

DOCUMENT WITHDRAWAL RECORD [NIXON PROJECT]

DOCUMENT NUMBER	DOCUMENT TYPE	SUBJECT/TITLE OR CORRESPONDENTS	DATE	RESTRICTION
N1	Memo	Huston to Ehrlichman/Haldeman/Beck Adams (2 pp.) Re: New York Construction Workers Reintegrated from Contested Files on 8/3/06	5/12/70	C

FILE GROUP TITLE

Charles Adams

BOX NUMBER

95

FOLDER TITLE

New York Construction Workers Building and Con. Coun.

RESTRICTION CODES

- A. Release would violate a Federal statute or Agency Policy.
- B. National security classified information.
- C. Pending or approved claim that release would violate an individual's rights.
- D. Release would constitute a clearly unwarranted invasion of privacy or a libel of a living person.

- E. Release would disclose trade secrets or confidential commercial or financial information.
- F. Release would disclose investigatory information compiled for law enforcement purposes.
- G. Withdrawn and return private and personal material.
- H. Withdrawn and returned non-historical material.

DOCUMENT WITHDRAWAL RECORD [NIXON PROJECT]

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N1 [178]	Memo	Huston to Ehrlichman/Haldeman/Bent/ Cohen (2 pp.) Re: New York Construction Workers	5/12/70	C

FILE GROUP TITLE

Charles Cohen

BOX NUMBER

95

FOLDER TITLE

New York Construction Workers Building and Con. Coun.

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- G. Withdrawn and return private and personal material.
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Presidential Materials Review Board

Review on Contested Documents

Collection: Charles W. Colson
Box Number: 95

Folder: New York Construction Workers Building & Con. Coun.

<u>Document</u>	<u>Disposition</u>
178	Retain Open

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

March 2, 1971

MEMORANDUM FOR:

MR. H. R. HALDEMAN

FROM:

DWIGHT L. CHAPIN

*File with
other memos in
Presidential w/
High Priority Pres.*

Chuck Colson is recommending that a meeting be scheduled for Shultz and Hodgson with the New York State Building and Trades Council in Rochester on Friday. The purpose of this meeting would be to have the Administration's position on Davis-Bacon be given directly to the New York State Building and Trades Council members.

According to Chuck Colson, scheduling of this meeting would almost certainly avert any hard hat demonstrations in Rochester. It has the additional logic that the New York Building and Trades are among the best organized in the country. (They do not have the same fragmented bargaining process that has caused the construction crisis elsewhere in the country.)

There are some obvious political reasons based upon the attitude of the New York leaders who have been unusually friendly. Also, they feel very "hurt" in that they have applied the Davis-Bacon Act across the board which is probably less justified in New York than elsewhere. Hence, the meeting would highlight the particular situation in New York, our particular friends in New York, and get them working with us and not against us on this trip.

Chuck says there is developing a considerable backfire in Des Moines over the fact that many of the "hard hats" were not, in fact, "hard hats" but students posing as "hard hats". If this issue develops and we are trying to exploit it, there could be a strong counter reaction on the part of the "hard hats". They could be so outraged at being used that they would start publicly supporting us, according to Colson.

*File
Presidential
w/*

2.

Colson has sounded out the Building Trades leaders with whom we can talk to in total confidence and they think the idea of having Shultz and Hodgson chair this meeting and having the President drop by after his meeting with the Mayors for ten to fifteen minutes is good. That would be the only participation required of the President.

Hodgson is for the meeting if it will help avoid a demonstration. Otherwise, he has schedule conflicts and he will have to make other plans.

As of the writing of this memorandum, Shultz has been unavailable and we are going to have to obtain his recommendation and pass it to you.

Approve Hodgson and Shultz hosting this meeting _____
and the President's dropping by.

No, do not hold the meeting. _____

Other _____

cc: Mr. Colson
Mr. Shultz

March 4, 1971

MEMORANDUM FOR DWIGHT CHAPIN

The President called me last evening for my explanation of why he should not talk to Brennan.

He did say that he wanted to bring Brennan and perhaps a few of his people in to the White House soon.

Charles W. Colson

March 2, 1971
4:30 p.m.

MEMORANDUM FOR DWIGHT CHAPIN

This is to expand on my memo to you of this morning (copy attached).

There is developing a considerable backfire in Des Moines over the fact that many of the "Hard Hats" were not, in fact, "Hard Hats" but students posing as "Hard Hats". If this issue develops, and we are trying to exploit it, there could be a strong counter reaction on the part of the "Hard Hats". They could be so outraged at being used that they would start publicly supporting us.

The meeting proposed in the attached would give them just the excuse they need in view of the Des Moines thing. I think this is especially the case because the New York people are the strongest in our corner. They would love a reason to try and reverse the psychology and if we were to meet with Brennan, it would give them just the excuse they need.

We have sounded out the Building Trades leader in New York whom we can talk to in total confidence and they think the idea is nothing short of sensational.

I am trying to reach Shultz for his opinion. He is in a meeting. I will have Hodgson's comments shortly.

Charles W. Colson

March 2, 1971

MEMORANDUM FOR:

MR. DWIGHT L. CHAPIN

FROM:

CHARLES W. COLSON

SUBJECT:

Idea for Rochester

Schedule a meeting of the New York State Building Trades Council with Shultz and Hodgson. During the Rochester itinerary, the President would drop by the meeting and spend fifteen to twenty minutes.

Scheduling such a meeting would almost certainly avert any hard hat demonstrations. It has the additional logic that the New York State Building Trades are among the best organized in the country. (They don't have the same fragmented bargaining process that has caused the construction crisis elsewhere.)

There are some obvious political reasons based upon the attitude of the New York leaders who have been unusually friendly. Also, they feel very "hurt" in that we have applied the Davis-Bacon Act across-the-board which is probably less justifiable in New York than anywhere else. Hence, the meeting would highlight the particular situation in New York, our particular friends in New York, and get them working with us and not against us on the trip.

CWC:ny

DETERMINED TO BE AN
ADMINISTRATIVE MARKING
E.O. 12065, Section 6-102
By WAS NARS, Date 7/23/70

February 11, 1971

PERSONAL AND CONFIDENTIAL

Dear Pete:

As you will see, good things came out of your suggestion
which I passed on to Jim Hodgson. Please keep this to your-
self at the moment but we will start regional meetings.

Best personal regards.

Sincerely,

/jh

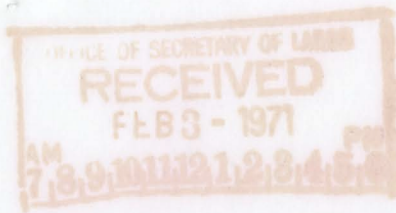
Charles W. Colson
Special Counsel to the President

Mr. Peter Brennan
President
Building and Construction Trades Council
441 Lexington Avenue
New York, New York

WASHINGTON

Reproduced at Richard Nixon Presidential Library

#3066



THE WHITE HOUSE

WASHINGTON

February 2, 1971

MEMORANDUM FOR:

The Honorable James Hodgson
Secretary of Labor

from;

Charles W. Colson *WNC*
Special Counsel to the President

Peter Brennan of the New York Building Trades met with us last week on a variety of subjects. Peter, as you may know, has become an enthusiastic supporter of the Administration and is in our future planning a very key guy.

Peter complained that the Administration does not pay enough attention to regional problems in the building trades construction industry. He said that the CIBC approaches the problem obviously from a national level but that the problems in New York are very different than the problems in Kansas City or San Diego. He made the constructive suggestion that it would be in our best interests to spend time with the larger regional groups. Not only would the consultations have a good political effect regionally but we might discover that solutions have to be tailored to particular regional problems.

I have no way of knowing the merits of the suggestion because I don't know enough about the industry. The consultation aspects have great appeal to me particularly in some of the larger key areas.

Is this a worthwhile undertaking and, if so, could you let me know what, if anything, can be done about it? I would like in any event to get back to Brennan.

February 10, 1971

Dear Pete:

Whoever did the enclosed article in TIME this week is no friend of yours and, by the way, no friend of ours. I really think the Building Trades need to think very seriously about making a better case publicly than it has made thus far. This is just intended as a constructive personal thought.

On the matter we discussed when you were here in Washington, we are making some progress and we hope we will be able to be back to you next week with some specific suggestions as to how you should best proceed.

It was good to see you when you were here.

Best personal regards.

Sincerely,

Charles W. Colson
Special Counsel to the President

Mr. Peter Brennan
President
Building & Construction Trades Council ←
441 Lexington Avenue
New York, New York



HARDHATS AT MANHATTAN BUILDING SITE
The joke is on the public.

The U.S. v. Construction Workers

SOARING construction wages are the frequent butt of jokes by comedians and cartoonists. "Plumbers make so much money these days that they have to work about a week, with overtime, to pay for a Ford Maverick," giped Tennessee Ernie Ford in a recent radio commercial. What was once mere grumbling has lately turned to alarm among businessmen, economists and Government officials. They reason that unless the U.S. finds a way to stop exorbitant pay increases in construction, the pattern will continue to spread into many other industries and to undermine the nation's fight against inflation. The problem may even help lead the Nixon Administration to a tougher incomes policy. Last week Paul McCracken, chairman of the Council of Economic Advisers, told a congressional committee that he "would certainly not" rule out the possibility that the Administration might establish a broad wage-price board this year.

President Nixon has labeled the construction situation a "crisis." He summoned construction-industry and labor leaders to the White House last month and gave them 30 days to devise a voluntary plan to control the wage-and-price spree in building. The Government is construction's biggest customer, and Nixon has warned: "Unless the industry wants Government to intervene in wage negotiations on federal projects to protect the public interest, the moment is here for labor and management to make their own reforms."

Political Power. The question is whether the 17 A.F.L.-C.I.O. construction trades unions and their nearly 3,000,000 members in 10,000 locals can be persuaded to surrender some of their extraordinary bargaining powers. This week the first indications of the union position are likely to appear when the construction trades' executive council holds its annual midwinter meeting in Miami Beach. If the unions balk at

administration officials, the President will hardly be able to escape a bruising battle. Nixon would prefer to avoid a showdown because the hardhats have enormous political influence.

Construction is the nation's largest industry, bigger than autos and steel combined, and it has a pervasive effect on almost every other industry. When the price of roads, schools, hospitals, factories and housing rises faster than the productivity of the men who build them—as it has done—that bill is passed on to consumers and taxpayers through inflation. Construction costs have been climbing at a rate almost double that of all U.S. prices, helping to lift the cost of new homes beyond the reach of millions of middle-income families. In Manhattan, says Architect Richard Roth Jr., "you cannot rent an apartment at a price high enough to justify building it."

Rising construction costs have forced some businessmen to defer plans for new factories or to shift production abroad, depriving Americans of jobs. Voters, fed up with local tax increases, are rejecting bond issues for schools and other public projects with increasing frequency. Labor leaders themselves are worried. Says Leonard Woodcock, president of the United Auto Workers: "There is no question that the wage increases in construction are excessive."

Last year labor settlements gave union construction workers an average wage raise of 18.3%, more than double the 8.1% increase in manufacturing. The real gap was even larger because construction pay was already inflated far above the national average. Building tradesmen won pay and fringe-benefit rises averaging 90.4¢ an hour, compared with 24.3¢ for workers in other industries. Many settlements will virtually double construction wages over the next three years. For example, hourly pay for Wichita operating engineers will go

\$12.50; for Los Angeles sheet-metal workers, from \$7.06 to \$12.06.

One study of 27 areas found that workers in seven of the lowest-paid building trades averaged \$11,342 yearly in wages and fringes. Indiana ironworkers were averaging \$15,828 a year, and Southern California carpenters were collecting up to \$22,234. Says Cleveland Contractor William J. Hunkin II: "In 1969, I paid one operating engineer \$34,928. I paid one common laborer \$27,844 and another \$23,983. Seven of my other common laborers earned \$19,500 to \$22,500." In New York City, some electricians get \$35,000 a year.

Creating Shortages. The building unions have been able to extort outsize increases because they control most of the labor supply. Contractors get their manpower for each project through union hiring halls. Unions generally dictate crew sizes and working conditions. If a contractor refuses to schedule regular overtime, he is given the dregs of the labor pool. Unions have been able to create artificial labor shortages by restricting admission; most insist on a tortuous apprenticeship training of three to five years. Local unions usually do their own bargaining, city by city and craft by craft. When one powerful unit wins a fat increase, every other union leader in the area must try to leapfrog to a higher settlement—or risk losing face and perhaps his job. No wonder that one-third of the construction negotiations end up in strikes.

Few builders can withstand a long strike because they work with borrowed capital that can be repaid only after they collect for a complete job. Fragmented bargaining produces bizarre effects. When a strike hit Trenton, N.J., carpenters had only to drive beyond the city limits to find plentiful jobs, many with the same contractors they were striking.

Fighting back, more and more contractors have begun to operate on an open-shop basis, which enables them to avoid strikes, forced overtime, featherbedding and the chronic friction between crafts. Of course, open-shop contractors have no access to union hiring halls, so their main strength is in the suburbs, where unions are less entrenched. Big engineering and construction firms that employ 100% union labor complain that in two years they have lost \$7.5 billion worth of work to open-shop and non-union operators. Some 3,000 construction firms have banded together in a nationwide association, the Associated Builders and Contractors, Inc., to promote open-shop building. More than 110 corporations that are big buyers of commercial and industrial buildings have joined the Construction Users' Anti-Inflation Roundtable, chaired by former U.S. Steel Chief Roger Blough. The group has had some success in persuading companies to refuse excessive overtime and to postpone projects in order to

Rockwell Report

by Clark Daugherty, President

ROCKWELL MANUFACTURING COMPANY



No businessman can ignore the massive economic factors with which economists deal or the effect they might have on his business. However, we agree with one of the country's leading — and frankest — economists, Pierre Rinfret, who recently noted, "Economists and the information they provide can be very useful to management, but businessmen should not let economists, or their ideas, run their businesses."

It seems particularly good advice right now, when most businessmen are puzzling over what really happened to the economy last year — and are looking to the economists for predictions of what is likely to happen in the near-term future.

Factors such as money supply and other government economic policies truly do affect the general business climate. But a company's own careful planning and evaluation of its specific opportunities are far more important to its success or failure.

In Rockwell, for example, the classic economic indicator of housing starts, which has been so disappointing until recently, has not stalled progress in our power tool, gas and water meter businesses, although in part all depend on it. Our managers in these areas identified specific segments of growth, new product potential, and competitive weaknesses within the overall "housing" market that have resulted in significant sales increases.

In most markets, no matter what the trend, there are likely to be "hot" segments. Our goal is to have alert managers, leading flexible, innovative organizations, which can capitalize on such opportunities to make gains even in the face of overall market decline.

Thanks, Pierre, for reminding us that there's no substitute for hard-headed management judgment in running a business.

• • •

Growing plants: One of the most recent additions we've made to in-plant facilities doesn't have a thing to do with improved manufacturing. But it has a lot to do with the customer. The new facility, installed at our plant in DuBois, Pa., is a high-pressure closed test loop — the largest in the gas industry. The loop simulates "in-house", the widely varying pressure conditions and flow rates found in cross-country pipelines. As a result, we can put our gas meters and regulators through accuracy and performance tests that are impractical to perform in the field. And we can assure our customers of reliable

products — before they buy them.

Product parade: A few examples of new and improved products from the dozens introduced last year by Rockwell give a good insight into our diversity. Item: a line of variable speed, reversing Ultradrills for the home hobbyist . . . Item: an atomic power station valve design . . . Item: second-generation Turbo-Meters to measure gas . . . Item: air-cooled engines for both pleasure and racing snowmobiles. We also added an entirely new "business" to our list with the acquisition of Smith-Blair, makers of pipe repair clamps and couplings.

consolidated bargaining, on an area or regional scope." That would reduce strikes and leapfrogging wage settlements, but there is no prospect that it could be put into effect quickly. Nixon's Construction Industry Collective Bargaining Commission, a twelve-man group of contractors, labor leaders and Government officials, agreed a year ago that national unions should be granted veto power over strikes called by extremists in local unions. The commission also suggested giving union delegates binding authority to sign contracts that could not be voted down later by intransigent members. Both changes would require amendments to the Landrum-Griffin Act, but the Administration has so far made no move to introduce the necessary legislation.

Nixon has ruled out for the moment such tough moves as canceling some federally financed construction projects and suspending the Davis-Bacon Act. That law, which was passed in Herbert Hoover's Administration, requires that local "prevailing wages" be paid on all federally aided building jobs. With much justice, critics complain that the Labor Department drives up construction costs needlessly under Davis-Bacon by rubber-stamping the highest union wage rate as "prevailing" even though actual rates may be generally lower.

Hard Line? Without a voluntary agreement between unions and contractors to attack the wage-price spiral, only drastic action by the President or Congress can spare the U.S. from another burst of building wage inflation. Construction costs are already poised for a 14% rise this year, in great part because of wage increases already granted but not yet effective. To keep the situation from growing more painful, Administration officials are leaning toward a new policy. Provided labor and industry agree, Nixon would appoint a commission to review construction wage settlements and perhaps suggest terms. Such panels functioned smoothly during World War II, the Korean War and the 1961 labor troubles at U.S. missile sites. To make such a deal, labor may well ask an exorbitant price, including an easing of federal attempts to reform apprenticeship rules and to get more blacks into the unions.

Nixon will face a momentous question: Will the economic and political gains from taking a hard line against the hardhats outweigh their potent enmity in the 1972 election? Having talked so much about the need for bargaining changes, the President would lose stature with other voters if he accepted a rebuff from the unions. Now that gradual withdrawal has defused Viet Nam as a political issue, Nixon no longer needs support from the construction workers as much as he once did. And it is becoming plainer every day that inflationary wage raises for the 4% of the labor force engaged in construction are more at everybody's

This is one of a series of informal reports on Rockwell Manufacturing Company, Pittsburgh, Pa. 15208, makers of measurement and control devices, instruments, and power tools for 32 basic markets.



Rockwell

September 23, 1970

Dear Mr. Burns:

On the occasion of the 75th Anniversary of the Building Industry Employers of New York State, I take great pleasure in commending your organization for its long and productive record of contributions to your state and to the nation.

You can look with pride on the tangible achievements of your members and your industry in the material and economic progress of our people. More than that, however, you are to be commended for the positive and constructive spirit of your organization in upholding the solid principles on which this nation was built and has prospered: respect for hard work, love of family, community, and nation, and a spirit of willingness to meet the new challenges of our nation with an open mind and an open heart.

With my best wishes,

Sincerely,

RICHARD NIXON

Mr. Jeremiah Burns, President
The Building Industry Employers
of New York State
202 East 44th Street
New York, New York 10017

RN: Dept. of Transportation: Colson:

CC: R.M. Woods/M.A. Passman/Margita White/E. Hasek, CF,
Chuck Colson (FYI), John Campbell (FYI).

Req'd by: Secy. Volpe (DOT)

Approved by: Chuck Colson

Evnet: ?

September 21, 1970

MEMORANDUM FOR THE PRESIDENT

John Volpe has requested that the attached letter be sent to the president of the Building Industry Employers of New York State on the occasion of their 75th Anniversary. Mr. Burns, the president of the organization, is a long time friend and associate of Secretary Volpe. I heartily concur in this recommendation.

Charles W. Colson

Dear Mr. Burns:

On the occasion of the 75th Anniversary of the Building Industry Employers of New York State, I take great pleasure in commending your organization for its long and productive record of contributions to your state and to the nation.

You can look with pride on the tangible achievements of your members and your industry in the material and economic progress of our people. More than that, however, you are to be commended for the positive and constructive spirit of your organization in upholding the solid principles on which this nation was built and has prospered: respect for hard work, love of family, community, and nation, and a spirit of willingness to meet the new challenges of our nation with an open mind and an open heart.

With my best wishes,

Mr. Jeremiah Burns, President
The Building Industry Employers
of New York State
202 East 44th Street
New York, New York 10017

THE WHITE HOUSE
WASHINGTON

9/11/70

TO: Jim Keogh

FROM: Chuck Colson

Would you please handle this.
Thanks.

*They need it for
publishing next week. (9/21)
CW*



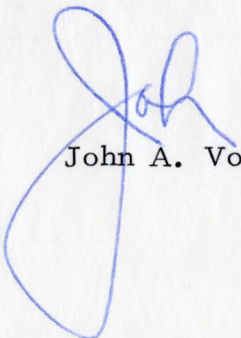
THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

September 9, 1970

MEMORANDUM FOR THE HONORABLE CHUCK COLSON
The White House

The Building Industry Employers of New York State will be celebrating their 75th Anniversary in New York City on November 20. Their President, Jeremiah Burns, is an old friend and associate of mine and has asked that I request of the President that he send a congratulatory letter to be read at their banquet at the Waldorf Astoria on that date and also to be published in their magazine by September 20.

Attached is a suggested letter from the President. Please take the appropriate action if you concur that this is a worthwhile gesture.


John A. Volpe

Attachment

DRAFT

Mr. Jeremiah Burns, President
The Building Industry Employers
of New York State
202 East 44th Street
New York, New York 10017

JK

Dear Mr. Burns:

On the occasion of the 75th Anniversary of the Building Industry Employers of New York State, I take great pleasure in commending your organization for its long and productive record of contributions to ^{your} ~~New York State~~ ^{to} and the nation.

You can look with pride ^{on} at the tangible achievements of your members and your industry in the material and economic progress of our people. More than that, however, you are to be commended for the positive and constructive spirit of your organization in upholding the solid principles on which this nation was built and has prospered: respect for hard work, love of family, community, and nation, and a spirit of willingness to meet the new challenges of our nation with an open mind and an open heart.

With my best wishes,

Richard M. Nixon

NIGHT WIRE - (PLEASE DELIVER)

Mr. Peter Brennan, President
Building and Construction Trades Council
New York, New York

Telephone: MU2-7184

Confirming my conversation with Tom Tobin in your office, meeting
scheduled for you and representatives of your organization 12:15 pm
Tuesday, May 26. Will arrange details by phone Monday. Suggest
you plan on arrival Southwest gate of White House 12 noon.

Charles W. Colson
Special Counsel to the President

Set up file

NY
Construction
workers

MEMORANDUM FOR GEORGE BELL

Would you call Victor Reisel first thing please and ask him what he thinks of the idea of some of the New York construction workers coming down to Washington to present a hard hat to the President. They regard it, you might tell him, ^{as} ~~its~~ the symbol of freedom. The President very much wants to do this. Would you please get Reisel's advice. Let me know as quickly as possible.

Would you also ^{tell} ~~ask~~ Victor that the President called Peter Brennan and thanked him. Is there anyone else that Reisel thinks the President should call either to thank them for what they've done or motivate them to do more of the same kind of demonstrating. No - just see the delegation; otherwise are diluting.

Shrinks with horror at idea of hard hat. Delegation O.K. - but no hard hat. Hauer Bigart keeps referring to "helmeted" demonstrators. Has been same symbol. Get Peter Brennan down - but no hard hat. Would never live it down

THE WHITE HOUSE
WASHINGTON

*Supporter
of RMM's
SE Asia Policy*

DETERMINED TO BE AN
ADMINISTRATIVE MARKING

E.O. 12065, Section 6-102
By MJS NARS, Date 7/23/80

May 12, 1970

CONFIDENTIAL

MEMORANDUM FOR: John Ehrlichman
H. R. Haldeman
Harry Dent
Chuck Colson

FROM: Tom Charles Huston

RE: New York Construction Workers

file

The FBI reports that the U. S. Attorney's office in New York City has asked their field office to conduct a preliminary investigation into the alleged violation of the civil rights of protesting students by construction workers during their encounter on May 8, 1970. Apparently the U. S. Attorney's action was based on a request by the American Civil Liberties Union which has charged that the police failed to provide protection for the students. The ACLU has provided a list of witnesses which they want interviewed by the FBI.

At the present time, the FBI is taking no action on the matter pending approval of the U. S. Attorney's request by the Department of Justice.

I would strongly recommend that the Justice Department decline to authorize the investigation. While there may have been a lack of zealous law enforcement on the part of the New York police, it is questionable whether the civil rights of the protesting students were any more violated than those of countless thousands who have previously been on the receiving end of student demonstrations. We are currently running a very large risk of alienating the Silent Majority whose support we had previously regarded as desirable. The actions of the construction workers in New York City were only symbolic of the deep-seated resentment against protesting students

CONFIDENTIAL

CONFIDENTIAL

-2-

which is characteristic of the blue-collar elements. Any Federal move against these workers or the New York City police department will only add fuel to the flames of resentment and redirect it from the protesting kids to the Administration.

I suggest that someone turn Jerris Leonard off before this matter gets out of hand.

CONFIDENTIAL

February 25, 1971

EYES ONLY

MEMORANDUM FOR: DWIGHT CHAPIN
FROM: CHARLES W. COLSON
SUBJECT: Peter Brennan K

NY + T...
Bldg

We should consider bringing Pete Brennan in to meet with the President late in March or early in April - a private meeting, perhaps even not announced - certainly no publicity. I would think that only Hodgson and I should be present.

The reasons for this are:

1. Brennan is in a real bind because of the suspension of Davis/Bacon. Everyone who interviewed him yesterday said, "How could your friend Nixon do this to you"? The fact that Brennan brought the "hardhats" down a year ago and that he has been to social functions has put him in a difficult spot. He refused yesterday to attack the President although he attacked the decision and the President's advisers. It is the fact of his supposed friendship with the President that has put him in a particularly difficult position.
2. Brennan almost took over Neil Haggerty's job in Miami as President of the Building Trades International. He was the choice had Haggerty stepped down. Haggerty will soon have to step down - the betting is that Brennan will succeed him; hence, he is not only a key man today within the Building Trades but could become the key man.
3. He feels abandoned by us notwithstanding our conversations with him Monday and Tuesday. He claims that he could have worked out a solution to the problem on a national basis without applying Davis/Bacon across the board. The problem is that correctly we could not deal with him since he is not part of the national Building Trades. He repeatedly said to me yesterday, "If only I could tell the President personally" and "Chuck, please tell the President."

Mr. Chapin

- 2 -

February 25, 1971

4. Far and away the most important reason of all is that Brennan really does control the Building Trades in New York. He is enormously powerful. In New York City alone there are 250,000 building tradesmen. Brennan contends that 90% voted for Humphrey in 1968, but that he can deliver 90% to our side in 1972. From the raw political standpoint this guy has to be regarded as one of the key labor contacts nationally because he could wield decisive power in New York which might well be a decisive state. Rockefeller shares this assessment of Brennan's power.

The meeting would probably not accomplish anything substantive, but it would let Brennan know that his personal relationship with the President remains the same. It would, in my opinion, keep him politically with us and, should he become number one in the Building Trades nationally, the relationship could be even more important.

By copy of this memo, I am getting Jim Hodgson's reactions. For obvious reasons, I would suggest that this memo not be circulated in the normal staffing routine.

cc: Hon. James Hodgson