose extra time off instead of overtime pay in certain circumstances, and it would expand the FMLA to provide 24 additional hours of unpaid leave (beyond the 12 weeks already in the FMLA) for certain additional purposes.
- Compensatory time is going to be one of the first labor issues raised in the 105th Congress, especially in the House. The Secretary will be called to

testify at committee hearings that will most likely be held as early as February and March .

- The Department's Wage & Hour Division will enforce and administer any comp time or FILA expansion legislation. The Department will also be the principal staff agency supporting the Administration's legislative efforts.

### **Health Care for the Unemployed**

- There are a number of health care initiatives that the Administration will be pursuing in the near term. The President has proposed to give subsidies to unemployed workers to help pay for the cost of their health insurance.
- The Administration's revised version of the health care for the unemployed proposal will likely be included in the President's FY 1998 budget. It is also expected that Senator Kennedy will introduce similar legislation in this session of Congress.
- The White House has not decided whether HHS or the Department will administer this program. Regardless, the Department will play an important role in the legislative effort because this proposal is closely linked to the implementation of Kennedy-Kassebaum and the unemployment insurance system.

### **Immigration**

- Senator Kennedy is committed to fixing the system for admitting foreign workers permanently and temporarily to the U.S. He has indicated that he would also like to bolster worksite enforcement against illegal immigration by providing an increased number of Wage and Hour inspectors and additional enforcement powers to the Department. The Secretary will have to determine how the Department wants to address the Senator's concerns and influence the shape of reforms to employment-based immigration programs.
- The Secretary will most likely be questioned on this topic during the confirmation process.
- The Department's Employment and Training Administration administers the permanent and temporary employment-based immigration programs. The Wage & Hour Division enforces workers protection in these programs and protections against illegal immigration. The Department has a leading role in legislative efforts on these issues in cooperation with the INS and the Justice Department.



## **Inclusion of Labor Standards in Fast Track Trade Negotiating Authority**

- Renewal of "fast track" trade negotiating authority is expected to be an early legislative priority for the Administration. This legislation is necessary for the President to pursue trade negotiating commitments, such as Chile's accession to the NAFTA or a Free Trade Agreement of the Americas.
- In 1994, an attempt to pass such legislation collapsed because of disagreement between Congress and the Administration over including labor standards. The USTR will develop this legislative proposal, but the Secretary will have an opportunity to play a role in influencing the outcome of labor related issues through the Department's participation in the NEC.
- The Department houses the office that administers the NAFTA labor side agreement. In addition, the Department is the principal advocate for international labor standards in Administration discussions of trade and international economic policy.

## **Job Training Consolidation**

- We expect that workforce development legislation will be introduced in the 105th Congress that would include job training reform. We also expect that the Administration will submit a new proposal that will include many features contained in the GI Bill on which there was a bipartisan consensus. The Secretary will play a substantial role in any job training consolidation proposal put forth by either the Administration or Congress.
- The 104th Congress considered the consolidation of job training programs and reform of the nation's employment and training system, but failed to pass any reform legislation.
- ETA administers the large majority of federal government worker training programs.

## **OSHA Reform**

- The 105th Congress has signaled that it may introduce legislative proposals dealing with OSHA reform, cost-benefit analysis, or the periodic review and sun setting of regulations. The Secretary will be asked to testify on any OSHA legislation that the labor committees intend to move sometime before March or April 1997.



- A small area of agreement exists between the Administration and the majority on the committees about acceptable changes in the law, but not about the need for change. The Secretary will need to consider whether the Department should propose reforms limited to the few areas of agreement.

## **Pensions**

- Senator Daschle is expected to introduce an omnibus pension bill as one of his top five bills in the first few weeks of the 105th Congress. The legislation will include many provisions from the President's Retirement Savings and Security Act proposal of April 1996 that were not included in the Small Business Job Protection Act -- including the audit bill and a provision to increase multi-employer PBGC guarantees. The goal of the President's proposal is to help make workers pensions more portable, more available and more secure.
- The Secretary may be called upon to testify and then help in securing the passage of components of the Daschle legislation.
- The Pension and Welfare Benefits Administration and the Pension Benefits Guaranty Corporation, in cooperation with the Treasury Department, would administer the changes contained in this legislation. The Department will take the lead in advancing this legislation from within the Administration.

## **Reauthorization of the Intermodal Surface Transportation Efficiency Act (ISTEA)**

- The Department has weighed in with a letter to the Director of OMB to ensure that the necessary labor standards and employee protections are included in ISTEA (i.e., Davis-Bacon, Section 13(c), and affirmative action rules and regulations).
- The Secretary or another department official may be called upon to become more involved in internal Administration discussion and negotiations on the final legislative proposal. The Secretary may also be called upon to testify at congressional hearings on this legislation as to the labor standards and employee protection issues.
- The votes on this issue could be a bellwether on the support for Davis-Bacon in Congress and whether the Department should consider supporting reform legislation.

- The Employment Standards Administration enforces the Davis-Bacon Act, Section 13(c), and affirmative action programs for federal contractors. The department will play only a supporting role in the ISTEA debate, but the lead role on worker protections issues.

#### **Revision of the Consumer Price Index (CPI)**

- Congressional interest in revising the CPI has grown as Congress and the President have focused their efforts on reducing the federal budget deficit. The widespread use of the CPI for escalation purposes -- particularly for Social Security benefits and income tax brackets--has resulted in intense interest in seeking to revise the method by which the CPI is measured.
- A Commission, headed by Michael Boskin recently issued a report that included short term and long term recommendations to BLS. Some of the recommendations concern activities that BLS already has underway while others are not justifiable from the Bureau's perspective. There will be an intensive and lively debate on this issue and the Secretary will most likely be drawn into the center of the debate.

#### **TEAM Act**

- The TEAM Act would amend the National Labor Relations Act to allow employers to set up and dominate labor organizations as long as they do not attempt to bargain collectively. Some employers argue that they are confused about the lawfulness of employee involvement in their workplaces. Some others want the ability to thwart union organizing drives by establishing sham unions or employee organizations that they can control while offering a facade of sharing decision-making with the employees.
- In the 104th Congress, the TEAM Act was passed by both the House and Senate. The President vetoed it pursuant to a standing commitment to veto any legislation that weakens Section 8(a)(2). The reintroduction of the TEAM Act is high on the agenda for both congressional labor committees. The Secretary will likely be called upon to testify on the TEAM Act early in the 105th session of Congress.
- The Department would not have responsibility for administering or enforcing the TEAM Act (the NLRB would), but takes the lead on labor issues for the Administration.



## **Welfare to Jobs Initiative/Challenge**

- The President announced a Welfare-to-Work Jobs Initiative that would provide \$3 billion over three years to help communities move one million of the hardest-to-employ welfare recipients into jobs by the year 2000. While it has not yet been determined whether the Department of Health and Human Services (HHS) or Labor would administer this initiative, both departments have been working closely with OMB to develop the proposal. Obviously, we believe that building off the overall training and skill development programs of the Department makes sense.
- The Department is also assessing how the worker protection statutes it enforces will function under welfare reform. Under the leadership of the Office of the Assistant Secretary for Policy, the involved enforcement agencies are assembling information which the Department could provide to the states as technical assistance. The goal of this effort is to assure that former welfare recipients moved into work activities under the states' welfare reform plans get good jobs at fair wages.

## **REGULATORY/ADMINISTRATIVE ACTIONS**

### **Advisory Commission on Consumer Protection and Quality in the Health Care Industry**

- The Secretary of Labor will co-chair the Commission along with the Secretary of Health and Human Services. The Commission, which was created last fall, will address consumer-related issues in the private and public health care system. The President should announce his appointments to the Advisory Commission in the near future.
- The PWBA has prepared a set of recommended policy issues as the Department's priorities for the commission. These issues include disclosure by insurers and service providers of certain data related to quality measures.

### **Davis-Bacon Reform**

- Some members of the congressional majority have attacked the methodology used to determine the prevailing wage under the Davis-Bacon Act and others have sought repeal of the program. The Department received more than \$3 million in our FY 1997 appropriations to study methods for improving the prevailing wage survey itself. The Wage and Hour Division has developed several reform options and begun briefing congressional staff and constituents.



- Several proposals have sparked an outcry from constituency groups. The Department is reviewing the reform options to ascertain which are the most likely candidates for further development and the expenditure of funds. In addition, the department has received oversight inquiries from our House authorizing committee regarding the status of the FY 1997 appropriations. Wage and Hour plans to consult with stakeholders and reevaluate the proposals before it decides in February on best to use the money.

### **Ergonomics**

- Eliminating repetitive stress injuries (RSIs) through ergonomic redesign of jobs, work sites, and tasks is an OSHA priority. This major safety and health problem has prompted OSHA to initiate an ergonomics rulemaking, which the last Congress had specifically prohibited but has now been removed.
- As a way to build public support for addressing this problem, OSHA and NIOSH will convene a conference in early January with participation from business and labor. The conference will provide a forum to share practical experience and workplace ergonomics programs.

### **Garment - Apparel Industry Partnership**

- The Apparel Industry Partnership, announced at the White House on August 2, 1996, includes representatives from all sides of the garment industry. This task force has been meeting regularly since its formation and is expected to make its recommendations to the industry and the public at large in February 1997 about how to assure and tell consumers that goods are not made under sweatshop conditions sometime.
- The Secretary can expect to be involved in this announcement as the Department is the Administration's principal representative to the partnership. The partnership arose out of the department's "No Sweat" campaign.

### **Implementation of Kennedy-Kassebaum**

- Last year, the Congress passed the Kennedy/Kassebaum health reform bill, which ensures that workers who switch jobs or lose their jobs do not lose access to health insurance because of pre-existing illness. It also includes requirements for minimum hospital stays for newborns and mothers and parity of benefits for mental health.

- DOL, together with HHS and Treasury, is working on implementation of this law. DOL has responsibility under ERISA to enforce the law for employer plans, and is expected to publish the first installment of regulations in early 1997.

#### **Implementation/Promotion of the Work Opportunity Tax Credit (WOTC)**

- This new program went into effect on October 1, 1996, which provides a tax credit to employers who hire members of certain targeted groups, including qualified welfare and Food Stamp recipients. The program only has a one-year authorization that is set to expire on September 30, 1997.
- An offshoot of the program (the Welfare to Work Tax Credit) is likely to be part of the Administration's welfare to work proposal that will be unveiled as part of the President's FY 1998 budget. The Secretary will play a role in advocating for the passage of a new tax credit proposal if it is included in the FY 98 budget.

#### **NAFTA Issues**

- The Department's International Labor Affairs Bureau (ILAB) has received and is reviewing several submissions under the North American Agreement on Labor Cooperation (NAALC) alleging the non-enforcement of labor laws in Mexico. The Secretary may need to decide questions related to these submissions in early 1997.
- Concerns about truck safety and the enforcement of certain labor standards as truck traffic enters the U.S. from Mexico under NAFTA led the Administration to delay opening the border to Mexican trucks in December 1995. Discussions are underway that could lead to opening the borders with a variety of protections for Mexican and U.S. workers. Discussions are also occurring with affected unions, particularly the Teamsters.

#### **Workplace Violence Non-Regulatory Guidelines**

- OSHA has proposed workplace violence guidelines for night retail establishments to educate employers about "best practices." The guidelines do not create requirements for business and are not enforceable as standards.
- Many businesses are opposed to the voluntary guidelines, fearing their existence could help victims in tort cases, and force them into more

expensive practices. The Secretary will need to decide whether to proceed with issuing these guidelines early in 1997. The Secretary will also have to decide whether to develop similar sets of guidelines for other sectors.

#### IV. MATERIALS

The materials which follow are organized to give you picture of the issues you will face from a variety of vantage points. The materials also give you a sense of the breadth of responsibilities of the Secretary. After the overview of the Department, we describe three entities which exist to support the Secretary and to assist in actualizing these priorities. Next, from a departmental focus we have given you the legislative environment and the current status of our budget request. Many of the substantive battles of the Department have been fought as part of the appropriations process. You will see overlap in these sections.

The next sections focus on the various agencies and entities of the Department. Again, issues will be repeated. The last sections present the roles which come along with being the Secretary of Labor.

Again, we stand ready to provide you with whatever information you need in the coming weeks as you prepare for your confirmation.



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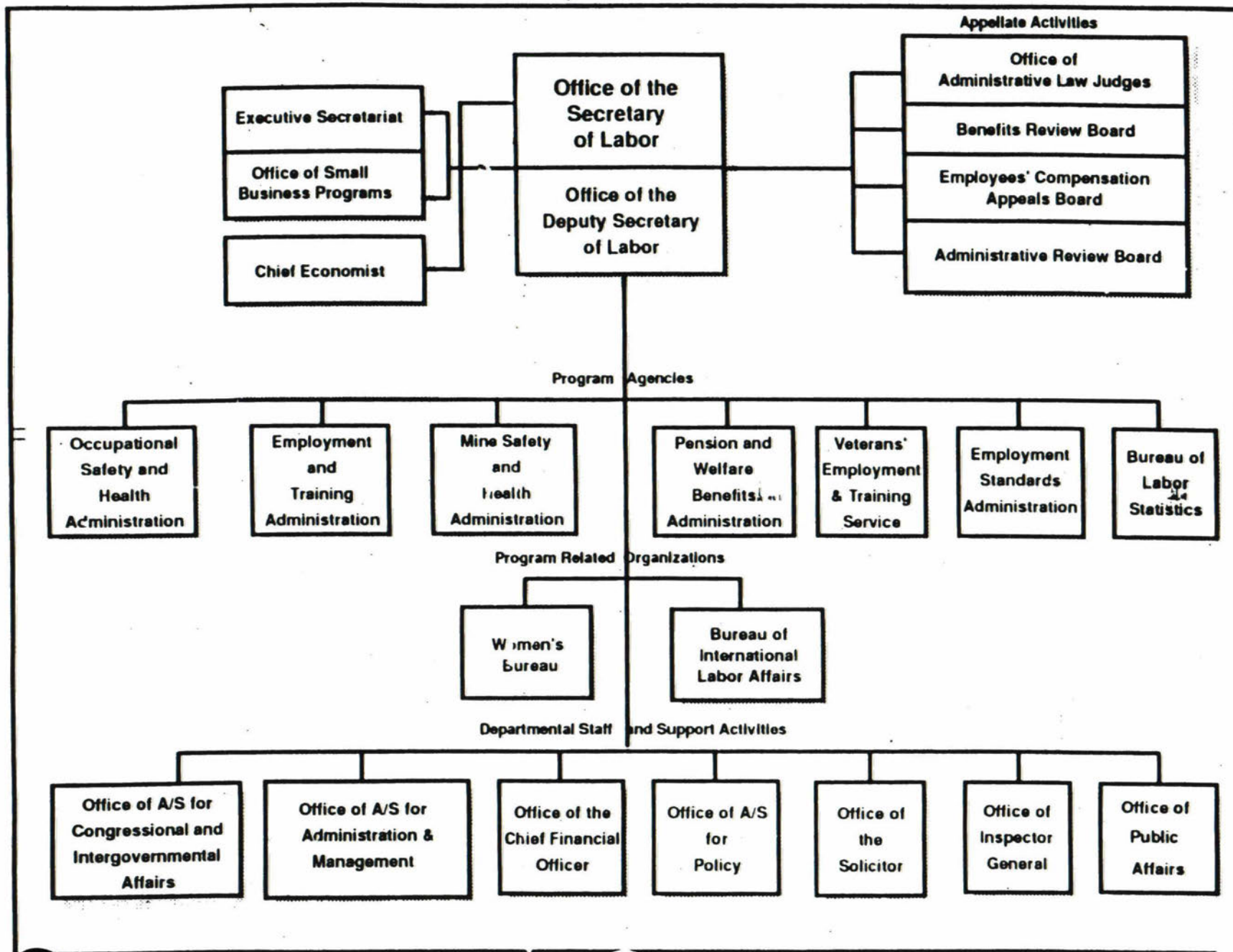
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Divider Title: Department Flow Chart &  
Budget Tables

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# U.S. Department of Labor



# U.S. DEPARTMENT OF LABOR BENEFIT/GRANT PROGRAMS

FY 1997

| Agency/Law                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | BA (\$000)         | FTE          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|--------------|
| <b>- Employment and Training Administration</b><br>- Job Training Partnership Act<br>- School-to-Work Opportunities Act<br>- The National Skills Standards Act of 1994<br>- Women in Apprenticeship and Nontraditional Occupations Act<br>- Displaced Homemakers Self-Sufficiency Assistance Act<br>- Older Americans Act of 1965<br>- Trade Act of 1974<br>- Social Security Act<br>- The Wagner-Peyser Act of 1933<br>- Internal Revenue Code of 1954<br>- National Apprenticeship Act of 1937 | 33,732,549         | 1,328        |
| <b>- Pension Benefit Guaranty Corporation</b><br>- Employee Retirement Income Security Act of 1974<br>- Pension Protection Act<br>- Retirement Protection Act                                                                                                                                                                                                                                                                                                                                    | 135,720            | 731          |
| <b>- Employment Standards Administration</b><br>- Federal Employees' Compensation Act<br>- Longshore and Harbor Workers' Compensation Act<br>- Federal Coal Mine Health and Safety Act of 1969<br>- War Hazards Compensation Act of 1942<br>- War Claims Act of 1948<br>- Black Lung Benefits Revenue Act of 1977                                                                                                                                                                                | 1,461,110          | 1,319        |
| <b>- Bureau of Labor Statistics</b><br>- The Wagner-Peyser Act of 1933                                                                                                                                                                                                                                                                                                                                                                                                                           | 52,053             | 0            |
| <b>- Veterans Employment and Training</b><br>- Veterans' Compensation, Education, and Employ Amendmets of 1982<br>- Service Members Occupational Conversion and Training Act of 1992<br>- Stewart B. McKinney Homeless Assistance Act of 1987<br>- Veterans Employment, Training and Counseling Amendmets of 1987<br>- The Wagner-Peyser Act of 1933                                                                                                                                             | 180,949            | 250          |
| <b>TOTAL</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | <b>35,562,381*</b> | <b>3,628</b> |

\*Of this \$35.6 Billion, approximately \$25 Billion is mandatory and the remaining \$10 billion is discretionary.

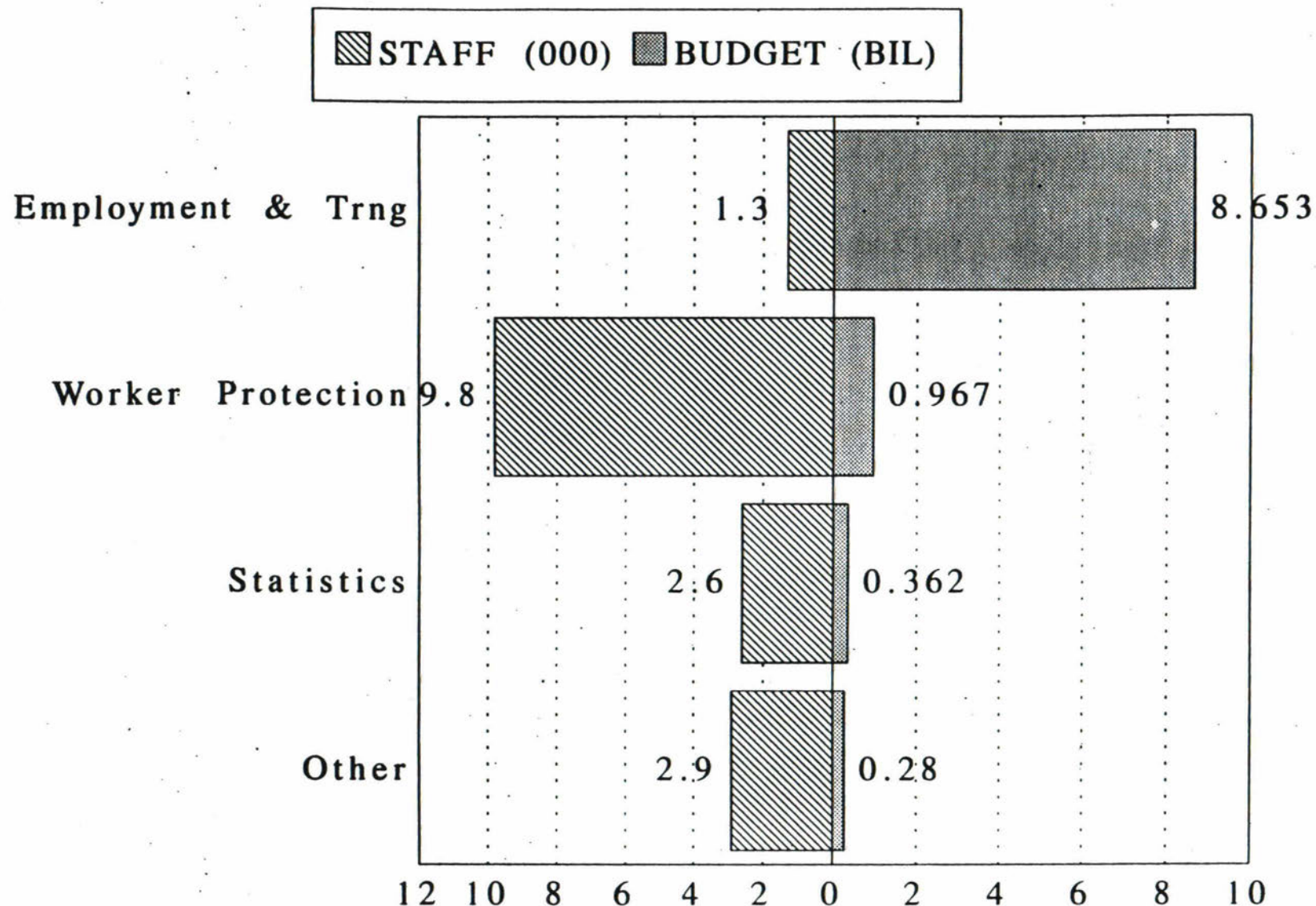


**U.S. DEPARTMENT OF LABOR  
WORKER PROTECTION / STATISTICS PROGRAMS**

FY 1997

| <b>Agency/Law</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | <b>BA (\$000)</b> | <b>FTE</b>    |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|---------------|
| - <b>Employment and Training Administration</b><br>- Immigration and Nationality Act                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 7,944             | 0             |
| - <b>Pension Welfare and Benefit Administration</b><br>- Employee Income Security Act of 1974<br>- Federal Employees' Retirement System Act of 1986                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 77,083            | 652           |
| - <b>Employment Standards Administration</b><br>- Fair Labor Standards Act of 1938<br>- Walsh-Healey Public Contracts Act<br>- Consumer Credit Protection Act<br>- Contract Work Hours and Safety Standards Act<br>- Service Contract Act<br>- Davis-Bacon Act<br>- Migrant and Seasonal Agricultural Worker Protection Act<br>- Immigration and Nationality Act<br>- Employee Polygraph Protection Act of 1988<br>- Immigration Nursing Relief Act of 1989<br>- Immigration Act of 1980<br>- Family and Medical Leave Act of 1993<br>- Rehabilitation Act of 1973<br>- Vietnam Era Veterans' Readjustment Assistance Act of 1974<br>- Executive Order 11246<br>- Americans With Disabilities Act<br>- Labor-Management Reporting and Disclosure Act of 1959<br>- Civil Service Reform Act of 1978<br>- Urban Mass Transportation Act of 1964<br>- Rail Passenger Service Act of 1970<br>- Airline Deregulation Act of 1978 | 214,712           | 2,623         |
| - <b>Occupational Safety and Health Administration</b><br>- Occupational Safety and Health Act of 1970                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 325,734           | 2,241         |
| - <b>Mine Safety and Health Administration</b><br>- Federal Mine Safety and Health Act of 1977                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 197,810           | 2,198         |
| - <b>Departmental Management - OASAM</b><br>- Civil Rights Act of 1964                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 4,535             | 52            |
| - <b>Veterans Employment and Training</b><br>- Uniformed Services Employment and Reemployment Rights Act of 1994                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 1,000             | 10            |
| <b>SUBTOTAL - WORKER PROTECTION</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 828,818           | 7,776         |
| - <b>Bureau of Labor Statistics</b><br>- An Act to Establish the Bureau of Labor, 1884                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 309,647           | 2,552         |
| <b>TOTAL</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | <b>1,138,465</b>  | <b>10,328</b> |

# STAFFING VERSUS BUDGET



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## **Clinton Presidential Records Digital Records Marker**

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Divider Title: Agency Mission Statements

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# OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION

## **MISSION STATEMENT**

The **Occupational Safety and Health Administration (OSHA)** helps save lives, prevents injuries and illnesses and protects the health of America's workers through cooperative compliance, common sense enforcement, strategic partnerships, and leveraging resources to protect more workers with fewer dollars all with a focus on measurable program outcomes.

OSHA will continue to stress the strategic theme of a common sense approach to occupational safety and health. The multiplier effects of leveraging resources, and the value of strategic partnerships, which also demonstrate effectiveness, will be emphasized. Overall, OSHA will continue to develop a sharpened focus on measurable program outcomes and tighter alignment and integration of multiple program and management initiatives.

## **BUDGET**

(dollars in thousands)

| FISCAL YEAR | DISCRETIONARY \$ | MANDATORY \$ | FTE   |
|-------------|------------------|--------------|-------|
| 1997        | \$324,995        | 0            | 2,241 |
| 1998        | \$347,085        | 0            | 2,361 |

## **CONFIRMATION O's & A's**

Cooperative Compliance Programs  
Ergonomics  
Indoor Air Quality Rulemaking  
Merger MSHA/OSHA Legislation  
Methylene Chloride Rulemaking  
New OSHA  
OSHA Reform/Rg Reform Legislation  
OSHA Role in Protecting Workers at DOE "GOCO" Facilities  
OSHA: Cooperative Compliance Program  
OSHA: Night Retail Violence Guidelines  
OSHA: Smoking Report  
OSHA: Smoking in the Workplace  
OSHA: SBREFA Regulations  
OSHA: Methylene Chloride  
OSHA: MSHA Merger  
OSHA: NIOSH  
Prop 65: California Hazard Communication/Proposition Standard  
Regulations: Tuberculosis  
Safety and Health Program Standard  
Workplace Violence Guidelines

## EMPLOYMENT AND TRAINING ADMINISTRATION

### **MISSION STATEMENT**

The **Employment and Training Administration** (ETA) assists all Americans in gaining access to the information and other resources they need to successfully manage their connection with good jobs at decent wages, and to ensure that U. S. businesses have access to the skilled and secure workers they need to successfully compete in a global economy.

To achieve its mission, ETA underwrites a wide range of employment and training services that enable both individuals and employers to participate effectively in a robust labor market environment. As the Federal steward of a highly decentralized employment and training system, ETA is reliant upon its partners in state/local government, as well as in the private sector, for quality management and service delivery.

### **BUDGET**

(dollars in thousands)

| FISCAL YEAR | DISCRETIONARY \$ | MANDATORY \$ | FTE   |
|-------------|------------------|--------------|-------|
| 1997        | \$8,854,000      | \$23,425,000 | 1,335 |
| 1998        | \$9,298,000      | \$26,130,000 | 1,495 |

### **CONFIRMATION O's & A's**

Dislocated Workers  
Employment Service  
GI Bill - Employment and Training Consolidation  
Job Corps  
Job Training Consolidation: Governance  
Job Training: America's Job Bank  
Job Training: Apprenticeship  
Job Training: Incumbent workers  
JTPA - Wagner-Peyser Statutory Waivers  
JTPA Dislocated Worker Program - (Title III-B)  
Migrant Workers - OIG  
One-Stop  
School-to-Work  
Skill Standards  
Summer Jobs - (JTPA Title II-B)  
Super Section 127 Tax Credit for Education and Training Work related Expenses  
TAA Reauthorization  
Unemployment Insurance  
Welfare to Work  
Work Opportunity Tax Credit  
Youth Opportunities Area Grants  
Youth Opportunities: Consoliation



# MINE SAFETY AND HEALTH ADMINISTRATION

## **MISSION STATEMENT**

The Mine Safety and Health Administration (MSHA) works to make the first priority and concern of all in the mining community the health and safety of its most precious resource, the miner. In partnership with the American mining community, MSHA works to eliminate fatalities, reduce the frequency and severity of accidents, and minimize health hazards associated with the mining industry.

This country's miners are the most productive in the world and supply both U.S. industries and overseas markets with high-grade coal, metal and non-metal products. Yet along with this high productivity, many of these men and women daily face the dangers of death, injuries and occupational disease. MSHA will continue to work in partnership with the American mining community to reduce fatalities, reduce the frequency and severity of accidents, and minimize health hazards associated with the mining industry.

## **BUDGET**

(dollars in thousands)

| FISCAL YEAR | DISCRETIONARY \$ | MANDATORY \$ | FTE   |
|-------------|------------------|--------------|-------|
| 1997        | \$197,187        | 0            | 2,198 |
| 1998        | \$205,804        | 0            | 2,186 |



# PENSION AND WELFARE BENEFITS ADMINISTRATION

## MISSION STATEMENT

The Pension and Welfare Benefits Administration (PWBA) protects the integrity of pensions, health plans, and other employee benefits for over 200 million people. PWBA ensures that workers get the information they need to protect their benefit rights, assists plan officials to understand the requirements of the relevant statutes in order to meet their legal responsibilities, develops policies and laws that encourage the growth of employment-based benefits, and deters and corrects violations of the relevant statutes.

PWBA has enormous responsibilities to the majority of American workers and their families who are covered by private sector pension and health benefit and other employee benefit plans. There are over 6 million private employee benefit plans, which cover approximately 200 million people, including workers, their families, and retirees, and control of more than \$3.5 trillion in assets.

## BUDGET

(dollars in thousands)

| FISCAL YEAR | DISCRETIONARY \$ | MANDATORY \$ | FTE |
|-------------|------------------|--------------|-----|
| 1997        | \$76,840         | 0            | 639 |
| 1998        | \$84,307         | 0            | 715 |

## CONFIRMATION O's & A's

Additional Changes to the Health Care System  
Affordability of Coverage for Small Businesses  
Bingaman-Jeffords Pension Pro-Save Proposal  
Commission on Retirement Income Policy  
Consumer Protections and Managed Care  
Daschle Pension Proposal  
Decline in Health Care Coverage  
Economically Targeted Investments (ETIs)  
Elements of ERISA Governing Health Care  
Employer Stock and Employer Real Property to 401(k) Plans  
Audit Bill  
Health: Medicare and Budget Cuts  
Health Care Commission  
Health Care for Children  
HMO's and Medical Malpractice  
Implementation of Kennedy-Kassebaum (HIPAA)  
Medicare Trust Fund  
Multiple Employer Welfare Arrangements - MEWAs  
Need for Increased retirement Savings  
Pensions: Top Hat Plans  
Pensions: Harris Trust  
Pension Abuse Project  
Pension Portability  
Retiree Health  
Tax Equity: Pension System

## **VETERANS' EMPLOYMENT AND TRAINING SERVICE**

### **MISSION STATEMENT**

The **Veterans' Employment and Training Service (VETS)** helps veterans, Reservists, and National Guard members in securing employment and the rights and benefits associated with such, through existing programs, the coordination and merger of programs, and the implementation of new programs. Services provided are consistent with the changing needs of employers and the eligible veterans' population, with priority given to disabled veterans and other veterans with significant disadvantages in the labor market.

VETS ensures that veterans receive employment priority for services and training to which they are entitled by law, assists separating service members with employability training, and enforces veterans' reemployment rights laws.

### **BUDGET**

(dollars in thousands)

| FISCAL YEAR | DISCRETIONARY \$ | MANDATORY \$ | FTE |
|-------------|------------------|--------------|-----|
| 1997        | \$181,851        | 0            | 260 |
| 1998        | \$181,955        | 0            | 254 |

### **CONFIRMATION Q's & A's**

Veterans Preference Legislative Action



# EMPLOYMENT STANDARDS ADMINISTRATION

## **MISSION STATEMENT**

The **Employment Standards Administration (ESA)** protects the Nation's workers by achieving compliance with labor standards through enforcement, administrative, and educational programs; ensuring that Federal contractors have nondiscriminatory employment practices; promoting internal union democracy and fiscal integrity; and providing disability assistance to certain workers to resolve injuries, return to work, and receive appropriate benefits.

To achieve its mission, ESA administers a number of diverse programs designed to reflect the goals and priorities of the different divisions of ESA -- Wage Hour, Office of Federal Contract Compliance (OFCCP), Office of Workers Compensation Programs (OWCP), and Office of Labor Management Standards (OLMS).

## **BUDGET**

(dollars in thousands)

| FISCAL YEAR | DISCRETIONARY \$ | MANDATORY \$ | FTE   |
|-------------|------------------|--------------|-------|
| 1997        | \$316,437        | \$1,311,602  | 3,942 |
| 1998        | \$340,350        | \$1,298,656  | 4,055 |

## **CONFIRMATION Q's & A's**

Affirmative Action  
Black Lung Disability  
Child Labor in the U.S.  
Comp Time  
Davis-Bacon  
Davis-Bacon Helpers Regulation  
Employee Choice: Flex Time and FMLA Expansion  
Family Medical Leave  
Firefighters  
FLSA Enforcement Review  
FMLA Expansion  
Garment: Contractor Liability  
Garment: Continuation of "No Sweat" Campaign and Use as Model for  
Other Enforcement Efforts  
Immigration  
Low Wage Worker Initiatives  
Minimum Wage Indexes  
Reauthorization of ISTE  
Regulations: Joint Employment for Agricultural Workers  
Rule 60-2  
Section 541 - FLSA Exemption  
Section 13(c) Transit Employee Protection Program  
Texaco Case  
Volunteers



## BUREAU OF LABOR STATISTICS

### MISSION STATEMENT

The **Bureau of Labor Statistics** (BLS) is the principle fact-finding agency for the Federal government in the broad field of labor economics and statistics. BLS is an independent national statistical agency that collects, processes, analyzes and disseminates essential statistical data to the American public, Congress, other Federal agencies, State and local governments, business, and labor. BLS also serves as a statistical resource to the Department of Labor.

BLS data must satisfy a number of criteria, including relevance to current social and economic issues, timeliness in reflecting today's rapidly changing economic conditions, accuracy and consistently high statistical quality, and impartiality in both subject matter and presentation.

### BUDGET

(dollars in thousands)

| FISCAL YEAR | DISCRETIONARY \$ | MANDATORY \$ | FTE   |
|-------------|------------------|--------------|-------|
| 1997        | \$360,822        | 0            | 2,544 |
| 1998        | \$379,457        | 0            | 2,636 |

### CONFIRMATION Q's & A's

CPI Revision

# **PENSION BENEFIT GUARANTY CORPORATION**

## **MISSION STATEMENT**

The Pension Benefit Guaranty Corporation (PBGC) operates as a service-oriented agency that protects participants' benefits and supports a healthy retirement plan system by encouraging the continuation and maintenance of private pension plans; protecting pension benefits in ongoing plans; providing timely payments of benefits in the case of terminated pension plans; and, making the maximum use of resources and maintaining premiums and operating costs at the lowest levels consistent with statutory responsibilities.

PBGC administers a guaranteed retirement pension system that provides an uninterrupted pension income to eligible participants of pension plans in PBGC trusteeship.

## **BUDGET**

(dollars in thousands)

| FISCAL YEAR | DISCRETIONARY \$ | MANDATORY \$ | FTE |
|-------------|------------------|--------------|-----|
| 1997        | \$10,330         | \$125,338    | 731 |
| 1998        | \$10,624         | \$137,376    | 731 |

## BUREAU OF INTERNATIONAL LABOR AFFAIRS

### MISSION STATEMENT

The **Bureau of International Labor Affairs** (ILAB) carries out the Department's international responsibilities and assists in formulating U.S. international economic, social, trade and immigration policies affecting American workers.

ILAB also promotes respect for international labor standards to protect the economic and physical well-being of workers in the U.S. and around the world; and gathers and disseminates information on domestic and foreign labor markets and programs so that U.S. employment policy formulation might benefit from international experiences.

### BUDGET

(dollars in thousands)

| FISCAL YEAR | DISCRETIONARY \$ | MANDATORY \$ | FTE |
|-------------|------------------|--------------|-----|
| 1997        | \$9,465          | 0            | 89  |
| 1998        | \$11,095         | 0            | 87  |

### CONFIRMATION Q's & A's

Child Labor International  
Fast Track, Labor and Chile  
Fast Track Negotiating Authority  
International Child Labor: Bangladesh Program  
NAFTA Cross-Border Trucking  
NAFTA and Jobs  
NAFTA and the Labor Agreement



## WOMEN'S BUREAU

### **MISSION STATEMENT**

The **Women's Bureau** is the single unit at the Federal level exclusively concerned with serving and promoting the interests of working women. The Bureau formulates standards and policies which promote the welfare of wage-earning women, improve their working conditions, increase their efficiency, and advance their opportunity for profitable employment.

Central to its mission is the responsibility to advocate and inform women and the public of women's work rights and employment issues. The Women's Bureau must use many tools, including development and implementation of national programs and other initiatives to fully address the needs and concerns of the approximately 62 million women in this nation's labor force.

### **BUDGET**

(dollars in thousands)

| FISCAL YEAR | DISCRETIONARY \$ | MANDATORY \$ | FTE |
|-------------|------------------|--------------|-----|
| 1997        | \$7,743          | 0            | 72  |
| 1998        | \$7,569          | 0            | 68  |

## OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION AND MANAGEMENT

### **MISSION STATEMENT**

The **Office of the Assistant Secretary for Administration and Management (OASAM)** provides timely, high quality, and proactive management and administrative services to program agencies within the Department. OASAM serves as the principal advisor to the Secretary on all budget, administrative, and management matters and is responsible for directing the development, implementation, review and evaluation of Department-wide administrative and management systems, policies, and programs.

OASAM carries out its mission through sub-offices which are organized along functional lines. These offices include the Office of Budget, the Human Resource Center, the Information and Technology Center, the Civil Rights Center, the Business Operations Center (finance, procurement, and administrative programs), and OASAM regional offices.

### **BUDGET**

(dollars in thousands)

| FISCAL YEAR | DISCRETIONARY \$ | MANDATORY \$ | FTE |
|-------------|------------------|--------------|-----|
| 1997        | \$13.904         | 0            | 112 |
| 1998        | \$14.259         | 0            | 112 |

### **CONFIRMATION O's & A's**

Balanced Budget  
DOL FY 1998 Request  
FY 1998 Budget Highlights  
GPRA Implementation  
Streamlining DOL

# OFFICE OF THE ASSISTANT SECRETARY FOR POLICY

## **MISSION STATEMENT**

The Office of the Assistant Secretary for Policy (OASP) advises and assists the Secretary of Labor and coordinates and provides guidance to the Department's policy activities. OASP provides principal staff support to the Office of the Secretary on a wide range of policy and program areas with a principal focus on issues that cut across agency jurisdictions.

OASP coordinates several functions within the Department. These include the implementation of a National Agricultural Worker Survey, the development, implementation and oversight of workplace substance abuse programs and activities; the pilot testing of alternative dispute resolution procedures; and administering the Department's World Wide Web site on the Internet. OASP manages the policy review process for the Office of the Secretary and coordinates the regulatory program and agenda.

## **BUDGET**

| FISCAL YEAR | (dollars in thousands) | FTE |
|-------------|------------------------|-----|
| 1997        | \$4,930                | 32  |
| 1998        | \$7,079*               | 33  |

\*increase reflects \$2M for E-LAWS

## **CONFIRMATION Q's & A's**

Corporate Welfare  
Cost-Benefit Regulatory Analysis  
Health Care Coverage for the Unemployed  
Independent Contractor  
Regulatory Reform  
Right to Work Legislation



## OFFICE OF THE CHIEF FINANCIAL OFFICER

### **MISSION STATEMENT**

The Office of the Chief Financial Officer (OCFO) demonstrates a commitment to customer-driven quality and continuous service improvements, through the use of technical expertise and financial systems. As DOL agencies continue to reinvent their operations to better serve the taxpayers, they must employ staff, use contract support, issue grants, and make direct payments to the public. The OCFO provides the framework for financial management, central payroll, accounting and reporting operations, and the Department's accounting systems.

### **BUDGET**

(dollars in thousands)

| FISCAL YEAR | DISCRETIONARY \$ | MANDATORY \$ | FTE |
|-------------|------------------|--------------|-----|
| 1997        | \$4,394          | 0            | 40  |
| 1998        | \$4,930          | 0            | 39  |

## OFFICE OF CONGRESSIONAL AND INTERGOVERNMENTAL AFFAIRS

### MISSION STATEMENT

The Office of Congressional and Intergovernmental Affairs (OCIA) provides direction and support for all legislative and intergovernmental programs of the Department of Labor and implements decisions by and for the Secretary and Deputy Secretary for all policy and operation matters which affect legislative programs, proposals and priorities. OCIA acts as the liaison between the Department of Labor and the groups on the outside that have an interest in the Department's overall goals and objectives. This primarily relates to State and Local government, labor unions, the business community, and community based organizations. The Assistant Secretary is the principal Congressional and Intergovernmental spokeswoman and chief and legislative strategist for the Department of Labor. The Assistant Secretary provides overall guidance, supervision, and coordination of the work of the Department of Labor Secretary's Regional Representatives.

### BUDGET

| FISCAL YEAR | (dollars in thousands) | FTE |
|-------------|------------------------|-----|
| 1997        | \$3,710                | 35  |
| 1998        | \$3,810                | 34  |

### CONFIRMATION Q's & A's

Beck

## OFFICE OF INSPECTOR GENERAL

### **MISSION STATEMENT**

The **Office of Inspector General (OIG)** serves the American worker and taxpayer by conducting audits, investigations, and evaluations that result in improvements in the effectiveness, efficiency, and economy of Departmental programs and operations; detecting and preventing fraud and abuse in DOL programs and labor racketeering in the American workplace; and providing recommendations and information to the Secretary and the Congress on how to attain the highest possible program performance.

The OIG administers provisions of the Inspector General's Act for the Department of Labor. Through an independent, comprehensive program of audits and investigations, the Office focuses on the efficiency and effectiveness of the Department's programs and preventing or detecting fraud, waste and abuse.

### **BUDGET**

(dollars in thousands)

| FISCAL YEAR | DISCRETIONARY \$ | MANDATORY \$ | FTE |
|-------------|------------------|--------------|-----|
| 1997        | \$47,268         | 0            | 450 |
| 1998        | \$47,046         | 0            | 450 |



## OFFICE OF PUBLIC AFFAIRS

### **MISSION STATEMENT**

The Office of Public Affairs (OPA) provides strategic perspective on DOL issues in an effort to build public capital for departmental initiatives. OPA's mission is to serve the Secretary by identifying leading departmental issues that need a public face, and to serve the institution by managing the external communication of its programs. In short, OPA seeks to inform Americans about DOL's work.

OPA helps build public support for such programs as the 401(k) fraud initiative, PWBA's pension education efforts, the NO SWEAT garment initiative, America's Job Bank and OSHA's safety and health initiatives. Although OPA concentrates on crafting message initiatives, it also responds to media inquiries.

OPA's responsibilities include national news strategies and same-day regional press opportunities, which are carried out by our ten regional offices. OPA's system involves both a short-term strategy to proactively involve the Secretary in today's news events, and a long-term one that crafts campaign initiatives and "DOL Products" for the future.

### **BUDGET**

| FISCAL YEAR | (dollars in thousands) | FTE |
|-------------|------------------------|-----|
| 1997        | \$4,801                | 39  |
| 1998        | \$5,129                | 37  |

## OFFICE OF THE SOLICITOR

### **MISSION STATEMENT**

The **Office of the Solicitor (SOL)** is responsible for providing the Secretary and Departmental officials with the legal services required to accomplish the mission of the Department and the priority goals established by the Secretary. SOL is an integral part of the Department's enforcement strategy and the last step in the process. SOL is involved with prosecuting the worst actors and worst offenses, protecting vulnerable worker populations, and deterring future violations with significant penalties. Each year, SOL's activities produce and save revenues for the U. S. Treasury.

In fulfilling its mission, SOL not only supports enforcement, but promotes voluntary compliance with Departmental programs. SOL actions are a reminder that the Department can back up the work of its agencies and provide a level playing field for all American businesses.

### **BUDGET**

(dollars in thousands)

| FISCAL YEAR | DISCRETIONARY \$ | MANDATORY \$ | FTE |
|-------------|------------------|--------------|-----|
| 1997        | \$66,123         | 0            | 683 |
| 1998        | \$70,764         | 0            | 699 |

## OFFICE OF THE SECRETARY

This includes the Chief of Staff and Deputy Chief of Staff, the Counselor, scheduling, administrative support and advance.

### **BUDGET**

| FISCAL YEAR | (dollars in thousands) | FTE |
|-------------|------------------------|-----|
| 1997        | \$3,254                | 21  |
| 1998        | \$3,308                | 21  |



## OFFICE OF THE DEPUTY SECRETARY

This includes two Associate Deputies as well as scheduling and administrative support.

### **BUDGET**

| FISCAL YEAR | (dollars in thousands) | FTE |
|-------------|------------------------|-----|
| 1997        | \$950                  | 8   |
| 1998        | \$1,015                | 8   |

# OFFICE OF THE CHIEF ECONOMIST

## MISSION STATEMENT

The Office of the Chief Economist serves as the primary economic advisor to the Secretary of Labor and provides economic analysis of general labor market developments, current Labor Department programs, and new initiatives under consideration by the Administration. In particular, the Office of the Chief Economist provides economic advice to the Secretary related to the Secretary's role as a member of the National Economic Council.

The Office of the Chief Economist provides technical assistance and policy advice both within the department, and in interagency fora, on a wide array of issues including minimum wages, welfare reform, health care reform, pension reform, sweatshops, education and training and the budget. It also provides information to OCIA to assist with data request from the Congress.

It supervises the preparation of briefings for the Secretary on economic indicators such as the monthly employment reports, inflation rates, wage and compensation patterns, poverty rates, income inequality, social security, GDP growth, trade and productivity. It also participates in policy reviews of new DOL interagency initiatives under consideration by the Administration, especially within the NEC.

## BUDGET

| FISCAL YEAR | (dollars in thousands) | FTE |
|-------------|------------------------|-----|
| 1997        | \$453                  | 5   |
| 1998        | \$484                  | 5   |

## CONFIRMATION Q's & A's

Future of Social Security  
Health: Medicare and Budget Cuts  
Medicare Trust Fund  
Medicare and Home Health Transfer  
Social Security Advisory Council Report  
Social Security Reform