

ALASKA LEGISLATURE SPECIAL COMMITTEE / SUBJECT FILE 8672
1380 SCOMM 51. BLUE RIBBON COMN. ON STATE PERSONNEL ACT 1978-1983

Recommendation 7

A job reclassification analysis system should be developed by the EEO Division for use in each department. This system should produce information on the number of reclassifications made during the year, who received them, and whether there was a salary adjustment made that resulted in increased pay. In addition, it should describe the preparation the individual was given leading to the promotion. If the analysis shows that there is an adverse impact on minorities and women, then affirmative action should be instituted.

Recommendation 8

The legislature should reconsider the legislation on child care facilities in State office buildings.

Recommendation 9

Departments should increase their recruitment efforts to provide the opportunity of permanent part-time positions and advertise the possibility of filling specific jobs in this way.

Recommendation 10

The Governor should issue an executive order prohibiting sexual harassment of State employees, with provisions for disciplinary action.

State Departments

Responses to these recommendations are included in the section on Chapter 4, State Departments and Offices.

Response

This will be done if funding is appropriated for the employee tracking system mentioned in #5 above.

Response

N/A

Response

Departments do have permanent part-time positions which are advertised as such.

Response

This is being considered. Sexual harassment is a growing area of concern.

JAY S. HAMMOND
GOVERNOR



PHONE
(907) 276-3003

STATE OF ALASKA
OFFICE OF THE GOVERNOR

ALASKA COMMISSION ON THE STATUS OF WOMEN
338 DENALI STREET, SUITE 850
ANCHORAGE, ALASKA 99501

July 8, 1981

Honorable Bill Ray
Special Gas Pipeline Committee
Alaska State Legislature
Pouch V
Juneau, Alaska 99811

Dear Senator ^{Bill} Ray:

As a member of the Special Gas Pipeline Committee I thought you would be interested in the transcript of the public hearing on women and construction held in Fairbanks in March of this year.

The participants were invited to testify regarding affirmative action goals, proposed training programs and anticipated equal employment opportunity monitoring responsibility for the gas pipeline.

A summary of the hearing is also enclosed.

Sincerely yours,

A handwritten signature in cursive script that reads "Katie".
Katie Hurley
Executive Director



STATE OF ALASKA
OFFICE OF THE GOVERNOR

ALASKA COMMISSION ON THE STATUS OF WOMEN
338 DENALI STREET, SUITE 850
ANCHORAGE, ALASKA 99501

WOMEN AND CONSTRUCTION

A Hearing by the Alaska Commission
on the Status of Women

Summary

On Friday, March 20, 1981 the Alaska Commission on the Status of Women held a public hearing on "Women and Construction" as part of its effort to identify, deal with and recommend ways to remove the artificial barriers which might prevent women from moving into skilled and responsible pipeline jobs. Representatives from Northwest Alaskan Pipeline Company; the Office of the Federal Inspector; the State Pipeline Coordinator's Office; the Alaska Department of Labor; and the Alaska Human Rights Commission were invited to testify regarding affirmative action goals, proposed training programs and anticipated equal employment opportunity monitoring responsibility for the gas pipeline.

Alaska Department of Labor statistics, presented by deputy commissioner Glenn Lundell, show that 10 to 15 percent of the members of the Laborers, Teamsters and Operating Engineers are women. Despite this fact, the affirmative action plan proposed by Northwest Alaskan Pipeline Company would establish a goal of only 5.7 percent women in the lucrative craft positions. In another area, that of female business enterprise goals, Northwest's goal for 1981 actually decreased from its 1980 affirmative

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action plan, dropping from 4% to 2.25% of total projected contractable opportunities to be let to female operated businesses. Al Kuhn, director for governmental affairs for Northwest Alaskan Pipeline Company, said that during the peak of pipeline construction twelve to thirteen thousand jobs would be available and thus should provide significant opportunities for women for new entry through the union halls. But several of the Commissioners pointed out that if affirmative action goals are low, and if these programs continue to rely only on the traditional structures of training and union enrollment, nothing will change and women will continue to have minimal access to non-traditional jobs.

John Alexander, director of the Office of Equal Employment of the Office of the Federal Inspector, provided the Commission with information regarding his office's responsibilities with regard to the gas pipeline. His office has been negotiating with the three prime sponsors over their affirmative action plans and has approved two of them. Once they agree upon a plan with Northwest for the Alaska segment it will be the Federal Inspector's responsibility to see that Northwest lives up to its affirmative action responsibilities.

Mr. Alexander and Mr. Kuhn were both questioned closely about enforcement and monitoring of women and minority hire. Commission members expressed serious concern over whether, given the size, the projected equal employment opportunity staff would be capable of ever emerging "from under a mountain of paperwork to get out into the real world and deal with the questions of whether real people are getting real jobs..."

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Charles Behlke, State Pipeline Coordinator, discussed the draft socioeconomic stipulations which his office has prepared to attach to the state right-of-way lease. Participation by various interested public groups is planned to oversee the manner in which socioeconomic impact is mitigated. In addition, the state plans to require that Northwest fund impact information centers at various locations along the pipeline in order that information can flow as quickly as possible. When asked if it might be desirable for the state to have provisions in the socioeconomic stipulations which provide it with a separate enforcement mechanism to enforce equal employment opportunity, Mr. Behlke agreed that it would.

Neil Thomas and Cathi Carr-Lundfeldt of the State Human Rights Commission were fairly optimistic about the ability of the state of Alaska under its laws against discrimination to deal with whatever problems of discrimination may come up on the gas line. They indicated that the primary barrier for women who wish to work on the pipeline is tradition. They urged that project labor agreements be negotiated to include access for women to union apprenticeship programs and to union membership to offset the traditional barriers.

While harassment and discrimination on the job can be expected, the Human Rights Commission is in a much better position to investigate complaints than it was during construction of the oil pipeline. In addition, constructive use of union grievance procedures was recommended. Finally, Human Rights Commission staff expressed the need for attitudinal change regarding affirmative action; that is, that employers be committed to developing the resources of women and minority labor rather than

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approaching it as something they are compelled to do.

In addition to the issues of affirmative action goals and enforcement procedures, Commission members questioned a number of the participants about proposed training opportunities for women. Answers indicated that no major training effort exists now, nor is one planned, to prepare and qualify women for construction jobs.

In addition to the testimony heard from the government agencies, personal experiences were related by women who had worked on the oil pipeline. The majority of the women who testified described a variety of difficulties encountered by women who enter the world of non-traditional labor, ranging from the merely uncomfortable to the dangerous and violent.

Copies of the entire transcript are available for review at the Commission office.

5/13/81

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AIR CARGO

There are three types of air cargo flights flying in and out of the Anchorage and Fairbanks International Airports: intrastate cargo distribution flights, international air cargo refueling flights, and flights carrying Alaskan trade.

Traditionally, Alaska has imported most of its essentials and air cargo has been the lifeline to many bush communities. Intrastate air travel has been visualized in a complete service manner by the state. The state has realized the bush community need for the Anchorage and Fairbanks International Airports, so landing fees and expenses have been maintained as much as possible. This state of equilibrium might not be as well maintained if the Anchorage and Fairbanks communities managed their own airports without the broad scope of the whole intrastate transportation network.

The refueling of the international cargo flights has been a changing market in the last two years, with the availability of fuel and the CAB deregulation. Anchorage has been catering to and has developed an infrastructure for this market for quite some time, because of the relationship to the transpolar flight plan and the two refineries in the Kenai. Fairbanks, up until two years ago, was used as the alternate landing field for the flights. This situation changed with the addition of the North Pole Refinery and the availability of competitively-priced fuel in Fairbanks. As of FY '80 there were 2463 international air cargo flights into Fairbanks and only 38 of those flights were diverted flights scheduled for Anchorage. This is compared to two years ago when there were no scheduled international air cargo flights into Fairbanks. This could become a competitive market between the two airports, since each flight qualifies as a revenue landing and provides a source of commerce within the respective communities. The competition between the communities might result in lowering of landing fees in Anchorage before Fairbanks is able to develop the needed infrastructure to support the additional traffic being developed between the orient and the european markets.

Until 1978 the amount of Alaskan trade transported by the international flights was negligible. Since then the air cargo industry has been deregulated and the poundage has increased five hundred percent. Most of the present cargo being exported is fresh fish to the orient from Anchorage, but as Alaska's renewable and nonrenewable resources develop there will be an increase in traffic between Alaska and the lower 48, oriental, and european markets. This will require the management of both airports to develop the proper warehousing and ramp space to meet the increased needs.

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A HEARING BY THE
ALASKA COMMISSION ON THE STATUS OF WOMEN

* * *

APPEARANCES: BARBARA SCHUHMANN, Chairperson
JEAN VON DOHRMANN, Commissioner
TERESA SOCKPEALUK-PERRY, Commissioner
DOROTHY JONES, Commissioner
HERB BERKOWITZ, Commissioner
BARBARA DALE, Commissioner
MARY ANN HENRY, Commissioner
EVALEE AZAR, Commissioner
CARLA SLAUGHTER, Commissioner
KATIE HURLEY, Executive Director
CHRISTINE CALLAHAN, Research Analyst

9:00 A.M.

Friday, March 20, 1981

Fairbanks North Star Borough Library

1215 Cowles Street

Fairbanks, Alaska

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P R O C E E D I N G S

MS. SCHUHMANN: I'd like to call the meeting to order. Welcome everyone in the audience. And welcome our new Commissioner, Mary Ann Henry. I'm going to take a roll call just so everyone in the audience knows who we are up here by name. Evalee Azar.

MS. AZAR: Here.

MS. SCHUHMANN: Herb Berkowitz.

MR. BERKOWITZ: Here.

MS. SCHUHMANN: Barbara Dale.

MS. DALE: Here.

MS. SCHUHMANN: Dorothy Jones.

MS. JONES: Here.

MS. SCHUHMANN: Mary Ann Henry.

MS. HENRY: Here.

MS. SCHUHMANN: Roxane Lee could not be with us. Barbara Schuhmann, here. Teresa Sockpealuk-Perry.

MS. SOCKPEALUK-PERRY: Here.

MS. SCHUHMANN: Carla Slaughter-Timpone has been trying to get here from Juneau and apparently is going to be coming to Fairbanks by way of Seattle. Jean von Dohrmann.

MS. VON DOHRMANN: Here.

MS. SCHUHMANN: Did I miss anyone? (No response.) This is a hearing this morning on women and

1 construction. I might take a few moments to explain the
2 Commission on the Status of Women and our legislative purpose.

3 The Commission was formed in 1978 under State legisla-
4 tion. And I might quote to you the purpose of the Commission,
5 which is "To implement the recommendations contained in the
6 Preliminary Study on the Status of Women in Alaska, which
7 was mandated in the Legislature in 1976; and to improve the
8 status of women in Alaska by conducting further research and
9 by making and implementing additional recommendations on
10 the opportunities, needs, problems, and contributions of
11 women in Alaska including, but not limited to, education,
12 homemaking, civil and legal rights, labor and employment."
13 And today, of course, we're going to be looking into the
14 employment field, particularly nontraditional jobs for
15 women, women in construction.

16 We have invited a number of people to speak to us this
17 morning. And I could give you a rundown of who we expect to
18 be testifying and the approximate times, even though we're
19 running a little bit late. Glen Lundell, who is with the
20 State Department of Labor, we expect to be testifying first;
21 Elston Lawson, or someone from the State Pipeline Co-ordin-
22 ator's Office at approximately 10:20 -- well, in approximately
23 20 minutes, I guess; John Alexander of the Office of the
24 Federal Inspector; Al Kuhn of Northwest Alaska Pipeline
25 Company; and Cathy Carr-Lundfeldt of the Human Rights

1 Commission.

2 We hope to break for lunch at about 12 or 12:30, and
3 come back for questions and answers and further testimony
4 from private people in the afternoon, particularly women
5 who worked on the Trans-Alaska -- or the oil pipeline and
6 hear some of the problems that they encountered; and their
7 suggestions of how those problems might be avoided in the
8 future.

9 The Commission doesn't necessarily want to look only
10 at construction jobs on this gas pipeline project. We
11 foresee that there will be a lot of construction work in
12 the State in the future; and that this is really a chance
13 for women to become involved, to get experience, to get
14 training. And so we do -- we're looking beyond this pipeline
15 project, but we think that it's important to encourage
16 women to take advantage of whatever opportunities there
17 might be to obtain employment on this project.

18 MS. JONES: Barbara?

19 MS. SCHUHMANN: Yes, Dorothy.

20 MS. JONES: You mentioned that the questions
21 would occur this afternoon. If we have any burning questions
22 in our mind as a speaker concludes, can we ask them at that
23 time?

24 MS. SCHUHMANN: Well, yes. In fact, I'm
25 going to ask your indulgence and perhaps even let us

1 interrupt as you are giving your testimony today so that
2 we can make sure that as you are testifying that we can
3 get to the heart of what we're really after in these
4 hearings.

5 We -- the Commission wrote letters of invitation to
6 the various people that I just named and asked the people
7 to answer specific questions so that I imagine that the
8 people that will be speaking this morning will be looking
9 directly at those -- at answering the questions that we
10 directed to them. In addition, I would ask that if you
11 have further comments on the socio-economic impact that the
12 gas pipeline is likely to have in Alaska and how the painful
13 and the bad effects of the socio-economic impacts can be
14 met or avoided -- if you have any comments in that regard,
15 we would certainly appreciate it. For instance, we would
16 anticipate that additional domestic violence, additional
17 crime is going to occur along the pipeline corridor because
18 of this project; and if anything is being planned or could
19 be planned to try to address those problems now, we would
20 appreciate hearing your suggestions along those lines as
21 well.

22 Are there any other preliminaries that I need to
23 take care of? (No response.) Mr. Lundell. We are now
24 in a Committee of the whole. I apologize to everyone for
25 being a little bit late in getting started this morning

1 and late in getting our coffee ready. We anticipate that
2 that will be done in the next few minutes. Mr. Lundell.

3 MR. LUNDELL: Thank you Miss Schuhmann.
4 I guess you want for the record identification and things,
5 right?

6 MS. SCHUHMANN: Yes, please.

7 MR. LUNDELL: My name is Glen Lundell,
8 L-u-n-d-e-l-l; and I am the Deputy Commissioner of the Alaska
9 Department of Labor.

10 I had received letter a few days ago inviting us to be
11 represented and inviting me to come. I'm very happy to do
12 so to attempt to respond initially to the questions here.
13 I may have some additional comments as well, most of which
14 your Executive Director will have heard in the past and
15 when we were also fellow members of the Alaska Manpower
16 Services Council and used to share some of these things in
17 those discussions.

18 MS. SCHUHMANN: Can everyone in the back
19 hear? If you could speak a little bit louder. And you
20 might want to move up. I think if people in the back have
21 trouble, you might want to move up closer to the front.

22 MR. LUNDELL: I'll try to speak up a little
23 bit. Perhaps that'll help. The letter which I received
24 actually directed itself more toward employment opportunities,
25 nontraditional employment opportunities, for women in

1 connection with the construction of the gas pipeline. And
2 it began by mentioning statistics from the previous
3 construction work on the oil pipeline as far as the concen-
4 trations of women in different types of occupations and
5 what had taken place at that time.

6 The reference was made to some information which I --
7 as you indicated in the letter I had previously provided
8 and when a study was being done in a different capacity when
9 I was gathering those statistics in a program at -- working
10 for Alyeska at the time. And so obviously, I must state
11 those statistics are correct; no question about it in my
12 mind.

13 The information does reflect that concentrations can
14 occur in the service industries, and in the clerical
15 industries as opposed to in various construction occupations
16 themselves. I should point out that Alaska is the leader
17 in the United States as far as the participation of women
18 in the construction industry. To the best of my knowledge,
19 there is no state that matches the progress that has been
20 made in this area here in Alaska. I think a large part of
21 this was based upon the Affirmative Action Plans from the
22 oil pipeline and the progress that took place during that
23 period of time.

24 One of the questions which I was asked to respond to
25 said based on its analysis of women in the work force, has

1 the Department of Labor determined the potential labor pool
2 of women who would be qualified or seriously interested in
3 construction jobs. If yes, what are these figures; if no,
4 what are the Department's plans and schedule for obtaining
5 and publicizing this information prior to the finalization
6 of the Affirmative Action Plan for the gas pipeline
7 project.

8 Let me respond in reverse. We do have some figures.
9 The answer is between yes and no. I can't do it on a straight
10 basis.

11 As far as the plans and schedule for obtaining and
12 publicizing this information, I'm sure that you're aware
13 of the expense that would involved in a detailed survey that
14 would really give the full information. Most of what we
15 derive will come from things such as the 1980 census; it
16 will come from unemployment figures; it will come from
17 registration with our Job Service offices. This type of
18 information is what we do to determine what type of informa-
19 tion is available and to compile it.

20 As far as publicizing it, it is publicized rather
21 regularly. Among other documents, there is one called
22 "The Alaska Economic Trends" that is published by the
23 Department's research and analysis section. In October,
24 1980 there was this specific topic, Women in the Labor
25 Force. We participated, and in fact, developed in May,

1 1980 the publication "Women in Alaska's Labor Force", which
2 was put out; and many people will say I haven't seen this;
3 why haven't I. I don't know the answer to the second part
4 of the question -- you know, the question as to why haven't
5 you, because there are thousands of copies that are distributed
6 throughout the State of Alaska to schools, libraries, to
7 any organization that requests -- any individual may request
8 to be on the mailing list for the publications from the
9 research and analysis section; and they will receive them
10 directly.

11 That is the nature of how we compile and how we
12 publicize the information on women in the labor force,
13 minorities in the labor force. All of these cover the
14 different -- unemployment status of the different areas of
15 the State in each of the issues. So there's a lot of
16 information in these. They are used not only by governmental
17 people working with them; they're not only requested by
18 individuals; but many commercial institutions, banks and
19 businesses subscribe to these and use them in the compilation
20 of their economic forecasts for the State.

21 So I cannot say that we have the figures. This is the
22 way in which we do it. I would have to say that there is
23 no intent to specifically compile a pool of people by skills
24 and by qualifications, women or others, totally that would
25 be available. We will use information that comes from the

1 sources that I have indicated; our labor economist would
2 analyze this and make these reports. They will do special
3 projections and things. From time to time we have requests
4 for this. But it will always be based on the existing data.
5 Much of this is getting better because the research and
6 analysis section has been designated as the State data center
7 for demographics. We have a demographer, which is a
8 particular profession and skill, on our staff now. We are
9 the contact with the census people, and thus have the
10 in-roads back and forth with them about data; in addition
11 to all the normal Bureau of Labor statistics information and
12 the general things that we compile in the interest of the
13 unemployment data, etcetera, in the State.

14 MS. SCHUHMANN: Mr. Lundell, before you go
15 on to the next question, you say that there's no intent to
16 undertake a study to determine the pool of eligible or
17 interested workers in the State. Is that because of the
18 expense involved?

19 MR. LUNDELL: There is not the intent --
20 that's right -- to undertake a specific survey to do that.
21 Not only the expense -- frankly, from past experience, doing
22 a survey like that is almost meaningless when you come
23 down to the actual facts of employment and training at the
24 time. That sounds a strange statement to make.

25 MS. SCHUHMANN: Such studies have been

1 undertaken in the past, I take it or...?

2 MR. LUNDELL: For -- in -- let's say in a
3 specific geographical area covering a particular group that
4 might have expressed an interest, things have been done in
5 the way of surveying it. But when you come down to offering
6 the training and employment opportunities, it doesn't always
7 follow that the people that said yes, we'd like to do that
8 will then accept and do it. I -- there is -- could be a
9 viewpoint that if 2 or 3 do, it was worthwhile to do the
10 study. Looking a budget in the face, I can't say that with
11 any responsibility. I think there has to be a benefit that
12 comes from it that offsets the costs to it.

13 So the information that is -- there is very, very much
14 useful information that is there. It does not get down to
15 the level of -- and I think this is what -- some what you
16 may be doing in asking the question, the level of who, by
17 name, located where is interested in what. That's the level
18 of information that we really could not possibly get to
19 with anything we have available. And that's when I say we
20 don't have the intent to do that.

21 We will compile this, we will expand these to the
22 greatest extent of the available information. (Pause).
23 Do you have further on the subject, or do you want...

24 MS. SCHUHMANN: You can go on, please.

25 MR. LUNDELL: The second question that I

1 was asked was would the Department of Labor be able to
2 provide the Commission and all other interested parties
3 with a current inventory of pertinent training and apprentice-
4 ship programs which presently exist in the State. This
5 inventory would hopefully include such items as total
6 capacity; duration of program; percentage, if any, of assured
7 positions for women; and the type of certification such
8 programs provide upon completion. The answer is is the
9 information available; yes, it is. I wish I could say that
10 we had compiled it and thus we could take the credit for it.
11 It was actually done as a joint effort of the Alaska State
12 Advisory Council on Career -- Vocational and Career Education
13 and the State Manpower Services Council. The latest full
14 scale study was done in the latter part of 1978.

15 There, also, is a document which was issued at about
16 the same time by the Institute of Social and Economic
17 Research under a contract that they had with the Vocational
18 Education people, I believe, with the Department of Education.
19 It was done by Lynn Wright under the direction of Judith
20 Kleinfeld, dated November, 1978.

21 I guess to paraphrase Ed McMann, everything you ever
22 wanted to know about a vocational training institution in
23 Alaska is probably in these books as of that time. The
24 updating of it is not directly -- we contribute to it, again,
25 through our research and analysis; and we will keep some

1 of the information or provide some. It is not a direct
2 function of the Department of Labor.

3 The councils that we've mentioned in here are involved
4 in that as is the Department of Education, and to some
5 extent, the CETA division of the Department of Community and
6 Regional Affairs. But these -- well, they happen to be the
7 only ones I have. I can make reference to them, or I can
8 leave them with you; and I'm sure I can find some more
9 somewhere. But there's one of them available right in
10 Fairbanks. So I will provide those.

11 As far as updating, I don't have any idea of whether
12 there has been any updating taking place directly involved
13 with those.

14 Asked whether the Department of Labor has estimated the
15 number and kinds of jobs which will be available on the gas
16 pipeline project, and the amount and degree of training and
17 experience which these jobs will require. The Department
18 is engaged, by arrangements that have been going on for
19 some time, as information on the project is developed by
20 the sponsoring company, Northwest Alaskan Pipeline
21 Company, we have agreed that as they develop what types
22 are there that we would provide information on the labor
23 supply from that which we developed these publications from.
24 And that has been an ongoing exercise for quite some time.
25 As they are able to refine their needs and update them,

1 they are communicating with us. And we make every effort
2 to provide back the information. I'm sure that some of it
3 has been of use to them in the preparation of their
4 Affirmative Action plans.

5 It was indicated that you'd like to have something
6 that was prepared. And I do have something that I would
7 like to add here, and I don't want -- if I'm running over,
8 tell me and I'll stop, but...

9 MS. SCHUHMAN: No, go ahead.

10 MR. LUNDELL: I'm working from a memorandum
11 which was prepared out of our research and analysis section,
12 which I will leave you for the record with the attachments
13 that are there.

14 In essence, the research and analysis section has
15 prepared quite a few studies on women in the work force,
16 and I cited these as being a couple of them. Our major
17 data source on industry information is a Bureau of Labor
18 Statistics 790 Survey. That's the title of the program
19 under which the information is obtained.

20 The percentage of women in the construction industry
21 has actually declined from 1979 to 1980, according to our
22 figures. In 1979 women, according to the data available,
23 comprised approximately 8 percent of the labor force in
24 the construction industry. According to our figures in
25 1980, that comes out about 6.6 percent. That's defined

1 not only from participation, but also from those who
2 apply for different types of jobs; for example, at the Job
3 Service; those statistics that come from unemployment
4 insurance statistics; and all these indicators indicate --
5 or show that there has been an actual decline in the avail-
6 ability of women in the construction work force in the last
7 year.

8 I'm sorry to report that, but according to our informa-
9 tion that is a fact.

10 Now, bear in mind these jobs include all the occupations
11 within an industry; and they don't separate it out by
12 specific trade skills, electrician to plumber to carpenter
13 and things. That's -- this is an overall statement. It
14 may not apply in a particular trade.

15 We have tried to gather some additional data within
16 that construction sector using other data sources than those
17 that would be used for the basic reports usually. For
18 example, the Alaska Plan and Policy Board releases minority
19 breakouts by different crafts and skills, also for women in
20 the construction industry. There -- an example of this is
21 attached to my report that I'm leaving with you for one of
22 the months, like in November, 1980.

23 This -- the information that's covered in their report
24 is probably about 50 percent of the overall construction
25 work force as they deal --

1 MS. SCHUHMANN: I'm sorry, it's 50 percent
2 did you...?

3 MR. LUNDELL: 50 percent. There are
4 elements of construction, for example the home builders and
5 things like that, that are not covered within the purview
6 of the Alaska plan. They deal specifically with State and
7 Federal contractors, not with other things; unless they
8 happen to -- unless the companies involved provided across
9 the board instead of just for those contracts. So it would
10 be about 50 percent of the potential work force.

11 The most current report of this type reflected women
12 comprising approximately 3 percent of all working craft
13 people. And it would indicate over the previous 12 months
14 that that approximate 3 percent has been fairly well
15 maintained. They'll be some fluctuations, but it's been
16 generally at that level. And, again, there's a --

17 MS. SCHUHMANN: What would be a definition
18 of working crafts? What would that cover?

19 MR. LUNDELL: People in all of these various
20 crafts who are actually at work. As you'll see from this
21 report, it actually gets down to work hour participation,
22 too, as a cross check to just sending somebody to the job
23 to say you did and let letting him go the next day. So the
24 work hours are also reported, which give you a pretty good
25 cross check on how effective the program really is.

1 Interestingly enough, female work hour participation
2 is above the level of average participation, which means
3 they're getting at least as much overtime and staying on the
4 job at least as long as the average person in ratio to the
5 percentage of the work force.

6 MS. SCHUHMANN: Which crafts would that
7 cover?

8 MR. LUNDELL: Do you have someone from the
9 Alaska Plan appearing at this, or just ...

10 MS. SCHUHMANN: I don't think ... We have
11 someone here in the audience, apparently.

12 MR. LUNDELL: Not making a report, okay.
13 Because I didn't want to take somebody else's thunder or what-
14 ever, but there is a complete list of the various crafts that
15 are covered ranging alphabetically from asbestos workers
16 to teamsters. So it's all on the sheet, craft by craft. I
17 don't think it'd be -- I'd rather have you do it as a part
18 of the report than list them individually here, I think, with
19 the time constraints.

20 Another indicator of potential labor supply for the
21 construction trades are the enrollments with major unions
22 that might be involved in dispatching workers to a project
23 such as the gas pipeline. There was an informal survey on
24 the telephone done last week by the people who prepared this
25 report in order to help me have information for you today.

1 They talked with the Laborer's Union, the Teamsters, the
2 Hotel, Motel, Restaurant Construction Camp Employees Union,
3 the Operating Engineers in both Fairbanks and Anchorage,
4 those unions; those 2 locations. According to the information
5 they received from that survey and covering the others that
6 they didn't call, the smaller ones that they didn't call, they
7 estimated 5,831 women who are enrolled within those various
8 unions. That doesn't mean they're all members in good standing.
9 They are enrolled; they may not have kept up their membership,
10 which is an important thing to remember for someone who
11 really wants to get dispatched from a union hiring hall. If
12 the membership isn't current, you're way at the back of the
13 list. And that has to be remembered.

14 MS. SCHUHMANN: Yes, Dorothy.

15 MS. JONES: What proportion of total
16 enrollees is 5,831? Or estimated?

17 MR. LUNDELL: Let's see if I got a total.
18 Let me do it by large group, if I may, in the course of
19 this; because otherwise it's distorted because there's such
20 a high registration factor and membership factor in the
21 Hotel, Restaurant -- the Culinary trade that I -- the others
22 would be distorted if I tried to answer it on an overall.
23 I'd have to do some addition; and that's my way of avoiding
24 doing that arithmetic right here. But I'll give it to you
25 if necessary.

1 The proportion of women vary considerably amongst the
2 different unions. Again, in that -- in the Culinary trade
3 the percentage was between 60 to 65 percent in those 2
4 locals in Anchorage and Fairbanks of women. The others,
5 Laborers, Teamsters, Operating Engineers, the registration
6 or enrollment factor runs from 10 to 15 percent. You see,
7 that's the wide disparity I was speaking of there in trying
8 to respond to you.

9 There is always the question of whether the -- whether
10 a skilled labor pool for any particular group, women as an
11 example, would be expanded through immigration of workers.
12 It's something that we are very concerned about because we
13 don't want people coming -- prematurely migrating to Alaska
14 because that causes problems with unemployment factors.
15 There are the vocational educational programs that we spoke
16 of that can expand that pool.

17 Mentioning apprenticeship programs, this is somewhat
18 interesting in that according to the information obtained
19 in summarizing the programs, 9 percent, which would be 91
20 women, 9 percent of the overall apprentices, were women
21 this year that are enrolled in the apprenticeship training
22 programs. Of this 91, they're in various states of these
23 anywhere from 3 to 4 year programs; and there are 6 that are
24 graduating of that 91 during this year. In -- oh, let's
25 see, in 1978, which is the latest total figures that were

1 available, the largest number of women enrollees were
2 clustered in the electrical, pipefitting, and painting
3 trades.

4 You must bear in mind that not all the apprenticeship
5 programs are currently operating, because they have such a
6 high factor of unemployment on their regular rolls, that they
7 are not always operating the apprenticeship programs.

8 Recruitment is open today for the 1982 programs only in the
9 electrical and sheetrock trades, for example. The others
10 really have a problem with maintaining it. This is
11 according to the apprenticeship schools and to the outreach
12 coordinator that works on that program.

13 Another strong possibility are things such as the
14 Seward Skill Center, which has a great deal of coverage of
15 programs. Pertaining to things like gas line employment,
16 some of these include mechanical training, building trades,
17 oil field technology, and the culinary trades.

18 In 1980 there were 4 women graduated as mechanics. And
19 that's -- I don't know the percentage exactly, but there
20 probably weren't more than about 20 or 25 total that graduated
21 from those mechanical programs; 4 of them were women.
22 The oil field technology course, there were 6, which again it's
23 a fairly good percentage. The building trades, there were
24 5. Now, that's not a facility, again, of the Department of
25 Labor. I'm providing information that we obtained from them.

1 The people who are interested in that can contact the
2 Center directly down in Seward. It actually can accommodate
3 about 250 people in any given time. It's a first come, first
4 serve type of thing as far as applying there.

5 In addition to people who can be funded there through
6 public programs, it is possible to go to the Seward Skill
7 Center and pay your own tuition. Or it's my understanding you
8 can also use an Alaska Scholarship Loan to go there just the
9 same as you can to a university. And many, many people have
10 taken advantage of that since that option was open to them.

11 I close of any formal remarks. I'm open to questions,
12 but I would like to mention one thing in general. And I
13 guess it's a plea from observation; not to let a project,
14 gas line project or any other project, occupy your thought
15 processes more than it should. There are so many things
16 going on; and there's so much danger to preoccupation with
17 a project alone, putting it in a fishbowl, if you will, as
18 far as people and how they work. I can't tell you how many
19 people I saw leave a good job in town and go to work temporarily
20 on the oil pipeline; and then come back and say you mean you
21 won't fire them and put me back in my job. And an employer
22 in town isn't going to do that. That's how we gained a lot
23 of people in the state who took the jobs in town when they
24 couldn't get to work on the pipeline. And then the longer
25 term resident wasn't able to get back to the job. I guess

1 I'm just asking you to keep it all in perspective as
2 opposed to direct -- more than necessary attention to a
3 single project. And I'm open to other questions.

4 MS. SCHUHMANN: Is your Department looking
5 ahead, then, in trying to figure out what jobs in construction
6 are going to be available beyond this pipeline? So that,
7 for instance, if this Commission were to give any advice in
8 the form of a pamphlet or whatever for long term job
9 opportunities, not just on this pipeline, does your Department
10 have any statistics or any projections along those lines?

11 MR. LUNDELL: Yes, it's something we are
12 actively working on. They may not be to the specific craft
13 level, as we are -- as Northwest Pipeline has been asked to
14 provide, we might not be at the specific level, let's say
15 for the capital projects program of the State, for example.
16 There's probably almost as much work in any given year out
17 of that as you might be looking at in the beginning years
18 of the pipeline. In fact, what we have done is attempted
19 to gauge the availability of work force in the information
20 we're trying to provide to Northwest by doing kind of a
21 sliding scale thing as projects are announced under the
22 state's capital funding. We try to adjust the curve as far
23 as the work -- overall labor force is concerned so that we
24 can better identify when shortages may occur and when surpluses
25 may occur. It's certainly of value in planning any projects

1 roll within that. So, yes, we would like -- we do pursue
2 that as much as possible.

3 MS. SCHUHMANN: It's been our impression
4 that the type of study or survey on either qualified people
5 who may not have a job or even those that just simply would
6 be interested in learning more about or obtaining a construc-
7 tion job would be of assistance, particularly in trying to
8 formulate Affirmative Action Plans. And so I would ask that
9 your Department at least try to keep an open mind on that
10 question as we have heard that that's the very information
11 that really is quite necessary.

12 MR. LUNDELL: It certainly is. And we are
13 trying our best to develop better and better sources and
14 compile this. And if you wish to, at any time, raise any
15 questions please contact us, and we'll do our best to work --
16 if you have a special study requirement or anything like that,
17 we'll certainly do it as quickly and as best we can. And if
18 there's something missing, we'll tell you what it is. If
19 there's some way to help go get it, then maybe we can work
20 together on it.

21 MS. SCHUHMANN: Do you have your statistics
22 broken out also by way of minority women; for instance,
23 native women, black women, or all women more or less counted
24 as one group?

25 MR. LUNDELL: A considerable part of the

1 information is broken out as you suggest. Unfortunately,
2 the census didn't use exactly the same breakout as everyone
3 else when they do it. And it -- we get the blame for not
4 having this very detailed data. And the only real source
5 is the census, which is not compiled in a way to really do
6 it. And I'm afraid we don't set the rules for the U.S.
7 Bureau of Census. Considerable -- to answer your question,
8 considerable information on the racial or ethnic mix, as
9 opposed to just male - female, is available. And we're still --
10 we're trying to sharpen that up as best we can from all
11 sources.

12 MS. SCHUHMANN: Any of the Commissioners
13 have any questions? (No response.) Well, thank you very
14 much. I imagine that we will be back in touch with you. We
15 appreciate very much your cooperation to date, and look forward
16 to working together with you in the future.

17 MR. LUNDELL: Let me -- I'll leave these
18 with you for the record, and a copy of what I was working
19 from. There are some other booklets, "The Alaska Resource
20 and Recruitment Directory" that was put out by the State of
21 Alaska's Division of Equal Opportunity, which could be
22 obtained. I'll just leave that as another example. There's
23 a pamphlet from the Adult and Continuing Education Division
24 of the Department of Education. I'll leave those and I'll
25 leave the stand so you can get on with the program.

1 MS. SCHUHMANN: Okay. Could you be
2 available at 1:30 if we do have any further questions? I
3 think that we had scheduled a question and answer period at
4 that time.

5 MR. LUNDELL: I certainly can be available
6 then. I would request that I be able to finish by 3:00 as
7 I'm planning to catch the 3:55 airplane, so...

8 MS. SCHUHMANN: Okay, fine. Thank you.

9 MR. LUNDELL: As I'm standing up doing this,
10 let me mention something that I think an organization
11 or at least some of your membership should consider. At one
12 time there was a chapter of the American Society for
13 Personnel Administration in Fairbanks. It disappeared
14 through lack of the folks who had started it and after the
15 pipeline years, oil pipeline. There are -- this is one of
16 the issues -- this is part of the regular thing that comes
17 from it. There's excellent articles on women in the work
18 force -- these are national articles -- women in management,
19 special seminar availability and things like this that I
20 think your organization would be very interested in. I
21 think it would fine if you had the opportunity to have
22 chapters. There is one in Anchorage. They're just begun
23 one in Juneau. There was one in Fairbanks; it could be
24 revitalized. And I think you would be well advised to
25 individually participate. You can't participate as an

1 organization, but individually participate in something like
2 that. It'll give you additional new sources of data that
3 might be of interest to you.

4 MS. SCHUHMANN: Thank you very much. I
5 wonder, Chris, could you come up and sit with the Commission.
6 This is Chris Callahan, who is a member of our staff. And
7 I haven't introduced Katie Hurley, either, who is our
8 Executive Director. Chris is our research analyst. Is
9 Elston Lawson here, or someone from the State Pipeline
10 Co-ordinator's Office? (No response.) Okay. Is Mr.
11 Alexander here, or someone from the Federal Pipeline Co-
12 ordinator's Office.

13 MR. ALEXANDER: Yes, I am someone from the
14 Federal Inspector's Office. The... First of all, let me
15 say it's a pleasure to be home. I've been in the State since
16 last Sunday. And I think I've met with practically everyone
17 that felt like they wanted a meeting between Juneau and here.
18 And we're not finished yet. We have a meeting scheduled
19 for practically everyday next week in Anchorage, including
20 one with my old friend, Katie, who I haven't seen for awhile.
21 And I promised I'd come in and spend some time with her when
22 I got back.

23 It's always a pleasure to come home, even though there
24 are problems, questions, sometimes upsets, arguments,
25 disagreements, and once in awhile there's a compliment.

1 But it's always good to come home, anyway.

2 I got the questionnaire. And we were in a state of
3 confusion, due to a severe personal crisis I had just prior
4 to leaving to come back. And so I was -- a little bit
5 sheepishly had to ask for a copy of the letter from Chris
6 this morning. But at any rate, we do have it and we will
7 respond.

8 I think that I'd like to approach this a little differently
9 and then work into the questions you ask me. I'd like to
10 give you just a bit of background, what we do, so you can
11 get the complete picture of where I fit with regard to the
12 pipeline.

13 First of all, let me say that I agree in part with
14 Glen Lundell, that I think -- I get the impression that
15 there will be so much work going on here in 1982, '83, and
16 so forth that we may have a problem filling all the jobs
17 that we want to fill with residents. I don't necessarily
18 regard that as a problem at this point. But it would
19 certainly please me to find that we've met and exceeded all
20 our goals, we've run out of people, and now we've got to go
21 get some other people from someplace else to get our work
22 done.

23 What we're doing now and what we've been engaged in,
24 which leads into the first question in my letter, is we've
25 been negotiating with the sponsors, the 3 sponsor companies

1 for the 3 various legs on the pipeline, over their
2 Affirmative Action Plans. Two of those plans have been
3 approved. The third one, there's a question with regard to
4 that that I'll get to a little later. And you have
5 representatives from Northwest who are here who may touch
6 on it, too, and I think I will defer that to them.

7 But our job is to--according to the regulations regarding
8 equal opportunity for the Alaska Gas Pipeline system, our
9 job is to negotiate with the sponsors to see that the
10 requirements under the regulations are addressed in their
11 Affirmative Action Plans. And sometimes we get a bit more.
12 But that is our basic job. Once the plan is approved and in
13 place, then we are charged also with the responsibility for
14 monitoring those plans to see that there is compliance,
15 that there is -- the goals are being at least approached
16 and met, and hopefully, again, exceeded.

17 As I said, two of those have been approved. I have --
18 I didn't bring copies of the entire plans. I did bring
19 copies of what you would probably be more interested in; and
20 that is the goals for the eastern and western legs. I will
21 leave those here. I thought I had enough copies to pass
22 out, but you can probably get some copies for the Commission
23 members.

24 Once we agree on a plan with Northwest, once their
25 basic plan is agreed upon, then we'll see that you receive

1 copies of those also.

2 The goal setting process is a little bit involved; again,
3 leads into the first question, which is giving the Commission
4 a summary of the facts and figures and identifying the data
5 upon which they were based. That would take me probably from
6 now until Sunday, because the information submitted to our
7 office was about so much with regard to how they did the data;
8 where they got it from; how they used it.

9 What they did was use the population statistics. Included
10 in those regulations is an eight factor analysis that they
11 go through in coming up for goals in hiring and so forth.
12 It, again, is very involved. I can leave with you a copy of
13 those regulations. And it will explain it so you will be an
14 expert on it just like I am.

15 The second question you asked is is it reasonable to
16 assume that the Affirmative Action goals for the Alaskan
17 segment will be similar. Yes, they will be similar. And
18 let me qualify that by saying that the Alaskan segment is one
19 of the largest segments. They will be similar. They may
20 be somewhat larger -- or higher, that is. But they will
21 be similar to the ones that have been approved on the other
22 two segments.

23 When you talk of a goal, keep in mind a goal very often
24 means the minimum that you will do. A goal means something
25 that you will strive for. If you exceed that goal, then

1 that's wonderful. And I think one of the sponsors, and I
2 won't give it away, has exceeded for 1980 their goal for
3 minority and female contracting. They're exceeded what I
4 thought they would do, even. So sometimes those things do
5 happen, if you watch them.

6 Upon what data will the Affirmative Action goals be
7 based. As I mentioned earlier, the data will come from the
8 population statistics; it will come from the eight factor
9 analysis that they do as they go through the steps in drawing
10 up their plans.

11 Is this data base subject to revision as census or
12 other figures become available; yes, it is. We have the
13 responsibility -- or maybe not the responsibility, but we do
14 have enough leeway to go back in a year, review the figures,
15 review the plans that were submitted to us, and put into
16 place this year and make such revisions as are deemed
17 necessary. So there is -- they're not set in concrete forever
18 and a day.

19 The census material, of course, we don't know when
20 that's going to be available in any useable form.

21 When do you anticipate approval of the Affirmative
22 Action Plan for the Alaskan segment? Will this be a final
23 approval or subject to revisions in the future? They're all
24 subject to revisions in the future, as I just mentioned.
25 Within a year after they're put into place, they're subject

1 to revision. Whether there will be revision, of course,
2 will have to come from our experiences over the first year.
3 I would suspect that there will be some revisions in all
4 three of them.

5 When do we anticipate approval of the Affirmative Action
6 Plan for the Alaskan segment? I think someone asked me that
7 the other day, and I said that we would like to try to do it
8 within the next month, if that's possible. We think we are
9 that close. I won't say any more about it; we think we are
10 that close.

11 The next question I think I would like to defer to
12 Mr. Kuhn, who will follow me. What numerical and financial
13 requirements, if any, do you anticipate establishing with
14 regard to Northwest Alaskan Pipeline Company's responsibility
15 to provide training for both minorities and women to prepare
16 them for employment on the pipeline? This is something right
17 now, -- Just for my part here, it's something now that is
18 being negotiated. It will be discussed at our next meeting.
19 And I'd prefer not to go any further at this point. But it
20 will be talked about at our next meeting between OFI and
21 Northwest.

22 Will all requirements for such programs as Affirmative
23 Action and other training clearly identify women as a separate
24 target group? What other target groups are identified, if
25 any? Our charge is to see that women and minorities are

1 provided opportunities for contracting and employment on
2 this project. And I said that in that manner because that's
3 the way the regulations read: women and minorities. They're
4 listed in separate categories.

5 The sponsors, the three sponsors, have broken out and
6 identified other minority groups. They're identified women,
7 blacks, Hispanics, Orientals, native Alaskans, and so forth.
8 So the goals that are listed are broken out in that fashion.
9 So women are most certainly identified as a separate target
10 group.

11 Someone is probably going to ask me on counting, if
12 they will be counted as both; no.

13 MS. SCHUHMANN: Which will they be counted
14 as, then?

15 MR. ALEXANDER: This was a debate that was
16 going on in my own office when I left, between my secretary
17 and my assistant. So I don't know; I'll have to get into
18 that one when I go back and decide. But they will not --
19 we decided that we didn't want the double count system. It
20 looks good on paper, but...

21 One other thing in my staffing in my own office, I
22 will be coming back here quite often, I suppose, if I'm able
23 to hire the other two people that I'm authorized. As of right
24 now, we have three people. And we jokingly said that three
25 people are really all we need. We've only got three legs

1 on the pipeline to be responsible for, so, what, a leg
2 apiece.

3 I can tell you that my leg will be the Alaska leg. One
4 of my assistance is enamorate of San Francisco, so she can
5 have that one. One will be going into Omaha quite often; I
6 don't think -- I think we'll probably have to draw straws
7 for that one. Alaska will be my own special interest.

8 MS. SCHUHMANN: Yes, Dorothy.

9 MS. JONES: I may have missed something,
10 but did you say that you have approved the Affirmative Action
11 and minority female business enterprise goals for the eastern
12 leg?

13 MR. ALEXANDER: Eastern and western legs.

14 MS. JONES: And what are those goals?

15 MR. ALEXANDER: I just handed those to
16 Katie. I don't have those now.

17 MS. JONES: Oh. What -- is there an
18 estimate?

19 MR. ALEXANDER: I can't give it to you,
20 Ma'am, it's there in the fact sheet. I didn't keep a copy
21 myself.

22 MS. SCHUHMANN: It looks like, from this
23 first page, that the total female would be 3.8 percent. And
24 it's broken out; officials and managers would be .7 --

25 MR. ALEXANDER: You're looking at the company

1 goals, I think.

2 MS. SCHUHMANN: I'm sorry?

3 MR. ALEXANDER: Are those the company goals
4 or the construction goals?

5 MS. SCHUHMANN: These are the percentage
6 goals for contractor construction work force.

7 MR. ALEXANDER: Okay, I think you have
8 all 3 of them there, construction, pre-construction, and
9 company goals.

10 MS. SCHUHMANN: What would be the -- when
11 does pre-construction end and construction begin?

12 MR. ALEXANDER: That's a good question. I
13 think it would take an engineer to really explain that to
14 me. I think what is going on -- Al, you'll probably pull my
15 coat if I'm wrong. I think what is going on now here is
16 considered pre-construction, is that correct?

17 MR. KUHN: Yes, this this the pre-construc-
18 tion--

19 MR. ALEXANDER: Preparation for construction
20 and so forth; your site clearing and that kind of stuff.

21 MS. SCHUHMANN: Then is there a third
22 period of time after construction, also, or at the end --
23 when does the construction end?

24 MR. ALEXANDER: The post construction? I
25 don't -- I haven't heard anyone mention post construction

1 yet, but you have, you know, your site clearing and all
2 that; then the actual construction. I don't know what the
3 period -- clean up, I guess.

4 MS. SCHUHMANN: Did you have a follow up?

5 MS. JONES: Well, I just feel baffled because
6 I don't have a concept of what, in general, the goal that's
7 been approved is; if it would average 4 percent or 12 percent
8 or 20 percent, it would make a big difference. And I guess
9 I'm not analyzing this. I mean, I don't know how to respond
10 if I think --

11 MR. ALEXANDER: I can tell you what the
12 contracting goal is. The contracting goal is 10 percent
13 for -- you're talking about eastern leg; 10 percent for
14 minorities, 1 percent for female business enterprises. The
15 hiring goals, you know, I'd have to tell you again that
16 they're in there. I don't have them.

17 MS. SCHUHMANN: Yeah, maybe I'll give it
18 back to you so...

19 MS. JONES: I mean, it's hard to have a
20 response about whether this is awful or wonderful.

21 MR. ALEXANDER: Well, I think that we have
22 to realize is that regardless of whether we perceive it as
23 awful or wonderful, you have to remember that in doing this
24 analysis there was a factor such as availability that they
25 had to crank into this. And we argued with them for months

1 over these goals before they finalized them.

2 MS. SCHUHMANN: But if I heard Mr. Lundell
3 correctly, the availability studies aren't really in
4 existence, at least in Alaska, --

5 MR. ALEXANDER: No.

6 MS. SCHUHMANN: -- a total availability
7 study.

8 MR. ALEXANDER: Well, the sponsor here has
9 had to do an availability study. He's had to do that on
10 his own. He's had to hire that done. And all 3 of the other --
11 both the others have had to do the same thing.

12 MS. JONES: Well, excuse me if I'm pressing
13 a point, and just maybe I'm having difficulty grasping it.
14 The report on the status of women in Alaska, I think, indicated
15 there were 11 percent of women employed in the -- on the
16 oil pipeline in construction work. Is that one of the guides
17 you use? I mean, I would assume it's not going to be less
18 than what existed then.

19 MR. ALEXANDER: No doubt it will be; no
20 doubt that will be considered. But here, again, I'm stealing
21 Northwest's thunder when I tell you that. We're still
22 discussing these goals.

23 MS. SCHUHMANN: Are there other questions
24 from the Commissioners, or followup? (No response.) Would
25 you be available at 1:30?

1 MR. ALEXANDER: I can come for about an
2 hour; and then I've got a 2:45 meeting, a 3:00 meeting,
3 a... Yes.

4 MS. SCHUHMANN: Okay, great. We'd appreciate
5 that very much.

6 MR. ALEXANDER: Thank you very much for
7 allowing me to appear.

8 MS. SCHUHMANN: Thank you. How about if
9 we take, say, a 5 minute break and try to reconvene at about
10 11:15 promptly. There is coffee in the back, now.

11 OFF THE RECORD

12 ON THE RECORD

13 MS. SCHUHMANN: I'd like to call the meeting
14 back to order. We'd like to welcome Mr. Al Kuhn of Northwest
15 Alaskan Pipeline Company.

16 MR. KUHN: Thank you, Mrs. Schuhmann,
17 Commission members. For the record, I'm Edwin Alan Kuhn,
18 Director of Governmental Affairs for Northwest Alaskan
19 Pipeline Company. I also happen to chair an in-house task
20 force that was charged with the responsibility of developing
21 our Affirmative Action Plan.

22 I'm very pleased to be here this morning to focus on
23 some of the specifics in that plan, particularly as they
24 relate to women. And I want to go on beyond that and say
25 I'm not only pleased to be here, but I'm very proud to be

1 here as a representative of Northwest Alaskan Pipeline
2 Company, a firm that I believe has made very substantial
3 and honest efforts to become a good Alaska citizen. And
4 I'd like to give you a few specifics.

5 We have about 530 plus or minus employees in Alaska
6 at this time. Now, these include not only Northwest Alaskan
7 employees, but our contractors and including the Fluor
8 Corporation, our major project management contractor. Of
9 these 530 employees approximately 83 percent are local Alaska
10 hires. And of this 530 employees, approximately 24 percent
11 are women.

12 Now, it's always interesting to look at some of the key
13 categories, also. And I might single out officials and
14 managers. Of our 530, roughly, Alaskan work force 22 percent
15 are women. Now, we're proud of these numbers. And I would
16 contrast them with some of the other numbers you've heard
17 this morning. But forgive me for getting ahead a little
18 bit here. Some of these facts are perhaps not well appreci-
19 ated by people generally.

20 I have some prepared remarks, which I'll leave with
21 you, and including statistically information and data that
22 will be of interest along with a number of other items in
23 these packets. And we do have enough for all of the Commission
24 members, and I think we have enough for at least part of the
25 audience.

1 I'm not going to go into an awful lot of background
2 here, and I'm not going to read my statement. I might just
3 skim through some of the highlights of it. We do have, I
4 think, some very good numbers for you to look at, tables,
5 and pie charts, and that sort of thing that will bring a lot
6 more lucidity to some of these things.

7 The whole Affirmative Action requirement for us started
8 in 1976 with the passage of the Alaskan Natural Gas Trans-
9 portation Act. And as you know, that mandated certain
10 affirmative actions to be taken by all federal officers and
11 agencies to insure that equal opportunity was accorded
12 everybody without regard to sex, national origin and so on.
13 The Act also required the promulgation of specific regulations
14 to set out the specifics of what we were to do. And in
15 addition, there was the President's decision and report to
16 Congress of September, 1977, which very specifically mandated
17 that we develop and affirmative action plan and submit it to
18 the federal inspector for approval.

19 Well, in due course, the regulations were developed. And
20 they were published on May 12, 1980, just about a year ago,
21 by the Department of the Interior. And that was done after
22 consultation with the State, other federal agencies, local
23 governments, they had public hearings, all sorts of things.
24 These regulations provided detailed procedures for our
25 development of goals and timetables both for hiring and for

1 minority and female contracting. It told us precisely
2 how to proceed in developing those things. It gave us a
3 certain amount of time in which to act, which we took. And
4 in September of last year we submitted our initial Project
5 Affirmative Action Plan. It's a thick document about, oh,
6 I'd say 3 inches thick. And we had, as John Alexander
7 observed, a mountain of detailed backup studies and statis-
8 tically information to support it.

9 After our initial submission, there was a series of
10 discussions with the Office of the Federal Inspector. And
11 we submitted a revised Affirmative Action Plan for the
12 entire project in the middle of December, 1980. Now, I
13 might say what's really in there. Well, what is in there
14 is -- or was specific goals for 1980. Of course, we were,
15 you know, well into 1980. But it had specific goals for the
16 year 1980. And it had projections for the following years
17 through the entire construction period, that is out through
18 1986.

19 The regulations, the federal regulations, also require
20 that we update our Affirmative Action Plan on an annual
21 basis. Now, since we only have -- we are at this point
22 approaching goals on an annual basis. We -- and we are on
23 an annual budget cycle, so we really need that kind of
24 information -- that input early in the year. We have set
25 as a timetable to update our plan annually and submit it

1 by the first of March.

2 Well, we, in fact, did that. It happened to be on
3 Monday, the 2nd of of March, we submitted to the Office
4 of the Federal Inspector, our 1981 annual update for the
5 Affirmative Action Plan. And in that plan, we comment on how
6 well we did in 1980 in reaching our goals. And we set out
7 our specific goals for the balance of the year 1981. We
8 commented on any shortcomings and our plans for the future,
9 and so on. As John Alexander said, that's under considera-
10 tion at this point.

11 I think it's important for everyone to recognize just
12 what these Affirmative Action Plans -- these Project
13 Affirmative Action Plans amount to. Right now, in our
14 Alaskan work force, Northwest Alaskan Pipeline Company itself
15 represents about 8 percent of our total employment. The
16 rest of it is our contractors. And at the peak year of our
17 project in the construction phase, on the current schedule --
18 and that, incidentally, would be the year 1984 -- Northwest
19 Alaskan itself would represent but 4 percent of the total
20 work force in Alaska. So we're only a small part of it.

21 The Affirmative Action Plan, however, by the regulations
22 is applicable to all of our contractors. And we make that
23 a part of our contracts. We pass down contractually to a
24 prime contractor. And he is bound to pass down these
25 requirements to all of the subcontractors. So the chain is

1 maintained in that manner.

2 I might add there are certain size limitations on that.
3 We're talking about contracts in the amount of \$50,000 or more
4 and contractors employing 50 persons or more. The important
5 thing to recognize is that when a contractor who's above
6 those size thresholds gets a contract, he is obliged to
7 follow our goals. He is also required to develop an
8 affirmative action plan saying how he's going to carry out
9 the work and meet the goals.

10 MS. SCHUHMANN: Barbara.

11 MS. DALE: Excuse me, is that required
12 by law?

13 MR. KUHN: Yes, if you construe it all in
14 a broad sense as including the regulations and contract law,
15 certainly, if I understand you correctly.

16 MS. DALE: Thank you.

17 MS. SCHUHMANN: Herb.

18 MR. BERKOWITZ: How does Northwest Alaskan
19 plan to enforce compliance with such clauses in their contracts
20 with their contractors and in their contractor's contracts
21 with their subcontractors?

22 MR. KUHN: Well, we require reports on a
23 very frequent basis. And we work with them to see if they're
24 carrying out the commitments that they have made. But I'm
25 perhaps jumping ahead a little bit. Before we ever award

1 a contract, in our request for proposal, request for bids,
2 we require that they give us some specifics as to how they
3 think they're going to meet our goals. We include a summary
4 of our Affirmative Action Program in our bid packages so they
5 know right at the beginning exactly what it is they're going
6 to have to do. And they have to tell us how they're going
7 to do it. And our evaluation of one bid vis a vis another
8 certainly takes into consideration what they tell us they're
9 going to do in these areas.

10 MR. BERKOWITZ: If their reports show
11 noncompliance with their contractual commitments in that
12 regard, what's Northwest's policy going to be? Is it going
13 to terminate those contracts?

14 MR. KUHN: Well, there's always a difference
15 of opinion, perhaps, about whether somebody's in compliance
16 or not. But if there is -- if somebody is clearly not meeting
17 their contractual commitment in this area, it would be no
18 different than not meeting their contractual commitment in
19 any other area. I don't care whether it's in, you know,
20 meeting the schedule or doing the job according to specifica-
21 tions, whatever. It's -- we're going to hold them accountable
22 to their -- the contract terms.

23 MR. BERKOWITZ: And terminate?

24 MR. KUHN: That would be an extreme
25 remedy. There are other steps that could be considered

1 before, you know, terminating a contract. That would --
2 when you have, you know, a work force mustered in the field
3 and so on.

4 MR. BERKOWITZ: Well, Mr. Kuhn, you've
5 said that they can throw a bunch of numbers at you to
6 solicit a contract. Don't you think it's a perfectly
7 reasonable remedy that termination be --

8 MR. KUHN: I would not rule that out as an
9 extreme eventuality. You don't -- you wouldn't start with
10 that, though.

11 MS. DALE: Have you ever taken action against
12 any of the subcontractors for not complying with the Affirma-
13 tive Action Plan?

14 MR. KUHN: Well, when you say taken action,
15 we have applied moral suasion, if you will, to encourage
16 them to do what they're supposed to do. And we've provided
17 them additional help where that appeared appropriate.

18 MS. JONES: Does that work?

19 MR. KUHN: Yes. I'll give you some
20 specifics. Continuing on and kind of a little more general
21 background here, we expect the construction project to be
22 a union job. And certainly a major factor in our ability
23 to attain the Affirmation Action goals that we set out are
24 going to be the labor unions. Now, we expect that there will
25 be an agreement between the project sponsors and the labor

1 unions. And that agreement will contain certain nondiscrim-
2 ination requirements and Affirmative Action requirements,
3 and a commitment that the unions will dispatch minorities
4 and females in sufficient numbers to insure that we meet the
5 Project Affirmative Action goals.

6 I'd like to now make sure that some of these key
7 considerations are -- and these are important considerations.
8 I'd like to just kind of summarize a few things here, maybe
9 in slightly different words. A) Our hiring is going to be
10 decentralized. It's not going to be done largely by
11 Northwest Alaskan Pipeline Company. It's going to be done
12 by those execution contractors. And some of them are going
13 to have billion dollar contracts. So we're talking about
14 joint ventures for the most part. It's going to be done
15 by them; not us. They will have to adopt our Affirmative
16 Action goals, or they're never going to get the contract.
17 And I've indicated that Northwest Alaskan itself, at the
18 peak, we're going to be doing about 4 percent, you recall.

19 All right, B), the second point; hiring of craft labor
20 will be through the union halls, the union halls in Alaska.

21 And the third point, as you -- and I haven't raised
22 this yet, we are required by law to endeavor to use fixed
23 price contracts in contrast, distinct contrast, to the
24 approach used by Alyeska. Now, if we're going to use fixed
25 price contracts, and there is a mechanism for obtaining

1 exceptions under certain circumstances from the Federal
2 Inspector. But, in good faith, we're endeavoring to use
3 fixed price contracts for our execution contractors, the
4 heavy work in the field.

5 Now, if we're going to do that, we have to give a large
6 measure of control of labor relations to the execution
7 contractors. However, I want to emphasize that we, as project
8 sponsors, will act strongly to insure that there is no
9 discrimination and specifically no sexual harassment.

10 Another point along the same line is that it necessarily
11 follows with this sort of a scheme that there's no way that
12 we reasonably could be expected to be highly specific at
13 this time about how many, for example, individuals will be
14 hired from a given village, or a specific location in the
15 State, or anything like that. We're simply not at that
16 stage yet, and there's just no way to really, you know, get
17 down to that level of detail. Yes.

18 MS. JONES: Do you have a figure to repre-
19 sent your goal for women?

20 MR. KUHN: I'm coming to that. Still,
21 in a little -- I'll get to some specific numbers, I promise.
22 And it's all in the document that will be in front of you
23 in a few minutes here. What are the real oppor-- this is one
24 of the specific questions you raised. What are the real
25 opportunities for women on this project? When you get my

1 document, you will see a table 6. And on table 6, it's
2 projection in Alaska -- and this is Alaska only, not --
3 we'll have certain activities in the Lower 48, but Alaska
4 manpower projections 1982 through 1986. And certain things
5 will pop out at you.

6 Obviously 1984 is going to be the peak year based on
7 our current schedule. 1984 would be the peak year in Alaska.
8 And we're talking about a total of twelve to thirteen thousand
9 people. Now, that's less, considerably less than the oil
10 pipeline, just incidentally. Twelve to thirteen thousand
11 people, and of that total, craft workers will be about --
12 call it nine thousand. So the bulk of our employment
13 opportunities are going to be in the craft labor area, as
14 you might expect.

15 Now, I also have another table in the document that
16 breaks it down a little further, breaks down that craft area
17 so you can see specifically what trades are involved. And the
18 thing that immediately pops out is that there are four,
19 four categories: laborers, operating engineers, pipefitters,
20 teamsters. That's where the bulk of the employment's going
21 to be on this project.

22 Now, another point you specifically asked about is job
23 entry requirements. And there's only two job entry require-
24 ments that Northwest Alaskan itself is going to establish.
25 And one of those is a pre-employment physical examination

1 for everybody. And we're going to take steps to have that
2 occur not just in one location in this State, but we'll
3 endeavor to work out a way that will suit the convenience
4 and proximity to homes of others. We haven't got all the
5 specifics on that yet. But in any event, that is one.

6 And the other is a certification for mainline welders,
7 a very critical operation. Those are our only two requirements.
8 Now, some of the individual employers may have further
9 requirements of their own as long as they are reasonable and
10 nondiscriminatory there should be no problem on that.

11 Now, I would hasten to add that, keeping in mind that
12 this is going to be a union job in the craft area, the unions
13 have certain qualification requirements for certain of the
14 jobs. Now, the -- and I don't have the specifics on those
15 to give you. I think they're pretty well known. They're
16 available from the unions.

17 I can assure you that we will be monitoring the operation
18 of this whole system to make sure that there are equal
19 opportunities; that it's carried out in an nondiscriminatory
20 way.

21 Now I'd like to get to some of the specifics. In all
22 categories of hiring and contracting for minorities and
23 females, Mr. Alexander -- and I haven't seen those papers
24 myself, but I'm told that in all categories, we substantially
25 exceed in our goals those of either the eastern leg or the

1 western leg. And you'll be able to judge those numbers for
2 yourself.

3 I'd like to -- and we -- do you have this document in
4 front of you yet? You don't; all right. When you get it,
5 you'll see a Table 5, which gets down to our specific goals
6 for 1981, not yet approved by the Federal Inspector I would
7 hasten to add. This is what's in our document, though, both
8 for hiring and for contracting.

9 Now, I want to talk a little bit about how we got to
10 those goals, which you'll see here. And I'd like to take
11 contracting first. I know, Miss Schuhmann, that you didn't
12 have much emphasis in your letter on the female contracting,
13 but I presume you are interested in that --

14 MS. SCHUHMAN: Yes, we are.

15 MR. KUHN: -- and would like to hear
16 about that. We have a -- what I believe to be a very
17 innovative approach to minority and female contracting. We
18 have a computerized bank of names of minority, female, and
19 other contractors who are interested in doing work on this
20 project. We have actively solicited the identification and
21 interest of minority and female firms. As a matter of fact,
22 we sent out approximately 18,000 questionnaires and invited
23 responses. And in this package, which you will have shortly,
24 you will find a copy of the questionnaire that was sent out.
25 It's a multipage questionnaire set up for machine coding.

1 And it asks a person, are you interested in doing business,
2 what have you got to offer, how big of job can you handle,
3 etcetera; and breaks down into different categories. All of
4 this is computer coded.

5 And whenever we are preparing to let out a request for
6 bid or proposal, we punch the button for that particular
7 contract and get the names of all of the people -- the firms
8 that might be interested in bidding. And then we don't just,
9 you know, advertise in a general publication or something like
10 that, we directly solicit from -- a response from those firms
11 that are on the list.

12 Now, the -- I asked our people to give me the number of
13 female business enterprises that are in our computer bank.
14 And it totals 174 on a nationwide basis. And of that number,
15 57 are in Alaska. And we would be pleased to have additional
16 firms identified, because we don't have frankly very many to
17 draw from in the female business enterprise area.

18 MS. SCHUHMANN: What would be the definition
19 of -- you know, what requirement would there be to meet the
20 requirements of a --

21 MR. KUHN: The definition?

22 MS. SCHUHMANN: Yeah, the definition.

23 MR. KUHN: Yes, the business must be at least
24 51 percent owned and operated by a female. It can't be just
25 owned; it's got to be actively managed, also.

1 MS. SCHUHMANN: So I take it you're
2 soliciting other female business enterprises to let you know
3 that they exist so that you can put them on your computer
4 bank?

5 MR. KUHN: That's right. That's right, we
6 are. And now I might add of the 18,000 solicitations, you
7 know, we got back some saying sorry, we're not interested,
8 you know, for whatever reason; and some -- there was non-
9 response, a certain percentage. I don't have those numbers
10 at my fingertip. But we would welcome additional female
11 business enterprises.

12 MS. JONES: Do you give preferential
13 consideration to a female business enterprise in the contracting
14 process?

15 MR. KUHN: I would say that we would give
16 equal consideration to all prospective bidders. I don't
17 like to say preferential consideration. But we have certain
18 goals to meet. And we're encouraging bids. And a person --
19 to get a bid, just because a person is representing a
20 minority or female firm doesn't mean that they can come in
21 with the high bid and expect to get the contract. We still
22 have to make our awards on an economic basis.

23 MS. SCHUHMANN: Herb.

24 MR. BERKOWITZ: Mr. Kuhn, a couple of minutes
25 ago you made reference to our work force and the number of

1 people working in each craft.

2 MR. KUHN: Um-hm.

3 MR. BERKOWITZ: Although a few minutes
4 before that you'd pointed out very clearly that it's really
5 not your work force; it's the work force of your contractors; --

6 MR. KUHN: Right.

7 MR. BERKOWITZ: -- and that really your
8 only source of control over them is through enforcement of
9 contractual provisions which bind them to meet certain goals.
10 And I asked you about the means of enforcement you proposed
11 to use. And you told me that cancellation would be an extreme
12 means; and would probably be used seldom and very reluctantly.
13 Could you tell me what other means the company proposes to
14 use to see that those clauses are complied with?

15 MR. KUHN: Well, I think the best means is
16 to be certain going in what you're getting. And we work
17 actively with these contractors to be certain how things are
18 going to be done. And we provide them assistance. We have
19 staff assistants who are -- if something is slipping and
20 they say well gee, we're not getting any -- we don't know
21 how to get -- for example, if it's an Alaskan native, we
22 don't know how to go about getting them on this job. Well,
23 we'll suggest ways of doing it. We may make some contacts
24 for them or whatever. There are various ways that we can
25 do it. It's usually not a lack of desire to comply. It's

1 often a lack of knowledge as to how to go about doing
2 things. That's what we've found so far. We've got a pretty
3 good record, which you'll see, in achieving results.

4 MR. BERKOWITZ: Are there specific active
5 and innovative things that Northwest Alaskan is planning to
6 do to help encourage the use by your contractors of females in
7 nontraditional employment rolls?

8 MR. KUHN: Yes. I think that we have been
9 very active in encouraging the participation of minority and
10 female firms in joint ventures. I would single that out as
11 a key area. A lot of these firms are by nature relatively
12 small. And a lot of our -- even if you break down a job
13 into smaller components that are, you know, open for bidding
14 by smaller firms and so on, very often the level is still
15 beyond the capability of a single minority or female firm to
16 get in and have a chance at it.

17 But if they can be encouraged and given the information
18 about what's coming down the pike, to get in and get themselves
19 associated with a joint venture, then we have found that that
20 is a very fruitful way to encourage the participation.

21 MR. BERKOWITZ: But you're talking about
22 contracting, --

23 MR. KUHN: Yes.

24 MR. BERKOWITZ: -- and I'm talking about
25 the employment. What steps is Northwest Alaskan proposing

1 to take specifically to see to it that some women in Fairbanks
2 or Anchorage, or in the bush with the interest and inclination,
3 and talent to work on this project will be reached?

4 MR. KUHN: Well, you say reached. They --
5 keep in mind this is -- we're -- if we're talking craft area,
6 it's going to have to be through the unions. If you're
7 talking about information dissemination on opportunities and
8 so on, we are already providing information, have been to
9 the State Department of Labor and encouraging its dissemination
10 as to what the opportunities are.

11 MR. BERKOWITZ: Will you be requiring your
12 contractors to do the same in the course of the construction
13 of this project to be making a current ongoing effort?

14 MR. KUHN: Keep in mind that these
15 contractors must -- as we provided and constructed the Project
16 Affirmative Action Plan, each of these contractors must
17 develop his own detailed affirmative action plan. And it, too,
18 must be approved.

19 MR. BERKOWITZ: But it's a plan?

20 MR. KUHN: It's a plan, that's right.

21 MR. BERKOWITZ: How do you intend to see
22 the fulfillment of that plan?

23 MR. KUHN: By monitoring it. There are
24 penalties -- if you're talking about enforcement of affirmative
25 action requirements, that's also the job of the Office of the

1 Federal Inspector. And there are penalties and law that can
2 be imposed; fines. I don't think things are going to get
3 to that point. We hope they won't, but there -- you know,
4 there's a variety of things, which as you've suggested, that
5 could extend to a termination of a contract, an extreme
6 measure.

7 MR. BERKOWITZ: But is Northwest Alaskan
8 itself going to be actively monitoring?

9 MR. KUHN: We're going to be actively
10 monitoring contract performance, yes. And if somebody falls
11 substantially behind and is patently not making reasonable,
12 good faith efforts to achieve its goals, that would be
13 noncompliance with our contract just as much as it would in
14 any other area. There are legal remedies. We don't think
15 it's going to come to that. We hope it won't.

16 MS. DALE: I have a question about the
17 statistics that we were talking about earlier of the analysis
18 of women in the work force; that I believe it was Mr. Lundell
19 said that you -- the company did a study to find that
20 information out. Is that right?

21 MR. KUHN: Yes. I was still on contracting.
22 Let me just close out contracting, --

23 MS. DALE: Okay.

24 MR. KUHN: -- and I'll swing immediately to
25 employment.

1 MS. DALE: Okay, fine. I have a few more
2 questions in that area.

3 MR. KUHN: The -- just to give you a few
4 specifics, in 1981 our goals for minority contracting were
5 16. -- are 16.75 percent of our total contractable opportunities.
6 And for females, it's 2.25 percent of our total contractable
7 opportunities. Now, in 1980--if you want to compare it,
8 in 1980 we established a goal of 12 percent for minority
9 contractors. And we actually made 22.7 percent. What I'm
10 saying is that 22.7 percent of all of our procurement, project
11 procurement, in 1980 went to minority firms. That's a record
12 I'll match with anybody.

13 Now, in 1980, our goal for females was -- female business
14 enterprises was 4 percent, and that equated to 2.8 million.
15 And in 1981 the dollar figure for female business enterprises
16 is 4 million.

17 Now, how do we -- I guess one -- I need to say one more
18 thing, how do we get those specific numbers and everything
19 like that. Well, we start at the beginning of the year
20 when we get our budget firm. And we know reasonably well what
21 we expect to do during the year. We analyze the specific
22 contracts, take them apart piece by piece and see how they
23 can be structured in such a way that -- into smaller pieces
24 perhaps, or whatever, and what joint venture possibilities --
25 and usually we've been discussing some of these things with

1 potential joint venture firms for months before that. And
2 we make the best reasonable effort -- estimate we can as to
3 what a -- you know, a reasonable goal would be for that year.
4 That's how we do it in the contracting area. Now, that's
5 distinctly different in employment. And I will now swing to
6 hiring.

7 The data base for our hiring goals posed a real challenge
8 to us, because we had the 1970 census. And that's been a
9 number of years, of course. And even more important, far
10 overshadowing that, was the fact that it was obvious that the
11 work force in Alaska had changed substantially since the
12 1970 census. So we didn't give much consideration to using
13 that for our -- the people that would be up here in Alaska.
14 We looked at that, and we decided that we had to have some
15 outside, highly objective assistance. We went to the firm of
16 Data Resources, Incorporated. It's a highly respected
17 economic consulting firm; worldwide, as a matter of fact.
18 We also obtained the services of Dr. David Rayum (ph), who
19 had just come from a position as chief economist with the
20 Alaska Department of Commerce and Economic Development. We
21 obtained the services of other economists through DRI and
22 obtained information from the State Department of Labor. We
23 had various and sundry other studies I'd mentioned, the
24 Larel Bland (ph) Study that may ring a bell with some of you.
25 All of these things are referenced in our plan. In any event,

1 in the most objective way possible, we updated or constructed
2 a new data base regarding Alaska, the population and labor
3 force. And we then followed-very strictly complying with
4 the detailed regulations and, as John Alexander mentioned, the
5 eight factor analysis and all of that; followed those procedures
6 and came up with the goals.

7 Now, when you see the paper that I'll be submitting for
8 the record here, you will find a --

9 MS. SCHUHMANN: Could we have a copy of
10 that while you're testifying? Do you have an extra one or...?

11 MR. KUHN: Yes. Would you bring them up,
12 please, Randy. (Pause while report is being distributed.)
13 All right, what I would -- you'll find on my statement, toward
14 the back, it's about the third page from the back; table 5.
15 And this is Project Wide Employment Goals for 1981. Now,
16 these are contained in that update to our Affirmative Action
17 Plan that I said we submitted on March 2nd.

18 And if you'll look at the column on the right on Table 5
19 you'll see the goals for female employment in the calendar
20 year 1981. And for the benefit of the -- those who don't
21 have the document in front of them, I'll just read the
22 categories and tell you what they are. Officials and
23 managers, 17.8 percent of our total project work force; that
24 includes Alaska and the Lower 48. Professionals, 20.5 percent;
25 technicians, 9 percent; clericals, 55.9 percent; service

1 workers, 31.4 percent; crafts, 5.7 percent.

2 MS. DALE: Could you please give us an
3 estimate on the percentage of the people who will be hired
4 from Alaska in these. You said in the first one that this
5 total included Outside.

6 MR. KUHN: I think the numbers -- the
7 percentages are about the same. But Aaron, is that about
8 right, Alaska and the Lower 48; the percentages are about
9 the same?

10 UNIDENTIFIED VOICE: That's correct.

11 MR. KUHN: Okay. The percentages -- there's
12 no great disparity between Alaska and the Lower 48 on the
13 percentages.

14 Now the -- this is going back one step, but on that same
15 page you'll see the number I mentioned, 4 million dollars
16 down there for the female contracting; 2.25 percent of our
17 total contractable opportunities this year, totalling 185
18 million.

19 MS. SCHUHMANN: Dorothy.

20 MS. JONES: Regarding the goal for female
21 craft workers of 5.7 percent. My memory is that it's consider-
22 ably lower than the portion of female craft workers on the
23 oil pipeline. Could you explain how you derived that figure?

24 MR. KUHN: Yes, it was, again, determined
25 on the information of available qualified workers. But I'd

1 like to go beyond that --in other words, with the 8 factor
2 analysis -- and comment on the number that I think you mentioned
3 earlier about 11 percent on the oil line. And I think you
4 will find in the document, put into the record by Mr. Lundell
5 earlier today, a table which analyzes and breaks down the
6 peak employment on the oil line. And you will find that the
7 peak month brought Alyeska to 12.7 percent for females, but
8 that included a lot of other things. It included the clericals;
9 it was everything, 12.7 percent. That included in the craft
10 area, 1.1 percent. And it also had operators -- the categories
11 are a little different, but operators, 6.9 percent; the labor
12 category, 9.7 percent; service workers, 47.9. By the time you
13 get -- you know, add it all up, it came out to the 12.7 total.

14 MS. JONES: What puzzles me about this
15 when you set Affirmative Action goals, if we rely on the
16 present structure of training opportunities; if we rely on
17 unions for the employees, then nothing will change because
18 there are very few women who are in the craft unions. So
19 that if -- let's see if I can say this clearly, if you say
20 our Affirmative Action goals will be based on the present
21 structure of union apprentice programs and union enrollment
22 figures, then it has to necessarily be low because women are
23 low. And my question is, how do you break through that if
24 you want to achieve a more meaningful representation of women
25 in nontraditional jobs if you base it on what the present

1 structure is?

2 MR. KUHN: Well, there's going to be a
3 need, at least at the peak, for more than the -- you know,
4 the current union membership, we believe. If you take that
5 peak year figure of twelve to thirteen thousand, in that
6 range, for that year at any rate, that is going to exceed the
7 availability within the state. And there will be -- there
8 should be opportunities for, you know, significant new entry
9 through the union hiring halls.

10 MS. SCHUHMANN: Barbara.

11 MS. DALE: Maybe I just need a little
12 explanation, but if you depend on the unions to use up a
13 certain percentage of all the women that are going to be
14 hired or to come up to your goal in the Affirmative Action
15 Plan; and they have a low percentage, are you required, then,
16 to train the other women to come up to that goal or are your
17 subcontractors if there aren't women available? And if you
18 are, wouldn't it be to your advantage to encourage the unions
19 to get more women in their training programs so that you
20 wouldn't have to come up on this end?

21 MR. KUHN: Well, the whole area of union
22 seniority and dispatch sequence and all of that, that's a
23 knotty one and ultimately will be addressed in the agreement
24 we have with the unions. And I really can't give you any
25 more specifics on that at this point.

1 MS. SCHUHMANN: Herb.

2 MR. BERKOWITZ: Do you have a project labor
3 agreement?

4 MR. KUHN: No, we do not.

5 MR. BERKOWITZ: What's the present status
6 of it?

7 MR. KUHN: Well, that's something to be
8 negotiated in the future.

9 MR. BERKOWITZ: Do you have any idea of
10 when those negotiations are going to commence?

11 MR. KUHN: I can't put a specific date on
12 it at this point.

13 MR. BERKOWITZ: What are the principal unions
14 you expect to be negotiating with?

15 MR. KUHN: We expect to be negotiating with
16 the Teamsters, the Operating Engineers, the Laborers, and the
17 Welders, the four traditional pipeline unions. They'll be
18 certain building trade unions, perhaps, in addition to that.

19 MS. DALE: I have another question.

20 MS. SCHUHMANN: Barbara.

21 MS. DALE: Also, it seems to me that if you
22 are having to provide the statistical information yourself on
23 what's available and are depending on the unions to pick up
24 some of it, it seems to me a conflict of interest if you have
25 to do the training for you to provide the statistics.

1 MR. KUHN: The statistics are, you know,
2 available for everybody to see. Their footnoted. The references
3 that were available, we think they'll stand scrutiny by
4 any -- on a professional basis by anybody.

5 MS. SCHUHMANN: Are those contained in the
6 packet, the -- you know, the data base that you used for your --

7 MR. KUHN: Oh, yes.

8 MS. SCHUHMANN: They're in here?

9 MR. KUHN: No, no. No. What we're talking
10 about is a stack of paper that high that John Alexander was
11 referring to. We didn't just file our plan with, you know,
12 the summary, the end result. We gave him every piece of paper
13 that went into it. And it's been -- believe me, it's been
14 looked over -- we had our PhD economist and they got theirs,
15 and they went over it very thoroughly. And theirs happened to
16 be an Alaskan PhD economist, also so he knew what he was
17 talking about.

18 MS. SCHUHMANN: Herb.

19 MR. BERKOWITZ: Mr. Kuhn, is Northwest
20 Alaskan going to have some sort of department specifically
21 assigned with the task of enforcing compliance with female
22 hire goals?

23 MR. KUHN: The word enforcement has a
24 particular sort of legal connotation. Enforcement, per se,
25 is not the company's role because that is specifically

1 reserved to the various agencies of the federal government,
2 particularly the -- and that'll be done, in effect, by the
3 Federal Inspector and his people.

4 Now, and if you're talking about insuring that our
5 contracts are complied with; yes, we have -- we're going to
6 have quite a staff. And largely our modus operandi is
7 to have a relatively small Northwest Alaskan staff. And then
8 to rely on our project management contractor to ride herd on
9 the various execution contractors and to provide that detailed
10 oversight.

11 MR. BERKOWITZ: Well, isn't that kind of
12 like putting the fox in charge of the hen house?

13 MR. KUHN: In what way?

14 MR. BERKOWITZ: That contractor has as a
15 principal responsibility the completion of your project and
16 of necessity, I think, would put concerns of this kind in a
17 somewhat lower priority. Your company has a permit from the
18 federal government that stands or falls on your compliance
19 with these requirements. And your contracts with these
20 contractors require them to meet certain requirements. Now,
21 you're telling me that your involvement, your company's
22 involvement, is going to be small. I would like to understand
23 why your company's involvement isn't going to be big, because
24 it sounds like it ought to be.

25 MR. KUHN: Our involvement will be on a

1 policy and an oversight level. And we think it is entirely
2 effective. We think the record substantiates the results.

3 MR. BERKOWITZ: Well, you haven't even built
4 your pipeline yet, how can you have any results, Mr. Kuhn?

5 MR. KUHN: I beg your pardon?

6 MR. BERKOWITZ: You haven't built your
7 pipeline yet, so you can't have any results.

8 MR. KUHN: Not results, I've cited you some
9 results about our performance to date of -- I've cited you
10 what we're doing in the way of -- and I might add that we
11 don't have an obligation yet, in one way of looking at it,
12 on some of these things in that we don't have, you know,
13 approved goals. There's no requirement, for example, on the
14 Alaska hire yet we're up, I said, 83 percent; something like
15 that. The -- I think that the -- this is a matter of manage-
16 ment and organization. And we have made a conscious decision
17 to operate at a policy and an oversight level and to use the
18 Fluor engineers and constructors in a staff support role. Now,
19 I can tell you that the relationship is extremely close. And
20 they have the flexibility to draw on a worldwide organization
21 with thousands of people and experts in any field you want
22 and they can bring in on a specific problem on very short
23 notice. It gives us great advantages, really, to do that.
24 Otherwise, we'd have to hire, you know, an enormous staff
25 of specialists that we might only use for a portion of the

1 time.

2 MR. BERKOWITZ: Well, let me ask you this,
3 Mr. Kuhn, during the anticipated height of gas line construc-
4 tion how many personnel does Northwest Alaskan intend to devote
5 to this subject matter; that is, of female employment?

6 MR. KUHN: Okay I -- to female employment.
7 It's going to be difficult for me to separate female and
8 minority employment for you. (To member of audience) What's
9 that number, we had a number?

10 UNIDENTIFIED VOICE: 7 for Northwest; 42
11 for the (inaudible).

12 MR. KUHN: 7 for Northwest; 42 people, full
13 time employees, working on minority and female hiring and
14 contracting, exclusively on that.

15 MR. BERKOWITZ: But 7 of yours?

16 MR. KUHN: That's correct. We have --

17 MR. BERKOWITZ: And you're going -- so you
18 are going to enforce compliance with those contractual
19 stipulations through 7 of your own personnel?

20 MR. KUHN: That is correct.

21 MR. BERKOWITZ: Thank you.

22 MS. SCHUHMANN: On Table #5, Mr. Kuhn, is it
23 fair to say that in your availability studies that the
24 availability of female craft workers was higher in Alaska
25 than in the Lower 48? In other words, you know, actual

1 construction type employment; is it fair to say that your
2 availability studies show that more women had actually been
3 working in those --

4 MR. KUHN: I don't -- I honestly don't
5 have the answer to that question. Maybe one of my colleagues
6 does. (To colleague). Availability of craft workers, Alaska
7 vis a vis Lower 48? Is the availability higher of qualified
8 workers up here? It's about the same?

9 UNIDENTIFIED VOICE: Craft by craft, yes,
10 they're lower.

11 MR. KUHN: Up here?

12 UNIDENTIFIED VOICE: Actual numbers;
13 percentage wise, males to females, I think they might be just
14 a little bit higher.

15 MS. SCHUHMANN: But on Table 5 you are --
16 employment goals are about the same for Alaska and the Lower
17 48; in other words, you're not --

18 MR. KUHN: Okay, but -- yes, but recognize
19 that, you know, we're not doing any craft work in the Lower
20 48, so this number is essentially an Alaska number. All
21 right, let's see where I was here.

22 Training. We have just recently established another
23 internal task force to deal with the question of training.
24 And I don't have any great specifics to bring to you at this
25 time. But I would take note of one of the requirements that

1 is in our federal right-of-way grant; and that is that we
2 enter into an agreement with the Secretary of the Interior
3 and the Federal Inspector with regard to recruitment, testing,
4 training, placement, hiring, and job counseling of Alaska
5 natives. That is a specific requirement. And we, of course,
6 recognize that we have a potential requirement to do other
7 training as may be necessary to reasonably assist us in meeting
8 our Affirmative Action goals. We would expect that anything
9 we do in this area would be nondiscriminatory, females,
10 other minorities and so on.

11 MS. SCHUHMANN: Do you have under consider-
12 ation any training programs specifically for females; or is that
13 a possibility or...?

14 MR. KUHN: Specifically for females? We
15 haven't really honestly gotten to that -- at that -- to that
16 stage yet. I ...

17 MS. SCHUHMANN: The native portion, then,
18 would be open to female natives as well as males?

19 MR. KUHN: On a nondiscriminatory basis,
20 right.

21 MS. SCHUHMANN: Barbara, did you have a
22 question?

23 MS. DALE: When you get -- in your
24 projections in regard to training, when you look at what
25 you've done as far as the studies that you've done and your

1 availability, your work force pool, and what you have to
2 comply with in the Affirmative Action goals and you find that
3 you know -- you can project what the crafts are going to
4 give you; and you have this big open area that you have to
5 comply with, is that how you look at your training or what
6 you have to do to train women to be able to come up to your
7 goals? I mean, is that what you're looking at?

8 MR. KUHN: Well, there's no point in training
9 unless somebody's going to be getting a job. Now, I'm not
10 sure what you're getting at there. And we really don't have
11 the specifics on that yet so I really can't respond very
12 meaningfully to this area in any detail at this point.

13 MS. DALE: Okay, maybe I should word my
14 question differently. When you're looking at what you have to
15 develop in your training programs, --

16 MR. KUHN: Um-hm.

17 MS. DALE: -- is there a special area in
18 regards to women to fulfil your Affirmative Action goals?

19 MR. KUHN: We have not gotten down to that
20 level of implementation and so on. We're really working to
21 structure how the program will be set up right now.

22 MS. DALE: Okay.

23 MR. KUHN: Okay. One -- I might make one
24 suggestion. As we move forward in our planning and implemen-
25 tation of our Affirmative Action Plan that -- for your

1 organization specifically, we think it would be very
2 helpful to us, and we hope helpful to you, to get information
3 from us. If your Commission could designate somebody as a
4 primary liaison person to interface on a continuing basis
5 with our Affirmative Action staff. We would -- we think that
6 would be a useful step. And we'd be pleased to, you know,
7 enhance the communications.

8 I'm nearing the end of what I had in the way of intended
9 remarks here. I would like to just say that we have a very
10 firm policy, and it stems right from the very top of our
11 organization, that we will take affirmative action to assure
12 that all persons and firms have the maximum practicable
13 opportunity to participate in this project without regard to
14 race or sex. We have established mechanisms to insure that
15 this occurs. And we believe that any objective assessment of
16 what we have accomplished and what we are doing would indicate
17 that we have an excellent record to date on this.

18 Finally, I guess there are just two observations I
19 would -- maybe three -- like to make, thoughts that I'd like
20 to leave with you; maybe a little off the track from your
21 letter. But the first is that putting this project together
22 has not been easy. And it has involved a considerable
23 commitment of equity funds thus far by investors who have --
24 who did so with no guarantee whatsoever that they'd ever get
25 their money back. That's the first point. And that kind

1 of leads to two other things that I'm going to make reference
2 to.

3 There was testimony before the Alaska Legislature last
4 week; the Alaska Legislature has retained a law firm, Birch,
5 Horton, Bittner, and Monroe. And one of the partners -- and
6 that's been a law firm advising the Legislature since -- on
7 gas pipeline matters since 1978. Joseph Chalmski (ph), one
8 of the partners of that firm, testified last week on Thursday
9 and there were several comments that he made. One of them is
10 that -- well, it had to do with -- and I'm reading from a
11 newspaper article. I do have his statement, but I think it's
12 accurately quoted -- prospective lenders. And he talks about
13 their fears that the State will impose unduly harsh regulation
14 and taxes. Then it's -- another statement was made by
15 him, and I can quote this one, "The accumulative record is
16 clear; and a general consensus asserts that the State probably
17 has much to gain if the gas pipeline is built."

18 We would certainly welcome the assistance of your
19 Commission to see that the gas pipeline is built, and we'd
20 like to work with you.

21 MS. SCHUHMANN: Thank you. Barbara.

22 MS. DALE: I have one more question.

23 You brought up the subject of sexual harrassment, and it
24 was when you were talking about the contractors. Have you
25 developed any -- obviously, you know that it existed on the

1 oil pipeline.

2 MR. KUHN: Yes.

3 MS. DALE: And I was wondering if you have
4 developed any way of communicating to the contractors, or what
5 do you have in mind to do to prevent it?

6 MR. KUHN: I can't offer you any specifics
7 at this time. We have very strict legal liability in this area.
8 And I can only offer you an assurance that we're conscious of
9 the need to take very strong action in this area. And we will
10 not permit that sort of thing to occur.

11 MS. SCHUHMANN: Going through the letter that
12 we sent earlier. I want to make sure that all of our questions
13 were answered. One of the first ones that we asked was what
14 the current work force projections are for the Alaska segment.
15 Is that answered in the packet?

16 MR. KUHN: That's contained in one of the
17 tables in my statement.

18 MR. SCHUHMANN: Okay. And are they broken
19 down pretty much as we asked, okay.

20 MR. KUHN: By job classification -- I think
21 on table... let's see.

22 MR. BERKOWITZ: Table 7, I think.

23 MS. SCHUHMANN: Is there -- do you have
24 any breakdown for the location of jobs at this point? What
25 jobs will be available where in the State?

1 MR. KUHN: Within the State, you mean? Let
2 me comment on that. The way we're going to construct the
3 project is by use of what we call six spreads. And a spread
4 will cover anywhere -- and it varies, somewhere between 97
5 miles up to a hundred -- and I think it's 143, something like
6 that; varying lengths. Now Fairbanks happens to be in the
7 spread 4 area. And each spread will have one or more compressor
8 stations and one or more camps in that area.

9 I would also give you a good example of that sort of
10 breakdown by referring you to a letter in the information
11 packet. And that letter is dated February 25, 1981, addressed
12 to David L. Brennen, presiding officer of the Fairbanks North
13 Star Borough Assembly. And attached to that letter, I think
14 you'll find, incidentally, some additional general information
15 on manpower planning, and projections, and so on; but very
16 specifically information related to the Fairbanks area. And
17 that's on Table 2, if you found the letter to Mr. Brennen.

18 And we break it down very specifically by Fairbanks
19 headquarters, the double joining and warehousing numbers,
20 construction camps which are located within the spread area,
21 and a total for the section by quarter, 1982 through 1986.

22 Now, let me add this; we can probably develop, and we
23 are moving to develop similar information for all of the
24 other areas. Things are in motion on that. And I, incidentally,
25 expect that we'll have -- I should have mentioned this earlier

1 as one of my concluding observations, we are moving toward a
2 much more extensive information transfer as our planning is
3 progressing here. A lot of this information is being computer-
4 ized. And we'll be able to, in the next few months, provide
5 substantially more detailed information than we have thus far.
6 I would take this as an example, this table that I just
7 referred to about the Fairbanks area.

8 MS. SCHUHMANN: Is there an ability, say,
9 for someone in a different location to work in one of these --
10 like spread 4 if you really live in a different area. Or
11 is there going to be any kind of job availability by location
12 along these spreads? Are you going to break it up, or is
13 everyone just going to be able to work anywhere?

14 MR. KUHN: Well, I don't profess to be an
15 expert on how union hiring halls work and dispatch works and
16 so on. I just don't feel real qualified to answer that question
17 in detail. But in general, I would expect that people will
18 have some measure of control over where they work, and...

19 MS. SCHUHMANN: So it's really going to be --
20 since most of the crafts jobs are going to be union, the
21 hiring is going to be through the union halls, that's basically --

22 MR. KUHN: That's correct.

23 MS. SCHUHMANN: What were the initial
24 figures that you submitted to the Office of the Federal
25 Inspector for your Affirmative Action and minority female

1 business enterprise goals?

2 MR. KUHN: The initial figures?

3 MS. SCHUHMANN: Yes. It's my understanding
4 that these have been updated and changed, you know, various
5 versions you've gone through.

6 MR. KUHN: The December version, oh, corrected
7 a few errors. It provided substantially more in the way of
8 elaboration. If you're talking about the goals for 1980 itself,
9 they were on the same order. There were no substantial changes
10 in the goals per se. If you'll recall, I said we only
11 established goals on an annual, firm goals that we commit
12 ourselves to.

13 MS. SCHUHMANN: I think you gave us the
14 contracting goals for 1980 and 1981.

15 MR. KUHN: Yes, that's in my statement.
16 And also -- for both years, that's correct.

17 MS. SCHUHMANN: Right. It looks as though
18 the female went down, the female percentage went down from
19 4 to 2 --

20 MR. KUHN: That's correct, it went down in
21 percentage terms. It's going up in dollar value. The --
22 again, that's based on -- you know, on objective analysis of
23 those firms in our computer bank and what capability they
24 have for the particular contracts, the type of contracts
25 we'll be letter this year. We'd love to have more female

1 business enterprise firms in that computer bank, really.

2 MS. SCHUHMANN: Did you give us the goals
3 as far as employment is concerned? I don't recall that you --

4 MR. KUHN: Yes, that's on -- let's see...

5 MS. SCHUHMANN: Is that the table that you
6 referred...

7 MR. KUHN: You'll find that on Table 5.
8 That's the one I read for females and minority goals are
9 on there.

10 MS. SCHUHMANN: Did you provide us with the
11 goals for 1980 in here as well?

12 MR. KUHN: I didn't break them down. My
13 recollection is they're substantially the same, am I correct,
14 the percentage numbers?

15 UNIDENTIFIED VOICE: Within two or three
16 tenths of a percent either way.

17 MR. KUHN: Within a couple of tenths of
18 percent they're unchanged. You should not expect radical
19 changes in the percentage goals from year to year. Now,
20 when the 1980 census information is available, we have
21 committed ourself to taking a very objective look at that
22 and reassessing our goals, if that's warranted.

23 MS. SCHUHMANN: Did you meet your 1980
24 Affirmative Action goals for female employment?

25 MR. KUHN: I believe we did. Aaron....?