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**UNITED STATES COMMISSION ON CIVIL RIGHTS HEARING
FAIR EMPLOYMENT PRACTICES
MONTANA**

MORNING SESSION

*Saturday, April 14, 1973
Federal Building
Great Falls, Montana*

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Meet.
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MILLERS FALLS
EZEKIAH
COTTON CONTENT

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MILLERS FALLS
ENERGAS
COTTON CONTENT

(Saturday, April 14, 1973, 8:30 A. M.)

MORNING SESSION

CHAIRMAN CATE: Good morning, ladies and gentlemen. My name is Jerome Cate. I am a practicing attorney in the City of Billings, Montana, and preside as the Chairman of the Montana State Advisory Committee for the U. S. Commission on Civil Rights.

As presiding Chairman of this Committee and on behalf of my fellow committee members and the Regional Director of the U. S. Commission on Civil Rights, Mr. Joseph C. Muskrat, I would like to take this opportunity to welcome you to this hearing on Fair Employment Practices in our State of Montana.

The United States Commission on Civil Rights is an independent, bi-partisan agency of the executive branch of the Federal Government created by the Civil Rights Acts of 1960 and 1964, the Commission is charged with the following duties: investigation of individual discriminatory denials of the right to vote; study of legal developments with respect to denials of the equal protection of the law; appraisal of the laws and policies of the United States with respect to denials of equal protection of the law; maintenance of a national clearing-house for information respecting denials of the equal protection of the law; and investigation of patterns or

1 practices of fraud or discrimination in the conduct of
2 Federal elections. The Commission is also required to
3 submit reports to the President and the Congress at such
4 times as the Commission, the Congress, or the President
5 shall deem desirable.

6 An Advisory Committee to the United States
7 Commission on Civil Rights has been established in each
8 of the 50 States and the District of Columbia pursuant
9 to section 105(c) of the Civil Rights Act of 1957 as
10 amended. The Committees are made up of responsible
11 persons who serve without compensation. Their functions
12 under their mandate from the Commission are to: advise
13 the Commission of all relevant information concerning
14 their respective States on matters within the jurisdiction
15 of the Commission; advise the Commission upon matters
16 of mutual concern in the preparation of Commission reports
17 to the President and Congress; receive reports, suggestions
18 and recommendations from individuals, public and private
19 organizations, and public officials upon matters pertinent
20 to inquiries conducted by the State Committee; initiate
21 and forward advice and recommendations to the Commission
22 upon matters in which the Commission shall request the
23 assistance of the State Committee; and attend, as observers,
24 any open hearing or conference which the Commission may
25 hold within the State.

1 The Montana State Advisory Committee has chosen
2 to explore employment opportunities and how readily avail-
3 able they are to minorities and women.

4 In 1964 the Civil Rights Act was passed. Title
5 VII of this Act made it an unlawful employment practice
6 for an employer to fail to hire or refuse to hire or to
7 discharge any individual or otherwise to discriminate
8 against any individual with respect to his salary, terms
9 conditions or privileges of employment because of such
10 individual's race, color, religion, sex or national origin.

11 The tools for maintaining equal employment
12 opportunities have long been in existence but tools do
13 wear down, or become rusty and often the user feels that
14 he can work without them. And so, we have come to Great
15 Falls today, to see how well the tools of fair employment
16 have held up and what must be done to mend them or create
17 new ones so that the end product: equal employment for
18 all, is someday achieved.

19 The tools to which I refer are the Equal
20 Employment Opportunity Commission which administers Title
21 VII of the Civil Rights Act of 1964, the Office of
22 Federal Contract Compliance which is empowered to enforce
23 compliance on Federal contractors or subcontractors and
24 the Department of Health, Education and Welfare which is
25 empowered to see that both public and private institutions

1 of learning are living up to the letter and the spirit of
2 affirmative action detailed in Executive Order 11246.

3 The employers which we have asked to participate
4 in this open meeting are representative of the State of
5 Montana. The particular employers who were asked to
6 participate in this hearing are leaders in their industries
7 and the fact that they were asked in no way is intended
8 to infer that they are engaged in discriminatory hiring
9 practices or not in compliance with EEO requirements, and
10 we want to make that perfectly clear. In the alternative,
11 we want to commend these employers and individuals for
12 coming forward and testifying for us so that we might better
13 isolate the problem areas of minority employment. The
14 Commission Hearing is not an attempt to embarrass any
15 state, city or individual but is an exploration of
16 circumstances that are representative of civil rights
17 problems. The witnesses which have been invited are
18 protected under Federal law which makes it a crime to
19 threaten, intimidate or injure witnesses on account of
20 their attendance at government proceedings.

21 The Commission's history shows that it has
22 always been scrupulously honest and fair in its present-
23 ations even though the subject matter may be intrinsically
24 emotional. The same objectivity will prevail at this
25 hearing.

1 In a few minutes we will hear from representatives
2 of the 12 private companies and 5 State and 5 Federal
3 agencies on affirmative action programs. We will also
4 hear statements from witnesses, and compliance procedures
5 from the regional directors of the Equal Employment
6 Opportunity Commission, and the Office of Federal Contract
7 Compliance. It is our purpose today to see that the
8 machinery for equal employment opportunities is running
9 smoothly, and in those cases where it is not, to find
10 out why and to, hopefully, rectify it.

11 The Honorable Sidney Smith who is here
12 representing the Governor for the State of Montana, is
13 here as well as a member of the Commission.

14 THE HONORABLE SIDNEY SMITH: Mr. Chairman,
15 Committee Members, and people visiting. On behalf of
16 Governor Judge, who was unable to be here -- first he had
17 a skiing accident that put him on crutches, and secondly,
18 he has been tied down with a lot of business still hanging
19 over from the legislature.

20 He did however ask me to convey his well wishes
21 to everybody and to express his hope that the meeting
22 would be productive to many of us including him, to the
23 needs of putting more effort and getting this into effect
24 of the equal employment rather than something in theory.
25 He is vitally interested in seeing that there is equal

1 opportunity for every prospective employee in the State of
2 Montana and if we cannot get them jobs immediately, that
3 we can try to find openings for them and qualify them for
4 them, and get them into the laboring field of Montana and
5 be productive both for themselves and of course for the
6 State.

7 He again expresses his regret of not being here
8 and asked me on his behalf to make this brief little
9 statement. Thank you.

10 MR. CATE: Thank you, Mr. Smith. On behalf of
11 our Committee, I would ask you to extend our thanks to the
12 Governor.

13 I have in my notes, in my schedule that Richard
14 Mink is representing the Mayor of Great Falls and is to
15 be here today. We don't have a Mayor I don't think, in
16 Great Falls, anymore, but we have a city manager as of today
17 I understand. Is Mr. Mink here?

18 MR. MINK: Yes. Ladies and
19 gentlemen, on behalf of Mayor Amundson and the Commissioners
20 of Great Falls, I would like to welcome each of you to
21 this hearing on Fair Employment Practices. Working in
22 the personnel field, I am naturally interested in any type
23 of hearing or meeting concerning employment practices.
24 In my job as personnel director for the City of Great
25 Falls, I am even more interested for the reason right now

1 I am setting up a personnel program for Great Falls and
2 trying to set up a formal personnel program.

3 I feel the more that I learn about fair employ-
4 ment practices and equal opportunity, the better program
5 that I can set up for the City. To me this is going to
6 benefit the City in the long run because we'll have a
7 good personnel ordinance and good personnel rules and
8 regulations. We want these set up from the beginning and
9 in accordance with the equal opportunity laws and any
10 other federal or state laws. I feel the more than I
11 know with meetings of this type the better I will be
12 able to help the City in my job.

13 The one thing I want to bring up briefly is
14 the fact that it doesn't matter how many rules, regulations
15 and policies we write unless we work to carry these out on
16 a daily basis you don't really have a program, you don't
17 have a personnel program, you don't have equal opportunity
18 program, you don't have a fair employment practices program.
19 The main thing as far as I am concerned is not only writing
20 these rules and regulations but to carry them out in my
21 daily work, that is what I want to strive for.

22 At this point I would just like to thank everyone
23 for being here, for the chance to be here, and I would like
24 to turn the meeting back over to you people.

25 MR. CATE: Thank you, Mr. Mink. Extend our

1 apologies to the Mayor -- Thank you -- for putting him
2 out of office.

3 We do have scheduled an executive session and
4 the law provides that if there is anyone who believes that
5 they are to be defamed by any testimony to be presented
6 today, that we will afford them the opportunity to present
7 their objections to any testimony in executive session.
8 We have no knowledge of any defamatory statements that
9 are to be made by anyone or against anyone or any business
10 or corporation here today. Is there anyone here that
11 wishes to meet with the Committee in executive session
12 regarding a complaint of defamation? If not, we will
13 proceed to the presentation by Norma Jones, the equal
14 opportunity specialist of U.S. Commission on Civil Rights.

15 (Overhead projection presentation on the
16 employment picture in Montana -- Norma
17 Jones, Equal Opportunity Specialist,
18 U. S. Commission on Civil Rights)

19 (Recess taken)

20 MR. CATE: The meeting will be back in order.
21 I would like to state for the knowledge of all parties
22 here at this Hearing, that the state law of Montana
23 requires that when a recording is made of a public meeting,
24 that it be announced that the meeting is being recorded.
25 This meeting is being recorded not only by our staff but by

1 private individuals as well. I would like to say secondly
2 we do have available for anyone that would like to have
3 those materials, various books relating to Equal
4 Opportunity Employment, Civil Rights, Federal Contract
5 Compliance, Equal Opportunity and so forth, up here at
6 this front desk. During a recess any of you are welcome
7 to come up and help yourself to them and they will be
8 available as long as they last to those people who are
9 here.

10 At this time we would call Mr. Gerald Harlin
11 of Tri-State Tribes, Inc., who is going to have information
12 for us in relation to the problems of Indian employment in
13 Montana. Gerald, could we ask you to come up here into
14 the jury box. Would you state your name for the record
15 and your occupation please?

16 MR. HARLIN: My name is Gerald Harlin and I
17 work for the Montana Tribal Policy Board and I direct
18 the Reservation Unemployment Act Program.

19 MR. CATE: Would you outline for us your efforts
20 in the employment problems of the Indian people?

21 MR. HARLIN: Like I said, I direct the Employment
22 Act for the reservation.

23 MR. CATE: Would you outline for the Committee
24 how you perform this particular work that you do?

25 MR. HARLIN: The Policy Board on record is on a

1 contract basis from the Department of Labor, they have
2 been awarded a grant to provide employment on an emergency
3 basis for the Indian people on the respective reservations,
4 seven in Montana and one in Wyoming, a total of eight
5 reservations altogether.

6 MR. CATE: Could you tell the Committee anything
7 about any difficulties that you have had in placing any
8 people in employment?

9 MR. HARLIN: Yes, I have. As it is known, if
10 you may look at one of the handouts I handed out that
11 Indian employment right on the reservation is quite high.

12 MR. MUSKRAT: May I interrupt, Mr. Chairman?
13 Mr. Harlin has handed us two handouts, I was wondering if
14 he could introduce these exhibits, A and B, or however the
15 chairman wishes to number them, and Mr. Harlin if I might
16 ask you, what we have to go on here is a record and when
17 you refer to these would you refer to them as Exhibit A or
18 B, however you care to introduce them?

19 MR. HARLIN: Right, the one with unemployment
20 statistics I'd like to have that as Exhibit A.

21 MR. MUSKRAT: This short form?

22 MR. HARLIN: The other exhibit is Exhibit B.

23 MR. CATE: Mr. Harlin, I believe you were in the
24 process of describing for us some of the difficulties you are
25 having in placing Indians in employment?

1 MR. HARLIN: Yes, one of the requirements of the
2 program has been that the respective Indian Reservation
3 place 50% of all the participants in permanent positions
4 prior to the first year's termination. One of the
5 difficulties has been that due to the peculiarity of the
6 reservations' economic resources, the tribe itself has
7 been unable to absorb all of these people and technically
8 the people in a program, they participate in a program,
9 they are the employees of the tribe and in many instances
10 on various reservations lots of these people have been
11 placed with the hard-line federal agencies such as Bureau
12 of Indian Affairs, Public Health Service, and the difficulty
13 has been that these people are not being absorbed by the
14 hard-line agencies who would have the capability to absorb
15 these people and they are not absorbing them.

16 I am not criticizing them for that aspect, they
17 seem to take the old adage that we don't have the funds
18 and we can't do it and it's easy for them to say no. That
19 is one of the difficulties that I have experienced in
20 performing my responsibilities.

21 MR. CATE: Do you have any suggestions as to how
22 this situation might be improved?

23 MR. HARLIN: Very easy, BIA and the Public Health
24 Service should absorb these people, that is all.

25 MR. CATE: Referring to your Exhibit No. B,

1 Mr. Harlin, could you give us an explanation of that
2 exhibit and what those figures stand for?

3 MR. HARLIN: Well in my job I have access to
4 the statistics provided by the Department of Labor. I
5 just wanted to have the Commission to be notified of the
6 fact that of the Indian participation in the EEO Program
7 off the reservation, if you will notice the March figures,
8 the earlier figures which were available, started July, 1971,
9 and we have April, 1973, so approximately a year and a
10 half almost, over a year and a half. It started out as
11 4.32%. If you notice that the participation rate has
12 remained constant with the increased participation in
13 off-reservation programs. I would like to point out one
14 instance, two counties statistics are available, Cascade
15 and Yellowstone; the first column, Cascade has remained
16 constant until November when it increased with more Indian
17 participation. In Yellowstone County it has remained
18 constant and one Indian participant has never changed at
19 all.

20 I am not going to point out the figures but I
21 would like to know why that has remained constant.

22 MR. CATE: Do you know the answer to that yourself?

23 MR. HARLIN: I do not know the answer, no sir.
24 If I might be at liberty to clarify it a little further,
25 I have heard from off-hand reports on many other counties

1 throughout the state the situation is of practically
2 the same.

3 MR. CATE: These total cumulative participants
4 in the 5th column on the right side, Mr. Harlin, is that
5 the total for the state?

6 MR. HARLIN: Right, it is the total.

7 MR. CATE: 944 people in March '72, 901 of whom
8 are not Indian and 43 who were Indians?

9 MR. HARLIN: Yes.

10 MR. CATE: That figure then, that column is the
11 state figure?

12 MR. HARLIN: Right.

13 MR. CATE: Now for instance in Yellowstone
14 County which is where I believe you live, who administers
15 this program?

16 MR. HARLIN: I do not know.

17 MR. CATE: If you had an Indian come to you and
18 ask you for some assistance in finding employment with the
19 Emergency Employment Act, would you know where to send him?

20 MR. HARLIN: I would send him to the employment
21 office.

22 MR. CATE: The State Employment Office?

23 MR. HARLIN: Yes.

24 MR. CATE: Do you know whether or not they have
25 the responsibility of administering this program?

1 MR. HARLIN: I am not, directly for Yellowstone
2 County, I understand that they have their own program
3 awarded.

4 MR. CATE: Any other questions from other members
5 of the Committee?

6 MR. HARLIN: I may also add if anyone wants copies
7 of this I have extra copies.

8 MR. CATE: Before the members of the Committee
9 ask the witness a question, I would ask them to identify
10 themselves.

11 MR. SPANG: Mr. Harlin, my name is Al Spang. I
12 would like to ask you a couple questions and the first
13 question on your Exhibit B, what do you feel contributes
14 to the low participation of Indians as reflected in Exhibit B?
15 What are some of the factors?

16 MR. HARLIN: For my opinion if I may deduce from
17 the statistics it appears that the participation rate was
18 meant to be representative. If I may also infer that the
19 participation rate is mostly, closely akin to the Indian
20 population in the State of Montana. Maybe this is just a
21 coincidence, I do not know, but it appears that way.

22 MR. SPANG: Another question, Mr. Harlin. In
23 your efforts to place Indian people, are most of your
24 efforts directed on the reservation placement or are you
25 also concerned with off of the reservation?

1 MR. HARLIN: I am concerned with off of the
2 reservation as well and as a matter of fact during the
3 second year of our program I am intensifying my efforts
4 to help the reservation to place people on the reservation
5 if possible first priority, and second close to the
6 reservation as possible.

7 MR. SPANG: Mr. Harlin, what are some of the
8 factors that are created, the difficulty in placing Indian
9 people off reservation?

10 MR. HARLIN: Some of the factors naturally are
11 due to the economic situation throughout the State.

12 MR. MUSKRAT: Might I ask a question, Mr. Harlin?
13 We found that in the State of Montana the White unemployment
14 rate I believe is approximately 6.2%, is that correct,
15 Mrs. Jones?

16 MRS. JONES: Yes.

17 MR. MUSKRAT: In the past that rate fluctuates
18 with the economy and change, we have found that the
19 employment rate for minority people and Indians and your
20 largest minority in the state of Montana, that the
21 unemployment rate which is almost 50% remains constant.
22 If the economy is good, you have almost 50% Indian unemployed,
23 if it is bad you have 50% of the people unemployed, can you
24 explain this?

25 A If you were an employer off the reservation,

1 you would be partial to Indians and second, if you are
2 asking whether I think any discrimination exists I would
3 say it does exist, yes.

4 MR. MUSKRAT: That is what I was asking I guess.

5 MR. HARLIN: Right, this is my opinion.

6 MR. MUSKRAT: Mr. Spang, you are familiar with
7 the provisions of the 1968 Civil Rights Act which says
8 in effect that the employer can give preference to Indian
9 people living on your reservation in hiring, are you not?

10 MR. SPANG: Yes.

11 MR. MUSKRAT: Mr. Harlin, are you familiar with
12 this provision of the law?

13 MR. HARLIN: Yes, I am familiar with that.

14 MR. MUSKRAT: Do you feel that employers, we
15 have found a lot of lumber companies which have contracts
16 with the tribe to cut lumber on Indian reservations and
17 most of these contracts contain what is called an Indian
18 preference clause. Did you find that the companies are
19 aware of this or actually going out and giving preference
20 to Indian people where the unemployment rate is so high?

21 MR. HARLIN: If I may expound on that in this
22 way, in my efforts to try to obtain employment for Indians
23 off the reservation, the Indian should not have to leave
24 home to find employment. I have found that so far in my
25 initial efforts that the employers are willing, they want to

1 find out, they want to help so they say, they want to
2 comply with the Civil Rights legislation. One company
3 notably has been, I feel, not only bending over backwards
4 but trying to help, that has been the telephone company.
5 I have very close rapport with the telephone company, they
6 want Indian people if they have the qualifications which
7 is just fine, so I think that in order for the example the
8 Indian tribes to have the best man for the job, they try
9 to seek the best man including tribal chairmanship. I
10 think that is on the same basis, the same selective basis,
11 the employers off the reservation have the same problem.
12 Matching the right person with the right job is also
13 another criteria but at this time I have found that the
14 employers off the reservation are frequently receptive to
15 trying to seek Indian people. Does that answer your
16 questions?

17 MR. MUSKRAT: Well, yes and no. My question is
18 rightly if they are receptive to hiring Indian people, why
19 do we have this high unemployment rate among Indian people?

20 MR. HARLIN: If I knew the answer we wouldn't be
21 here.

22 MR. MUSKRAT: Thank you.

23 MR. HARLIN: You are welcome.

24 MRS. JONES: Are you in the process of gathering
25 any information or data for a report of any type that would

1 show the end result of the emergency employment act?

2 MR. HARLIN: In what way, the performance rate?

3 MRS. JONES: Yes.

4 MR. HARLIN: I already have statistics that the
5 performance rate on the reservations collectively has been
6 around 22% which is far below the 50% which is initially
7 agreed upon when the contract was first awarded. This is
8 due to, I'd say, the economic atmosphere of the reservation.
9 It's impossible for a reservation to absorb these people.

10 MR. SPANG: Mr. Harlin, I would like to follow up
11 the question that I asked earlier, the response that you
12 gave to the earlier question was based on apparently, the
13 national economic situation and I think it's no recent
14 economic phenomena that we're in an economic situation
15 but I am sure that the difficulty in placing Indians in
16 employment situations predates that. Now, are you in a
17 position to maybe share with us why it has been difficult
18 to place Indians even when we had a different national
19 economy?

20 MR. HARLIN: If I might answer that in this way,
21 the reception to the Indian person I think is the Indian
22 is stereotyped in saying that he is an alcoholic and a
23 drunken Indian and lazy, doesn't want to work. I think that
24 this is more truth than fiction and I think that is one
25 of the stigmas that the Indian person is placed with and how

1 this can be resolved and in many cases it is done on an
2 individual basis. In general this is one of the stigmas,
3 one of the crosses that the White man placed on the Indian
4 that the Indian has to bear until the White man removes
5 that stigma, the Indian is always going to bear that cross.
6 The Indian is completely discriminated against, completely.

7 MR. BIGHORN: I would like to ask Mr. Harlin
8 a couple questions. No. 1, are you familiar or do you
9 know who hires employees at the local Bureau of Indian
10 Affairs level, what I mean is not from the head office
11 but the local office, Lame Deer, Poplar, Wind River, Say
12 if I was going to apply for a job at the local BIA office
13 and who would I talk to?

14 MR. HARLIN: I am not --

15 MR. BIGHORN: Are you familiar with that procedure?

16 MR. HARLIN: I am not familiar with that procedure.
17 I always understood somebody has to make the decision and
18 always assumed it has been at the area level. In other
19 words the Billings area office of BIA or Indian Health
20 Service.

21 MR. BIGHORN: You are saying that there is a
22 personnel person at the BIA level area office that makes
23 the decision from your opinion?

24 MR. HARLIN: This is my assumption, I do not know.

25 MR. BIGHORN: Your assumption, okay. I have

1 another question then regarding Mr. Spang's question,
2 regarding the employment and regarding backing up from
3 there in terms of economic situations with the Indians
4 and the fact that you have stated in terms of stereotyping
5 of Indians, stereotyped Indians, whatever, they can't get
6 into employment, this is what I gather what you have said.
7 I want to maybe take a little step further back and see
8 if there is any relationship between this in regard to
9 education say of hiring or is there a lack of education
10 for Indians or a lack of educational qualification for all
11 kinds of positions?

12 MR. HARLIN: If I might respond to that in this
13 fashion, there seems to be the old cliché is that we will
14 hire Indians if there are any qualified Indians around
15 available. I think that is an outmoded cliché. If I
16 may go even further in response to your question, this is
17 known statistically, the participation rate by the Indians
18 in the BIA staff itself nationwide and even on a regional
19 basis, these figures are available, I do believe that Mr.
20 MacDonald will present these figures this afternoon.
21 However, I feel at liberty to say this much, that using
22 these figures that I have read or heard about, just for
23 example, I believe about fifteen to sixteen thousand
24 Indians, fifteen or sixteen thousand staff in the Bureau
25 of Indian Affairs, and over half are supposed to be Indians

1 and that is fine but what you find when you examine them
2 are half the people are located, you will find them in
3 G-7 and below, they are clerks, they are truck drivers,
4 they are maintenance men and none of those people are in
5 responsible managerial positions. I just wonder, I
6 question what the performance rating would be of those
7 Indians in those positions, whether they would be able
8 to perform those jobs, the same old cliché is not being
9 applied in this area.

10 MR. BIGHORN: One more question, are you familiar
11 with looking at the Bureau of Indian Affairs at the local
12 level, again at Poplar, Lame Deer, Northern Cheyenne, and
13 Browning, are you familiar with what is done within the
14 Bureau itself? In other words how people are upgraded from
15 GS-3 to a 7, 8, are you familiar with how this is done?

16 MR. HARLIN: I am not familiar with that.

17 MR. CATE: Mr. Harlin, your testimony is excellent
18 and we appreciate your coming, our time schedule is very
19 tight, however, and I want to try to keep that time schedule.
20 We would like to excuse you at this time, you are welcome
21 to stay throughout the remaining course of the hearing.
22 Thank you.

23 MR. HARLIN: Thank you.

24 MR. CATE: We will call the first panel of
25 employers. Cardinal Petroleum Company? Are you from

1 United Industry?

2 MR. SITES: Yes.

3 MR. CATE: And that is Long Construction Company?

4 MR. SITES: No, it's several industries, Long
5 Construction Company, Northern Materials, Great Falls,
6 Midland Materials, Billings, United States Prestress,
7 Billings, United States Prestress, Missoula, United States
8 Prestress, Great Falls, Gallatin Sand and Gravel, Bozeman,
9 Big Sky Sand and Gravel, Casper Concrete.

10 MR. CATE: All right, your name is Robert Sites,
11 is that correct?

12 MR. SITES: Yes.

13 MR. CATE: Is there a representative here from
14 Security Trust and Savings Bank in Billings, Montana?
15 We wanted to bring these groups together in panels in order
16 to save the time of individually bringing people up to the
17 jury box. Is there a representative from Cardinal Petroleum
18 Company? If there a representative from Hart-Albin Company?
19 Is there a representative from the Pierce Packing Company?

20 I guess all those people don't have any problems
21 because --

22 MR. MUSKRAT: Could we let the record show --

23 MR. CATE: We will make inquiry, Mr. Muskrat,
24 with relation to the policy.

25 MR. MUSKRAT: Let the record show no one steps

1 forward.

2 MR. CATE: The record will so show. Mr. Sites,
3 for the record would you state your full name.

4 MR. SITES: Robert William Sites.

5 MR. CATE: And your employer is United States
6 Industry Transport Company?

7 MR. SITES: It's United States Industry, that is
8 my employer.

9 MR. CATE: And you are the EEO coordinator for
10 that company, is that correct?

11 MR. SITES: Yes.

12 MR. CATE: Could you tell us whether your company
13 has an affirmative action program?

14 MR. SITES: To some extent, yes. We do quite
15 a bit of highway work and we have quite a bit of
16 corresponding work in sand and gravel production. We
17 supply materials to highway contractors, we build prestress
18 beams, we also do -- it is all governed by the federal
19 highway contract when we do anything associated with the
20 federal highways we have to follow their guidelines, and
21 the Montana State Department of Highways has a set of
22 project guidelines which we are required to follow and we
23 follow those not only through the highway work, we follow
24 them throughout the rest of the companies.

25 The Equal Employment Program we have is basically

1 dictated by the State Highway Department. It's not so
2 much a quota system, more of a non-discriminatory in
3 hiring. Basically we hire anyone that comes in, we file
4 the necessary reports and participate as fully as we can
5 with the highway department.

6 MR. SCHILTZ: I am from Billings, do I understand
7 from the description of the various companies under the
8 umbrella of United States Industries, it is pretty much
9 in the construction of heavy highway construction business?

10 MR. SITES: More in the sand and gravel and
11 heavy construction is a sideline.

12 MR. SCHILTZ: Does your work tend to be somewhat
13 seasonal?

14 MR. SITES: Very much so.

15 MR. SCHILTZ: Now how many employees do you have
16 over the year?

17 MR. SITES: It will fluctuate anywhere from
18 300 to 700 depending on the season. In the winter months
19 it is around 300 for all companies and in the middle of
20 the summer it might be as high as 700 to 800.

21 MR. SCHILTZ: What is your turnover in personnel
22 from one year to the next assuming that you have 400
23 seasonal employees, how many of those are repeaters from
24 year to year?

25 MR. SITES: I don't have those statistics, it

1 would have to be a guess.

2 MR. SCHILTZ: That would be fine.

3 MR. SITES: 50% of them.

4 MR. SCHILTZ: They are turned over every year,
5 new employees from year to year?

6 MR. SITES: Yes.

7 MR. SCHILTZ: Of your total work force, how
8 many American Indians do you employ?

9 MR. SITES: Total American Indians, 5.

10 MR. SCHILTZ: And can you make a computation of
11 what percent of your total work force that is?

12 MR. SITES: Five out of it would be approximately
13 420.

14 MR. SCHILTZ: A little over 1%, slightly over 1%?

15 MR. SITES: Yes.

16 MR. SCHILTZ: Are those among the permanent
17 year-long employees?

18 MR. SITES: Yes.

19 MR. SCHILTZ: Those five are permanent year-long?

20 MR. SITES: Yes.

21 MR. SCHILTZ: From year to year?

22 MR. SITES: Yes.

23 MR. SCHILTZ: They are not known as seasonal?

24 MR. SITES: No.

25 MR. SCHILTZ: Do you have any idea how many

1 employees of the American Indians you have who are
2 seasonal?

3 MR. SITES: I really don't. The way we administer
4 our highway contracts when we do have a highway contract,
5 we sub-contract quite a bit of our work, all the land
6 reclamation or seeding, planting trees, that is done after
7 the highway is put in, we usually try and sub-contract
8 this to a minority group, 7 or 8 Indians, a minority group
9 to do that seeding, we don't include this in our EEO report.

10 MR. SCHILTZ: S E E D I N G?

11 MR. SITES: Planting seeds.

12 MR. SCHILTZ: Along the rights of way?

13 MR. SITES: Right.

14 MR. SCHILTZ: Do you have any explanation or
15 let me put it this way, according to the figures that
16 Mrs. Jones gave us this morning, I conclude that about 10%
17 of the work force available work force in Montana would be
18 American Indians. Do you have any explanation for the
19 disparity between the 10% of the American Indians available
20 and the rate like 1% that your company employs?

21 MR. SITES: To some extent, yes. The majority
22 of companies are union and we are forced to hire through
23 the union halls. With the exception of United States
24 Industries itself, which is the holding company, the rest
25 of the companies hire strictly through the union halls and

1 we hire basically whoever comes first, first to the door.
2 If they last we keep them, if they don't prove to be any
3 good, we get rid of them. The unions have tended not to
4 send Indians, there aren't many Indians in the unions.

5 MR. SCHILTZ: Did you state to Mr. Cate that
6 your company is in compliance with the guidelines set
7 down by the State Highway Department?

8 MR. SITES: Yes.

9 MR. SCHILTZ: Does United States Industry, Inc.,
10 have an affirmative action plan designed for the hiring
11 and promotion of American Indians and other minorities?

12 MR. SITES: Not written as such, no.

13 MR. SCHILTZ: Just as a suggestion, and I wonder
14 if your company has considered it, if you have this high
15 turnover from year to year, you say 50%, and if you did
16 adopt a plan to hire a number of American Indians to bring
17 them up their proper percentage of the total work force,
18 it would be a relatively simple matter with your turnover?

19 MR. SITES: Yes, it would providing the Indian
20 would belong to the union and come through the union halls.
21 Our contracts preclude hiring anybody that is non-union,
22 we have to hire through the union hall.

23 MR. SCHILTZ: You are saying the problem then is
24 that the Indian should join the union if he wants to get
25 hired by your company?

1 MR. SITES: Yes.

2 MR. SCHILTZ: Do you have any requirements in
3 the form of the application or a physical requirement or
4 mental requirements or any examinations given as a condition
5 to the employment of your personnel?

6 MR. SITES: The only examination we require is
7 with the office workers and we require typing and clerical
8 tests administered by the State Employment Office.

9 MR. SCHILTZ: When you hire, do you have an
10 application form of any kind, I am not talking about your
11 clerical but the great bulk of your people?

12 MR. SITES: Each individual company has its own
13 form of application. Basically rather than being an
14 application, it's a chronology card, when we hire a person
15 for the labor force we call the union hall, we tell them
16 how many people we need and they send them over. They fill
17 out a chronology card which basically is their name,
18 social security number, age, the information we need for
19 tax purposes, and they are put on the payroll. At the
20 end of the day if they prove to be a successful worker or
21 the end of the week whatever the foreman sees fit, they
22 are maintained. Basically if we need 20 people we call
23 the union hall and say send 20 people so we have 20 people
24 show up, we hire them unless they are people we have
25 previously dismissed.

1 MR. SCHILTZ: The questions you suggested that
2 were on that form are all the questions you asked, name,
3 social security number?

4 MR. SITES: Well, I won't say they are all the
5 questions we ask, we ask only the questions that are relevant
6 to the tax status and insurance policies, this type of thing.
7 We do not ask whether they are members of a minority group.
8 In order to compile our EEO report, it is very difficult
9 because we have no record as to how many minorities we
10 had. We had to go out and take actual surveys to find out
11 who was a minority.

12 MR. SCHILTZ: Nothing on your application form
13 that could be construed as giving you an opportunity to
14 discriminate against any minorities?

15 MR. SITES: Absolutely nothing.

16 MR. SCHILTZ: I think that is all.

17 MR. SMITH: You stated I believe that you are
18 in compliance with our highway on other contracts, is that
19 right?

20 MR. SITES: Yes.

21 MR. SMITH: You, to meet the highway criteria
22 then if you are hiring through the union, the unions would
23 be supplying you with a number of minorities to stay in
24 compliance for those highway contracts?

25 MR. SITES: The union supplies us with what

1 minorities they can supply.

2 MR. SMITH: You have stated you were in compliance,
3 are they supplying enough to keep in compliance?

4 MR. SITES: The State of Montana does not have
5 a specific percentage of any minority that you must employ.

6 MR. SMITH: There is no percentage, I am aware
7 of that. You made the statement the unions were not
8 sending you minorities, I wanted to clarify the record.
9 You must have minorities in the number, at least an effort
10 to get them to place them on work and meet your compliance
11 with the highway contract?

12 MR. SITES: We have made specific requests to
13 the unions that we need 20 employees and that we are an
14 equal opportunity employer and prefer some minorities to
15 increase our quota and continually we have received no
16 minorities.

17 MR. SMITH: You have received none?

18 MR. SITES: No.

19 MR. SMITH: How do you keep in compliance?

20 MR. SITES: We have received what they have.

21 The State of Montana Employment Service on the other hand
22 has been much more helpful when we have hired people, that
23 are non-union positions, the non-union positions that we
24 have, we have been able to request the minorities from the
25 State Employment Service and they have not only filled our

1 request for minorities but they have given us great
2 assistance in finding trainable people. They would give
3 us financial assistance for training minorities. I
4 suggest if the union would come up with a program for
5 minorities, for helping employers train minorities, this
6 would increase the number of minorities in the union,
7 the number of minorities that would be available for our
8 work force.

9 MR. SMITH: There is something a little out
10 of balance there, you are getting them or not, you are
11 in compliance or not, that is the thing I wanted to
12 clarify.

13 MR. SITES: We are in compliance.

14 MR. SMITH: You are putting an onus on the union
15 that may not be proper.

16 MR. SITES: We are in compliance but the only
17 reason we can stay in compliance when there are no
18 percentages --

19 MR. SMITH: No percent and quotas but at the same
20 time you must have a number of minorities?

21 MR. SITES: Yes, we have some.

22 MR. CATE: How many non-union employees do you
23 have?

24 MR. SITES: In the entire process I would estimate
25 about 100.

1 MR. CATE: These five Indians that you have
2 employed, are they non-union employees?

3 MR. SITES: I believe so.

4 MR. CATE: So your testimony would be that you
5 have no union employees who are Indians to the best of
6 your knowledge?

7 MR. SITES: At this time, yes, this is also
8 our off season.

9 MR. CATE: Would that picture change in the on
10 season?

11 MR. SITES: In the on-season, I would say the
12 Indians would increase, the number of Indians.

13 MR. CATE: By what percentage of number?

14 MR. SITES: Again it would be strictly a guess,
15 I am familiar with the Billings companies, they are the
16 ones I am most closely associated with. In our labor force
17 in Billings, I would say that we hire a minimum of 10 Indians
18 in our labor force in Billings of probably close to 200.

19 MR. CATE: Union members you are talking about?

20 MR. SITES: Yes.

21 MR. CATE: So there are minority people in the
22 unions?

23 MR. SITES: Oh yes, there are, but there aren't
24 a sufficient number of them.

25 MR. SPANG: In the five Indian employees that you

1 have, what level of work are they located in?

2 MR. SITES: We have one Indian that is also a
3 woman, she's personal advisor to the president of the
4 company, this is one of the highest positions in the company.
5 We also have two Indians who are skilled craftsman and one
6 that is a manager, in a managerial position, and one in
7 a clerical position.

8 MR. SPANG: Who does the hiring in your non-union
9 jobs?

10 MR. SITES: It's up to each individual company,
11 the non-union jobs basically consist of such things as
12 managers, secretaries, the operating personnel that are
13 not labor force as such, each individual company will have
14 maybe two or three people that can do hiring. The United
15 Industry employees are hired by either the president of
16 the entire company or two of the managers, they are hired
17 basically by the office managers.

18 MR. MUSKRAT: May I ask a question? You stated
19 that you were in compliance but I get from the book that
20 we have available and the statement of the affirmative for
21 equal employment opportunities by the United States
22 Commission on Civil Rights which states in cases arising
23 under Title VII of the Civil Rights Act, the federal
24 courts have established the proportion of minorities by
25 the defendant employers is less than that which would

1 reasonably be expected on the basis of the availability
2 of qualified minority group members, a presumption of
3 discrimination arises. This is followed by numerous
4 federal cases. You have testified that there is a rather
5 wide disparity between the numbers of minority people and
6 women available in the work force both statewide and in
7 the Billings area and the number actually employed by your
8 company. Now, according to this lawsuit then, a presumption
9 of discrimination arises and it is your company's duty
10 to refute that, could you refute that please?

11 MR. SITES: We cannot hire other than union
12 employees for the labor force.

13 MR. MUSKRAT: This is a question that I would
14 appreciate if Mr. Smith could respond to. Mr. Smith,
15 as you probably know, is Commission of Labor in Montana.
16 Mr. Smith, it is my understanding if the union does not
17 have these people available we can hire out of the union?

18 MR. SMITH: That would be very true and they
19 might have to join the union, you can hire them, they would
20 join the union.

21 MR. MUSKRAT: Mr. Sites, there are also a great
22 number of federal cases that have held as sanctioned by law.
23 In other words that you can engage in remedial hiring and
24 if there is any disparity between the numbers of women and
25 numbers of minority people available for work and the number

1 actually employed by your company, you can engage in
2 remedial hiring. In other words you can hire more minority
3 people and you are fully protected in doing so. I would
4 suggest that you pick up a copy of this book and all of
5 these cases cited in here, I can cite them for you, but
6 you can get them from this book. Now would your company
7 be willing to bring your percentage of employees up to
8 that found in the labor force so that there wouldn't be
9 this wide disparity, would you be willing to engage in
10 some kind of remedial hiring practice?

11 MR. SITES: We would if we can do it without
12 union rebuttal.

13 MR. MUSKRAT: You just heard from the Commissioner
14 of Labor who says that, that is a pretty good source says
15 you can do it, and I think he knows what he is talking about.

16 MR. SITES: He should.

17 MR. SMITH: If the union says they are not
18 available, they can get people on the job.

19 MR. DILLON: Just to clarify for my own information,
20 in other words you have a closed shop policy of hiring,
21 right?

22 MR. SITES: Yes.

23 MR. CATE: Mr. Sites, on behalf of the committee
24 I would like to thank you for appearing and testifying on
25 behalf of United Industries. We appreciate your employer

1 sending you and appreciate you taking your time yourself
2 to be here today. Thank you very much.

3 I will call for witnesses from Security Trust
4 and Savings Bank, Cardinal Petroleum Company, Hart-Albin
5 Company, and Pierce Packing Company. Anyone here appearing
6 to testify on behalf of these entities? At this time the
7 Committee will recess. I want to recess for five minutes
8 and have a discussion about this.

9 (Recess taken)

10 MR. CATE: The meeting will be in order. Once
11 again I want to remind the members to identify themselves
12 so the record will show who is asking the question before
13 they ask the question of the witness. At this time Mr.
14 Muskrat, could you read into the record for us the information
15 that we do have relating to the Security Trust and Savings
16 Bank and the other four employers who did not appear at
17 this time.

18 (Whereupon Mr. Muskrat read into the record the
19 information available on Security Trust and Savings Bank,
20 Cardinal Petroleum Company, Hart-Albin Company, and Pierce
21 Packing Company.)

22 MR. CATE: At this point we have a 15-minute
23 break scheduled. We do have an employer from the Great
24 Falls area, the First National Bank of Great Falls. They
25 have a representative and he would like to give a written

1 statement at this time and with the Committee's permission
2 I would like to proceed without the break and proceed to
3 this gentleman's presentation. Would the representative
4 of the bank come forward. Thank you. State your name for
5 the record please.

6 MR. FLEMING: Daniel Fleming.

7 MR. CATE: Thank you, you may proceed.

8 MR. FLEMING: Thank you. My name is Daniel
9 Fleming and for 22 years I was employed by the United
10 States government, Federal Bureau of Investigation as
11 special agent. My experiences during this time working
12 with minority groups was doubly rewarding. I have been
13 fortunate in being able to continue my interest in this
14 area in my present post here in Great Falls and in the
15 personal life of my home and family. We now have a
16 juvenile minority living with myself and Mrs. Fleming.
17 For the past 3 years I have been employed by the First
18 National Bank of Great Falls as an officer in charge of
19 the personnel function of that bank. I would like to
20 express my appreciation to Mr. Muskrat, to Miss Jones
21 and the Committee for the privilege of participating in
22 this conference and particularly the opportunity to share
23 with your Committee our experiences and problems both from
24 the standpoint of the bank and as a citizen of this
25 community in fulfilling obligations with respect to fair

1 employment practices and equal opportunities.

2 For the past 3 years the 1st National Bank of
3 Great Falls has averaged 120 employees. 78% of them are
4 women, 22% are men. Of the women, I beg your pardon, of
5 the officers and management, 19% are women. All minority
6 groups are female and account for 3.5% of this group.
7 We have not been successful in recruiting or attracting
8 male minority applicants up to this time.

9 Now I am sure that there are those here who
10 would ask, why didn't you hire more minorities, are you
11 satisfied with your present employment goals. Are any
12 of your bank officers minority members? Tell us about
13 your problems, can we help you in some way? Let me
14 respond to these questions in this matter.

15 Our experience with the employment of minorities
16 has been uniformly excellent. We have not encountered any
17 problems with them that we have not encountered with other
18 groups. They have proved to be good employees both from
19 our standpoint and from that of the customer. Looking into
20 the future, we see two major problems. First, we aren't
21 getting enough applicants who have the necessary merit
22 skill and special skills to learn and do our work. Banking
23 is an exacting business requiring proficiency and accuracy
24 with numbers in addition to the ability to follow some
25 fairly complex routines. Unlike the cashier at the super-

1 market who rings up the prices and makes change for the
2 customers, our tellers handle a variety of financial
3 transactions, a number of which are fairly complex routines,
4 discounting notes, determining interest, and dealing in
5 foreign exchange, determining payoffs. We can teach these
6 routines to any man or woman who has certain basic number
7 skills and verbal skills. We do pride ourselves in our
8 ability to teach new employees banking routine and procedures.
9 We are not qualified to teach basic skills in reading and
10 speaking. I beg your pardon, in reading and arithmetic.

11 We could attract more minority applicants if there
12 was a way of raising some of their basic skills. We suspect
13 that many of them may not be seeking employment in the
14 more meaningful occupations because in inherent fear that
15 they might not have the necessary education to handle the
16 work. At the college level we have not been able to interest
17 or attract any minority applicants. I don't exactly know
18 what the problem is in this area except that banking may not
19 seem as interesting or challenging as other occupations,
20 which we do not believe.

21 Secondly, we believe that providing a mere job
22 for a minority person is not a satisfactory answer to
23 the problem. Our aim should be to provide meaningful
24 careers to these less privileged people which will result
25 in long-term advantages to both the group and the community

1 in which they live. Temporary off-season employment is
2 simply not acceptable long-range, although it might
3 significantly improve the employer's statistics, never
4 is employment in any position which soon proves to be
5 beyond the capabilities of the individual. While on
6 the surface employment may appear to be better than none
7 at all, the wrong job or one which is too difficult may
8 in fact be more damaging to the individual, who, like
9 any of us here in this room, does not like the taste of
10 bitterness of defeat having given his best.

11 We believe the banking industry with its
12 exceptional record of employment stability and its unusual
13 educational resources for teaching banking routines through
14 the American Institute of Banking, reputedly the largest
15 college without a campus in the country, can provide
16 meaningful careers not just jobs to increasing numbers of
17 minority employees, if we can find some solution in this
18 area of basic education. Most individuals will do well
19 in something they like and with which they are already
20 acquainted. The fear of the unknown looms as a very large
21 barrier for many. Accordingly we see a pressing need for
22 providing professional vocational counseling to both
23 attract and prepare minorities to effectively enter the
24 work force. We see a need for more help from the
25 educational group interested in providing schooling and

1 learning skills for minorities and to bring business groups
2 and organizations more closely to the world of their
3 students and at an impressionable and early age. While
4 you may not agree, we believe that vocational counseling
5 should begin as early as the 8th or 9th grade. We see a
6 need for the educational system to provide learning skills
7 and especially for minorities which are more directly
8 relevant to the world of work. Educators have made good
9 progress along these lines in recent years but there is
10 still some way to go.

11 Finally there is the very real problem of those
12 who have dropped out of school or have long forgotten the
13 basic skills they learned many years ago. If these
14 necessary skills cannot be provided to the groups within
15 the framework of the present educational system, then it
16 is suggested that they could be taught to special groups
17 on some basis, federally or jointly funded by the government
18 and private organizations such as some represented here.

19 I sincerely hope too the Committee will be able
20 to give us needed help in some of these areas. As we see
21 it, our mutual goal is to reach beyond the letter of the
22 law and into its basic intent which we believe is to provide
23 careers for minorities, not mere jobs. Thank you.

24 MR. CATE: I would like to compliment you on
25 that statement, that is what we are trying to do and we

1 appreciate the efforts that your bank is making in that
2 regard.

3 MRS. PETERSON: My name is Helen Peterson. Mr.
4 Fleming, you do have an affirmative action program in your
5 bank I understand?

6 MR. FLEMING: Yes.

7 MRS. PETERSON: What I am wondering is, do you
8 go out of the Great Falls area to attempt to find minority
9 people who would be qualified or trainable?

10 MR. FLEMING: Our first port of call is the
11 Montana State Employment Service who have provided us with
12 most if not many of our employees.

13 MRS. PETERSON: I think in the banking business
14 perhaps you should inquire of some of our colleges where
15 we do have a great many Indian students now who have higher
16 skills than you are going to find in the work force.
17 Also perhaps graduating seniors from high school who have
18 special skills might be trainable for you. Have you
19 thought about doing anything of this sort?

20 MR. FLEMING: Yes, and of course we do not limit
21 our work force to the high school graduate, it is not
22 necessary to have a high school diploma to be employed by
23 us. We have not explored these as widely as we would like,
24 we are open to suggestion.

25 MRS. PETERSON: Many high schools in Indian

1 reservation areas do have a career conference, does the
2 banking industry ever send anyone to these conferences?

3 MR. FLEMING: We have not formally. In the city
4 we frequently have speakers from our bank to attend the
5 local high schools, their office education classes and
6 also career days for the seniors. At that time we try to
7 present the benefits of a career in banking.

8 MRS. PETERSON: That is commendable. There is
9 one other question that arose in my mind as you were talking.
10 You have a high percentage of female employees but a
11 relatively low percentage of females in the higher wage
12 and authority brackets. Do you have any sort of escalation
13 through which women can go in your bank so that they can
14 raise in grade as it were?

15 MR. FLEMING: Well, we as I say have almost 20%
16 officers and managers, we have had three officers, female
17 officers as of February, one retired, and we have at the
18 present time in our bank, I think the only active woman
19 loan officer in the city. We are constantly evaluating
20 our department heads, females especially, for future
21 advancement. We feel that we have great opportunities
22 for women in our bank. We are cultivating their abilities.

23 MRS. PETERSON: How do you account for the fact
24 that you do have such a large percentage of female employees
25 and a relatively low percent, is this because women only

1 work a short period of time, or --

2 MR. FLEMING: In some respects, yes, but 78%
3 of our employees are women and they greatly outnumber the
4 men in the bank. We can't do without them.

5 MRS. PETERSON: My question was, why don't more
6 women move up when you have 78% of your employees women?

7 MR. FLEMING: Part of it is the turnover, we
8 are concerned right now with a yearly employment change,
9 husbands being transferred, pregnancy, the marriage
10 season is on hand and we do have a terrific turnover.

11 REV. BECK: My name is Rev. Jacob Beck. I have
12 a question for Mr. Fleming. Do you think that the attitude
13 in the banking business or the banking profession is such
14 that it would seem inappropriate that a woman should be a
15 vice president, is that an attitude in our society and in
16 business circles?

17 MR. FLEMING: Not in our bank. We are looking
18 forward to more women being top management.

19 REV. BECK: And how would a woman become a vice
20 president, would it be an election or an appointment by
21 the board of trustees?

22 MR. FLEMING: It is usually by election from the
23 board of directors.

24 REV. BECK: Is your present board of directors
25 made up of all men now?

1 MR. FLEMING: Yes.

2 REV. BECK: Any minorities on the board of
3 directors?

4 MR. FLEMING: Not to my knowledge.

5 REV. BECK: That is all.

6 MR. MUSKRAT: Are there any women on your
7 board of directors?

8 MR. FLEMING: Not that I know of, Mr. Muskrat.

9 MR. MUSKRAT: I think Mr. Fleming typifies what
10 we find in Montana. I was the investigator who looked at
11 the 1st National Bank of Great Falls. What I found was
12 Mr. Fleming stated they really want to hire minorities and
13 women, would like to promote them but they really aren't
14 sure quite how to go about it, is that correct?

15 MR. FLEMING: We'd like to have people come in
16 with the ability. We can train and we will promote, we
17 have the American Institute of Banking which is an excellent
18 method of training and preparing for careers and futures in
19 banking.

20 MR. MUSKRAT: Mr. Fleming, what we would like to
21 see come out of these hearings is not for you to wait for
22 minority people and women to come in to see you, but you
23 as personnel officer of that bank, to go out and seek
24 minority employees and women. In other words to engage in
25 a very very very vigorous affirmative action program wherein

1 you commit yourselves to certain goals in the hiring of
2 minorities and set a time table for yourself so these
3 goals will be fulfilled within a certain time. In the
4 case of minority people, go where they are and I can assure
5 you that you can find minority people who can read and
6 write and add and subtract which is what you stated most
7 of your qualifications for employment at the bank were.

8 The same is true of women. You can find some
9 very very bright women, find women accountants, women who
10 have the type of banking background that you want to but
11 they have not been employed and I don't want, I am not
12 criticizing your bank, I think you are doing a fairly good
13 job. I would like to see you do a better job, I am sure
14 you would too.

15 I think in general a lot of companies which have
16 obtained a reputation let us say of not hiring women or
17 not hiring minorities, you don't get the applicants. When
18 you suddenly turn around and look at the employment picture
19 you find primarily middle-class white anglo- saxon Protestant
20 males. What we would like to see you do is go out and
21 change that attitude that the company has created, perhaps
22 unconsciously. Nevertheless it is necessary to change that
23 attitude and actually get some people in and once you get
24 them in, then the word is rapidly going to spread that 1st
25 National Bank of Great Falls is really an equal opportunity

1 employer and by George they mean it. That is what we would
2 like to see come out of this hearing.

3 We will have at the end of the close of this
4 hearing, people, and we will furnish you their names and
5 addresses and phone numbers who can help you with this
6 aspect, who can help you with an affirmative action plan,
7 who can tell you the type of places to go to find minority
8 employees so that your employment pattern better fits the
9 availability of the labor pool in your area. I think the
10 best book I have found is the book, that blue covered book
11 we are passing out, they are found on that table. I would
12 urge everyone here to get a copy of that and read it.

13 MR. CATE: Thank you, Mr. Fleming.

14 MR. FLEMING: Thank you.

15 MR. CATE: The Committee will be in recess until
16 11:00.

17 (Recess taken)

18 MR. CATE: The meeting will come back to order.
19 The next witness is Michelle Robinson. Mrs. Robinson, would
20 you state your name for the record please?

21 MS. ROBINSON: My name is Michelle Robinson and
22 I am the director at the Indian Service Center in Butte,
23 Montana.

24 MR. CATE: Could you describe for us the efforts
25 of the Indian Service Center in getting minorities employment

1 in the Butte area?

2 MS. ROBINSON: Yes. I have a prepared statement
3 and I will read from that and also if at any time you want
4 to ask questions, please do.

5 My primary reason for testifying here at the
6 hearing is due to the confusion I have encountered as
7 director of the Indian Center in Butte regarding equal
8 employment opportunities. My role as director encompasses
9 finding jobs for minority people who come to our office
10 seeking work. We make referrals, we contact employers,
11 we work with the unions. In all of these areas we have
12 encountered enormous confusion. Something that I think
13 is highly discriminatory is the fact that some of the unions
14 have what they call an A, B, and C list, A lists are people
15 who are union members for one year or more. B lists are
16 union members for one year or less. C lists are for those
17 people who do not belong to the union. Hiring is done first
18 from the A list, then from the B list, and then from the
19 C list. There is a great deal of confusion in how you go
20 about getting in the union. Many of our people say, I don't
21 have the money to join the union. Well the union says that
22 you don't have to have the money right away. When you get
23 out on the job they will prorate the cost of joining the
24 union and the minority members can thus become a member of
25 the union and pay the initiation fees and so on. The

1 problem is that most of our people are on the C list and
2 the length of time that they must wait before everyone is
3 cleared from the A list and the B list before they are
4 referred out to the job, is quite a long time. Sometimes
5 they go through almost the entire season before they are
6 called out. During this time then part of our situation
7 at the Indian Center, we will provide housing for the
8 families through the Housing Authority there in Butte,
9 food stamps and welfare assistance in getting them signed
10 up for these benefits or unemployment if they are eligible.

11 As you all know, we are handicapped with a short
12 construction season and we are further handicapped by
13 people who do not have the skills necessary to operate
14 the heavy duty equipment. We have worked with the employment
15 service in Butte and have gotten several people on the
16 training program that we have over there at Vo-Tech. One
17 woman has even finally got on the program and she went
18 through and was working with the Anaconda Company and then
19 went with a private construction company. Our problem is
20 with people who are not trained. The trained people we
21 can get jobs for them with minimum delay. It is the people
22 who do not have the training that are on the C list. We
23 hope to rectify the situation shortly.

24 Another role that I have as director of the
25 Indian Center is advocate for the Indian people in Butte.

1 This is in regard to adaptation to all aspects of urban
2 Indian life, changing from a reservation system to an
3 urban system does require changing many of the ways a
4 person has been used to doing things and that is the reason
5 for the Indian Center. We try to help get the people
6 situated so that they can participate in what is happening
7 in Butte. We also try to speak out whenever there is a
8 problem that arises for the people. We have done things
9 such as get a school counselor for the children because we
10 had such a high drop-out rate and now have a minority
11 counselor to work with the Indians so that we can hopefully
12 get them through high school and into some vocational or
13 technical or college training. More than once I have found
14 that these roles of advocate and job developer are in
15 conflict. For example, in November of 1971 I testified in
16 opposition to a utility rate increase because of the
17 disastrous effect this would have on the minority of Indian
18 people in Butte. Most of our people are low income or
19 poverty families. This is why I testified against it
20 because they had come to me and said they couldn't afford
21 this. In my role as director I felt compelled to testify
22 against the rate hike. Then on May 24 I visited the Montana
23 Power personnel offices to find out how to go about getting
24 Indian people hired there. I wanted to find out where the
25 office was that they should go to, the applications and so on,

1 what the procedure was. At that time I was humiliated by
2 a staff member because I asked to see their affirmative
3 action plan. I mention this fact simply because I thought
4 that they had an obligation to hire minority people and
5 some of the EEO hearings we had been attending, this was
6 one of the things that they impressed upon us was that
7 employers are supposed to hire minorities. I went to them
8 thinking that this was so. We have a large labor force
9 and they have jobs. I didn't know it was wrong to ask
10 for that affirmative action program. I was told it was
11 wrong. Earlier that month I had received a copy of another
12 employer's affirmative action plan, they voluntarily sent
13 it to us. It was a heavy and highway construction company,
14 they had sent a plan telling us how they were going to
15 proceed hiring minorities. I felt this was something that
16 was common knowledge and we in our work trying to help
17 minority people, I was trying to see, I was wrong.

18 After that fiasco I brooded about it, that was
19 in May, I brooded all summer about it because people kept
20 coming in. Summer is the time of year we get most of our
21 applicants for construction jobs. In September I sent a
22 letter to a friend at the power company, Mr. Jack Burk,
23 and again requested a copy of the affirmation action program.
24 Also in the letter, I guess I was impertinent, I suggested
25 that he advertise as an equal opportunity employer; that was

1 because we had been having difficulty getting people to go
2 over and apply. I felt that if this were part of the
3 advertising, that if the people could see this, that then
4 they wouldn't be afraid to go down and apply. I also asked
5 that we be notified of job openings, I know they notify the
6 employment service. We felt that if they would notify us
7 directly, possibly we might have someone who could qualify.
8 In December, I received a phone call from Mr. Burk in which
9 we discussed my letter and following that phone call I
10 received a letter from Mr. Burk which I believe has cleared
11 up many of the misunderstandings that I had. Since that
12 time I have met with Mr. Donaldson in the personnel
13 department there and we discussed the process for hiring,
14 the qualifications, the training program they have, and
15 he has agreed to come and talk with the Alliance on the 18th,
16 I believe, of April and he'll be talking with our people who
17 will be explaining the qualifications they have. He will be
18 explaining what they expect of their employees and bringing
19 job applications with him. We discussed that this kind of
20 personal touch was what is needed, that this is an
21 affirmative action when he makes the step to come to us
22 and works with us, with our people and if they get to know
23 one person in a company then they may be more willing to go
24 across the street and apply for the job, particularly if
25 that is the person you are going to see. I felt very at ease

1 with Mr. Donaldson and I felt that he is sincere in making
2 an attempt. I believe it's a needed one and a timely one.

3 As we are all aware true advancement in our
4 equal opportunity will be reflected in increased minority
5 job placement, in other words, actually getting minority
6 people on the job. I guess that is what I am trying to say.
7 We do receive letters from employers, we do receive visits
8 from EEOC, officers from the companies, but the result of
9 getting the Indian people on the job is not that great and
10 that is where we want to see results. Talk is cheap and we
11 don't want to just talk. We want to see our guys on the job,
12 see our girls wherever they can be placed. The point of my
13 going into the details of the confrontation and alleviation
14 and so on with the power company is because I believe there
15 is a need to impress upon you the need for clarification in
16 this state of whose responsibility it is to see that
17 minority people are placed on jobs, is it my job as
18 director of the Indian Center, is it the union's job, is
19 it the employer's job, whose job is it to make sure that
20 the Indian people are placed on jobs?

21 If it's a mutual responsibility, then I suggest
22 that today is a good day to start. Maybe by working
23 together, we can get some of these things clarified and
24 maybe through the use of the press we can let whoever is
25 responsible, let them know that it's their responsibility.

1 I was afraid to come up here and talk today and afraid to
2 go over to the Montana Power Company and I'm always afraid
3 to go to talk with employers because to me they represent
4 something that is a frightening thing. I don't know why
5 but I am college educated and I have travelled all over
6 the United States and I am still afraid. I think we have
7 to take in our affirmative steps, we have to realize this
8 that the minority people you are going to be working with
9 are not going to push their way into the front offices and
10 say, hire me. If we have a responsibility to hire minority
11 people, I think we have a responsibility to seek them out
12 and to understand that there is a great deal of fear
13 involved.

14 MR. CATE: Really what you are saying, there
15 really is a reluctance on the part of the Indian people to
16 go out and look for jobs because of their past experiences
17 and their feelings of inadequacy?

18 MS. ROBINSON: Repeatedly being turned down for
19 the job.

20 MR. CATE: Do you know whether the Montana Power
21 Company does have an affirmative action plan?

22 MS. ROBINSON: I don't know.

23 MR. CATE: You indicated that you understand
24 that it was wrong for you to ask for their affirmative
25 action plan. What do you base that opinion on?

1 MS. ROBINSON: I was told that.

2 MR. CATE: Told that by the company?

3 MS. ROBINSON: Yes.

4 MR. CATE: A representative of the company?

5 MS. ROBINSON: Yes.

6 MR. CATE: After you made this request to the
7 company that they advertise as an equal opportunity employer,
8 do you know whether they proceeded to do that or not?

9 MS. ROBINSON: I understand they were doing it
10 at the time, not general advertising that we see as consumers
11 on TV or hear on the radio, but at the Employment Service
12 in their personnel offices.

13 MR. CATE: You have indicated this problem with
14 the unions. Are you aware of the requirement imposed
15 upon certain employers who do business with the federal
16 government that if the union is not able to supply them
17 with minority workers, they can go outside the union and
18 hire employees?

19 MS. ROBINSON: I am from Butte, Mr. Cate. I am
20 aware of that and they are aware of it and also I have
21 talked to them about that. Every time I read in the
22 newspaper that a contract has been let in those companies
23 where there is sufficient federal clout, I write to them
24 and tell them we are in Butte and would be pleased to help
25 them comply with their EEOC requirement, and some respond

1 and some do hire, but I do get continually the excuse that
2 they cannot hire outside of the union because if they do
3 they will have a strike. That is why I mention confusion
4 exists.

5 MR. CATE: Yes, fine, thank you.

6 MR. SMITH: May I ask you a question. I know
7 that you are doing a good job and trying your best and I
8 think everybody should appreciate what you are doing for
9 the people. I wonder if you had any contact with the Job
10 Corps up at Conrad for training? If you have an input to
11 them and also the one at Kicking Horse?

12 MS. ROBINSON: We have made referrals to Kicking
13 Horse. The young men are reluctant to go to Anaconda, I
14 understand they have good luck in places.

15 MR. SMITH: I was wondering if you had success
16 in getting people out of Butte?

17 MS. ROBINSON: There is one right now in training
18 and we had two last year.

19 MR. SMITH: Thank you.

20 MR. SPANG: I would like to ask a question
21 regarding the statements you made whereby Indians are not
22 joining the union even though they could have what might
23 be referred to as a deferred payment on dues. The question
24 I would ask is why aren't they joining if that kind of a
25 payment system can be arranged?

1 MS. ROBINSON: They have to be on the job before
2 that arrangement is made.

3 MR. DILLON: I would like to ask, do you find
4 that it's a problem with them there discriminated against
5 in terms of getting an apprenticeship in the union?

6 MS. ROBINSON: I don't know if that is so much
7 discrimination as confusion about the apprenticeship
8 program. I asked at a meeting the other day about that
9 for one thing and the employer must have in some instances
10 eight journeymen before he can hire an apprentice. The
11 small employers cannot hire apprentices because of this,
12 they can't afford to hire a sufficient number of journeymen
13 to allow them to have an apprentice. Then the apprentice
14 position has to be pre-arranged, but the man has to find his
15 job slot before he can get an apprenticeship. Once he is
16 on the job, he is not eligible to get on the apprentice
17 program, it is very confusing for the person. I was
18 recommended to take a person to the Employment Service and
19 let them handle the apprenticeship program, but getting on
20 an apprenticeship program is a complicated process.

21 MR. DILLON: Did you find this mostly in the
22 building trades or what type of trades do you find this in?

23 MS. ROBINSON: Building trades, mechanics, that
24 kind of thing.

25 MR. DILLON: Construction, this type, the reason I

1 ask is because I am quite familiar with the building trade,
2 and I think, let me ask this question. You mentioned just a
3 while ago that they require eight journeymen before they
4 can take on one apprentice. I think this is a stock answer
5 that you get when you try to get somebody, I think if you'd
6 check into it, I think it's four.

7 MS. ROBINSON: Well, the person, Mr. Tracy, with
8 the unions in Butte, told me there is eight, I guess this
9 is with mechanics' work.

10 MR. CATE: Our time for this witness has expired
11 and Ms. Robinson, let me tender on behalf of all of the
12 Committee and on behalf of your people, our appreciation
13 for coming here and testifying today. Thank you very much.

14 At this time we have schedules Panel No. 2,
15 three statewide employers, Buttrey Foods, Pacific Hide and
16 Fur Depot, and Montana Power Company, If there are
17 representatives from those companies who wish to testify
18 at this time, please come forward and have a seat in the
19 jury box please. Would you two gentlemen introduce yourselves
20 and tell us who you represent.

21 MR. STEVENS: I am Lee Stevens with the Pacific
22 Hide and Fur Company.

23 MR. DONALDSON: Ellis Donaldson.

24 MR. BUTTREY: Mr. Chairman, you announced a panel
25 consisting of Buttrey Foods together with Pacific Hide and Fur,

1 did you mean Buttrey Foods or F. A. Buttrey Company?

2 MR. CATE: F. A. Buttrey Company would be the
3 proper --

4 MR. BUTTREY: There is a great deal of difference.
5 The F. A. Buttrey does have a representative here. I am
6 Frank Buttrey of the F. A. Buttrey Company. I would like
7 to state to clarify the situation, there is no connection
8 between the F. A. Buttrey Company and Buttrey Foods.

9 MR. CATE: My understanding is that the national
10 office of the Commission talked to a Mr. Jack Lindon, vice
11 president of Buttrey Foods.

12 MR. BUTTREY: Negative, vice president of the
13 F. A. Buttrey Company.

14 MR. CATE: Okay, our information is incorrect
15 then, I think probably you are the gentleman that we would
16 like to talk with.

17 MR. SCHILTZ: Mr. Buttrey, I am John Schiltz.
18 Where do you live?

19 MR. BUTTREY: Great Falls.

20 MR. SCHILTZ: And will you state your occupation
21 and your position with that company again?

22 MR. BUTTREY: President of the F. A. Buttrey
23 Company, sir.

24 MR. SCHILTZ: What is the extent of your operation
25 in Montana?

1 MR. BUTTREY: We have six department stores, sir.

2 MR. SCHILTZ: Where are they located?

3 MR. BUTTREY: Havre, Great Falls, Billings, Butte,
4 Missoula, and Kalispell.

5 MR. SCHILTZ: Have you been in the room this
6 morning while the other witnesses have been testifying and
7 while the testimony came out about the extent of unemployment
8 in Montana, and especially among the minority groups and
9 that sort of thing?

10 MR. BUTTREY: Yes sir.

11 MR. SCHILTZ: There is no need for my going
12 through those various numbers with you, I take it?

13 MR. BUTTREY: No sir.

14 MR. SCHILTZ: Based on the information which was
15 furnished to the investigators, I note that Buttreys has
16 approximately 239 employees in Montana, is that correct?

17 MR. BUTTREY: As of our last payroll, 226, sir.

18 MR. SCHILTZ: 226. How many of those employees
19 are so-called minority groups either Spanish surnamed or
20 Indian?

21 MR. BUTTREY: At the present time, 16, sir.

22 MR. SCHILTZ: And in what category of those
23 three categories?

24 MR. BUTTREY: 13 Indians, 1 Black, 1 Oriental,
25 and 1 Spanish-American.

1 MR. SCHILTZ: Now are those employees spread
2 pretty much over the whole operation?

3 MR. BUTTREY: Yes sir, they are.

4 MR. SCHILTZ: Maybe two or three Indians in
5 Havre and one in Billings and so on?

6 MR. BUTTREY: They are spread in every unit,
7 yes sir.

8 MR. SCHILTZ: Now what percentage of your
9 employees are women?

10 MR. BUTTREY: I would judge 85% sir. That would
11 be a guess because I do not have the actual figures; since
12 we are in the retail business, department store business,
13 I would judge at least 85% of our employees are women.

14 MR. SCHILTZ: Now do you agree that there is a
15 disparity between the number of minority people you hire
16 and the number of minority people available in the work
17 force?

18 MR. BUTTREY: I find that question hard to
19 answer, sir. I have listened to the figures here this
20 morning and I have read other figures such as were
21 published in the paper last week. There are a great
22 number of minority people available for employment in
23 Montana but whether they are available for employment in
24 the larger towns or not and what the quantities are, I
25 can't answer.

1 We had one man who gave testimony this morning
2 who stated he didn't think that taking the Indian, he
3 didn't think they should have to leave the reservation
4 for employment. If they don't leave the reservation for
5 employment, they are not available for us to employ.

6 MR. SCHILTZ: In other words you are not seeking
7 Indian employees or trying to recruit them, you are just
8 waiting for them to come and see you?

9 MR. BUTTREY: We take applications from anybody
10 that comes. We have also from time to time actively set
11 out and seeked, if that is the word you wish, minority
12 groups, yes.

13 MR. SCHILTZ: I am glad to hear that. Now let's
14 take Havre, for example. You have the Rocky Boy just
15 outside the edge of town, five miles, is that approximately
16 right?

17 MR. BUTTREY: I thought Rocky Boy was about 30
18 miles from there, I have never measured the distance.

19 MR. SCHILTZ: 30 miles, all right. You have
20 Fort Belknap, another 10 or 12 miles farther than that,
21 I suppose?

22 MR. BUTTREY: I believe you are right.

23 MR. SCHILTZ: 40 miles?

24 MR. BUTTREY: I haven't measured it, I don't know.

25 MR. SCHILTZ: What, do you have an idea of the

1 Indian population in Havre itself?

2 MR. BUTTREY: No sir, I don't.

3 MR. SCHILTZ: Have you ever employed an Indian
4 employee, do you have any in the Havre operation?

5 MR. BUTTREY: We have one, sir.

6 MR. SCHILTZ: Do you have Indians who apply for
7 work in any of your operations?

8 MR. BUTTREY: Yes sir, evidently we do. I would
9 like to state at this time that 20 years ago we dropped from
10 our employment application any question regarding race or
11 creed and we have not used that for 20 years. We take
12 applications and hire on the basis of merit and when Mr.
13 Muskrat wanted to see us, going over our EEO report, we
14 found that everybody was classified under one classification,
15 these reports were made up by our personnel office and they
16 have no way of knowing, we do not keep track and our people
17 in the personnel office did not know what nationality they
18 were or what religion for that matter. Since Mr. Muskrat
19 was in, we did poll our people, we asked each manager in
20 each store to poll his people and found out how many Indians
21 and etc. we had. When Mr. Muskrat talked to Mr. Lindon he
22 said no. Our reporting forms were wrong, we have never made
23 it a practice to ask race or religion. When we did poll
24 them we found out how many Indians we do have. Our report
25 is due the end of April I believe, it will show how many

1 Indians and how many of the Negro race, the Oriental race,
2 and the Spanish-American race working for us.

3 MR. SCHILTZ: Mr. Buttrey, do you have an
4 affirmative action program in operation with your company
5 for the employment of minorities?

6 MR. BUTTREY: I'd have to answer that by saying
7 we don't have one at the present time. We have tried
8 several times in the past on a program. I can describe
9 one time three years ago when we actually went to the
10 chaplain on the base and the commanding officer and
11 attempted to hire both Negroes and Spanish-Americans.

12 MR. SCHILTZ: Here in Great Falls?

13 MR. BUTTREY: Here in Great Falls. We did at
14 that time find three employees and I believe one of them
15 was with us 6 months, one was with us about 12 and one
16 about 18 months, but they were women who were married and
17 I assume they still are, and their husbands were transferred
18 and of course we lost them, not one of them resigned and
19 not one of them was let go if you want to put it that way,
20 but their husbands were transferred, one was the wife of
21 a colonel at the base. We have made attempts to hire the
22 minority groups and we have been successful, as I could
23 point out, of the people that we have on our payroll now.
24 I was quite surprised myself to find out that one man who
25 has worked for us for I believe about 17 years, 16, 17 years,

1 and is an assistant manager of one of our stores, is an
2 Indian and I never asked him and I never knew that he
3 was until we made this poll, approximately 10 days ago.

4 MR. SCHILTZ: Aside from that one effort then
5 here in Great Falls at the air base, you don't have a plan
6 or program on an affirmative action or program in operation
7 at this time?

8 MR. BUTTREY: No, we do not.

9 MR. SCHILTZ: Does your company intend to
10 institute such a program?

11 MR. BUTTREY: Yes, we do.

12 MR. SCHILTZ: And I think you've said in
13 connection with another question that you don't have any
14 tests or anything in the application blank for employment?

15 MR. BUTTREY: We do basically I'd say 99% of
16 our employing through the Montana State Employment Office.
17 Depending on what the position is, we do have tests. If
18 we are hiring an accountant or an office girl, there are
19 tests that we ask the Montana Employment to give these
20 girls before they are sent up, and we use their basis
21 for evaluating the girls. If we are hiring a stenographer,
22 there is a typing test involved. If we are hiring a sales
23 clerk specifically, there are tests given to a sales clerk.
24 She is interviewed, her experience and her ability are judged
25 by the person that is hiring her.

1 MR. SCHILTZ: Do you have any training program
2 for sales personnel whether they are White, Black, Indian
3 or what?

4 MR. BUTTREY: We have on-the-job training in that
5 they go on the job and are trained on the job, yes.

6 MR. SCHILTZ: So, if you did implement an
7 affirmative program, you do have the facilities to train
8 the people after they applied and are employed?

9 MR. BUTTREY: I would have to answer that question
10 with a statement. We do not have a school, we do not have
11 classrooms or specific facilities.

12 MR. SCHILTZ: No, but on-the-job training would
13 take care of whatever they needed?

14 MR. BUTTREY: If they are hired, they go to
15 work and they are trained on the job. We have to train
16 them in our method of doing business and so on and we do
17 not maintain training facilities, sir, as such.

18 MR. SCHILTZ: That is all I have.

19 REV. BECK: Mr. Stevens?

20 MR. STEVENS: Yes sir.

21 REV. BECK: Does your company have statewide
22 employment services or job opportunities available, you
23 are not only in Great Falls?

24 MR. STEVENS: Basically we have 16 branches in
25 the State of Montana. We have one in Worland, we have, let's

1 see, we have two in Idaho and two in the state of
2 Washington.

3 REV. BECK: Does your company have an affirmation
4 action program?

5 MR. STEVENS: Not a formal one, no.

6 REV. BECK: Do you have an informal one?

7 MR. STEVENS: Well, first I would like to answer
8 this with a statement. I would like to go through our
9 figures for the state of Montana and we have a total of
10 140 employees of which 128 are male and 12 are female.
11 Now in the minority groups we have 5 Indians and we have 11
12 Spanish surnames. I feel percentagewise we are probably
13 pretty close to the percentages that people are looking for.
14 I would like to go a little further, in several instances,
15 and Havre is a good point, one of the Indians is employed in
16 Havre, he is our yard foreman, he has a very responsible
17 position and he is paid accordingly.

18 REV. BECK: Except for that one yard foreman, are
19 most of the other minority workers on the lower level of
20 activity would you say?

21 MR. STEVENS: No, I can go a little further now,
22 I had an Indian working for me here in Great Falls. He was
23 an employee of Pacific Hide for 18 years, and it was his
24 decision to quit. Now I'd like to go through what we did,
25 one of our vice presidents took it upon himself personally to

1 contact this man to come back. It was his decision to quit.
2 We also have his wife employed at the Pin Cushion which
3 the controlling stock of the Pin Cushion is owned by
4 Pacific Hide and Fur. This man's wife is still working for
5 the Pin Cushion, there is no animosity whatsoever.

6 REV. BECK: Can you explain in your type of
7 business, is there pretty good reason why you have 128
8 males and I assume the 12 females are in clerical and
9 office work. The type of work you produce is conducive
10 to men I suppose?

11 MR. STEVENS: Yes sir, I don't know how much you
12 know about our business, but basically we are in the hide
13 business, we are in the fur business, we are in the scrap
14 non-ferrous business and in the ferrous business, ferrous
15 being scrap iron. All of our women basically are in
16 clerical. Now we have 6 women in our Great Falls office,
17 being our corporate offices here and then I think this is
18 a real good trend, we are finding it's working out real
19 well for most of our larger branches where we have four
20 or five or six employees, we have started putting a woman
21 in the office and that has worked out real well for us.

22 REV. BECK: One of the problems we have in the
23 Great Falls area I know is that we have a large number of
24 male Indian people unemployed and you have a lot of job
25 opportunities for unskilled labor that can be trained easily.

1 You have approximately five Indian men out of 128. Do you
2 think you could increase that number with a little
3 recruitment or would you be willing to try to hire people
4 who really needs jobs and who could be trained easily
5 through the employment service, if you asked for more
6 Indian people would that be a possibility or is there any
7 concern of what the community might feel or something
8 like that? If you try to make a definite recruitment?

9 MR. STEVENS: Well basically, first of all, I
10 would like to say the turnover in our Great Falls operation
11 is not that large.

12 REV. BECK: I see.

13 MR. STEVENS: We are just like Mr. Buttrey's
14 firm as far as when we are looking for people, creed or
15 race has nothing to do with it. I would like to say I
16 have one Indian working for me right now.

17 REV. BECK: In Great Falls?

18 MR. STEVENS: In Great Falls we have two
19 locations, one is at 2nd Avenue and another across the river.
20 Now I am responsible for the operation at 2nd Avenue South.
21 I have one Indian and he is responsible for my hide operation,
22 he does a terrific job. He have a steel operation, we have
23 an Indian that works in scrap ferrous.

24 REV. BECK: How many total employees in Great
25 Falls, you have 140 for the company?

1 MR. STEVENS: 140 for the state, an estimate
2 would be about 20 employees that work, let's say, in the
3 non-corporate function, I am saying that work in the actual
4 operation of it.

5 REV. BECK: In the area of unskilled labor you
6 have 20 positions?

7 MR. STEVENS: I would say that approximately.

8 REV. BECK: And you have approximately one Indian
9 employee in these positions or three?

10 MR. STEVENS: Three.

11 REV. BECK: Do you think you could employ more,
12 does it depend on the business?

13 MR. STEVENS: It depends on the turnover.

14 REV. BECK: What I am trying to get at, when you
15 need an employee, it is usually one or two at the most,
16 you are not going out hiring 15 or 20 or 50 people?

17 MR. STEVENS: Our business isn't seasonal as
18 so many other operations are.

19 REV. BECK: Do you feel that you know in the future
20 that the disparity between one or two employees and the
21 chance of getting a higher percentage is a real possibility?

22 MR. STEVENS: I believe this is a possibility.

23 REV. BECK: You have a minority person for a
24 foreman, they don't have an ABC list?

25 MR. STEVENS: My own experience, sir, has been

1 now as far as people that I have hired for my warehouse
2 operation, generally these are people that have stopped
3 in the office and asked if I had any work. I have taken
4 their application. Now I have also hired two or three
5 girls for the corporate office and then I have one in my
6 own office downstairs. One thing I have found, I have
7 never had any minority sent to me by the employment service
8 or by any independent one or private.

9 REV. BECK: Do you have a union contract with
10 any kind of union?

11 MR. STEVENS: The only place we have a union, sir,
12 is in Butte, members of the Teamsters.

13 REV. BECK: You don't have any problems in hiring
14 non-union members?

15 MR. STEVENS: This is correct.

16 MR. SMITH: Did you ask for minorities?

17 MR. STEVENS: No sir, I haven't in the past.

18 MR. BIGHORN: Mr. Donaldson, you work for Montana
19 Power?

20 MR. DONALDSON: Yes.

21 MR. BIGHORN: This question I will ask, the
22 first question is referring to on a state level referring
23 to the number of employees that you have within the State
24 of Montana, and with that in mind, how many minorities,
25 including Black, Spanish surname, and American Indian and

1 women do you have in the state?

2 MR. DONALDSON: 19 at the present time.

3 MR. BIGHORN: 19 what?

4 MR. DONALDSON: Minorities.

5 MR. BIGHORN: On the state level?

6 MR. DONALDSON: The Indians and all of the
7 minorities.

8 MR. BIGHORN: Okay. First of all, how many
9 employees do you have in the state of Montana?

10 MR. DONALDSON: On our EEOC-1 report there is
11 1333, I believe, yes.

12 MR. BIGHORN: Okay, how many of them are Black?

13 MR. DONALDSON: We do not have anybody listed as
14 Black. Basically because we have one individual in the
15 company that has told us personally he is Black but he wishes
16 to be listed as a Spanish surnamed American.

17 MR. BIGHORN: How many Spanish surnamed employees
18 do you employ?

19 MR. DONALDSON: At the present time we have only
20 one, we just recently hired a young lady two days ago that
21 was Spanish surnamed American, but she worked two days and
22 resigned.

23 MR. BIGHORN: How about American Indian?

24 MR. DONALDSON: American Indians, we have 15.

25 MR. BIGHORN: How many women do you have?

1 MR. DONALDSON: At the present time we have
2 262 women in the work force.

3 MR. BIGHORN: Is it true that you have, you are
4 one of the largest employers in the state of Montana?

5 MR. DONALDSON: I wouldn't say that we would be
6 one of the largest, I think there are other businesses in
7 the state of Montana that are much larger than the Montana
8 Power Company in employee numbers. We won't bring up the
9 names of the companies, I am sure you all know who they
10 are. We happen to cover most of the state of Montana,
11 the western two-thirds of the state.

12 MR. BIGHORN: With this in mind, I would also
13 like to ask another question maybe for my information, you
14 know there appears you do employ a lot of people and it
15 appears and looks like you don't hire too many Indians and
16 other minorities. Now would that be correct, and assuming
17 this, and if so, why the difference there, why do you not
18 hire more?

19 MR. DONALDSON: I would like to say that in
20 March of last year, we had a compliance review by the
21 Office of Federal Compliance, they checked us completely
22 and as far as our minority employment and all the way
23 through and we got a clean bill of health. In November of
24 last year we again had a compliance review on two of our
25 operating divisions, the Billings Division which is adjacent

1 to an Indian Reservation and also our Missoula Division
2 which is adjacent to an Indian Reservation, and again we
3 received a clean bill of health as far as minority employment.
4 I'd also like to state as far as minority employment is
5 concerned, the record of Montana Power Company -- and I
6 have a written report, Chairman Cate, which I would like
7 to place into the record if I may please, which will
8 explain all of this in detail. Going back to the
9 construction of the Kerr Hydroplant which is on the
10 Sahalish Reservation out of Polson, at that time in the
11 contract it stated that preference would be given to the
12 American Indians. They were then hired by the Montana
13 Power Company in the operation of the plant. One of these
14 individuals progressed to the point of executive assistant
15 in the company before he resigned to become an officer in
16 a lumber company at Polson. At the present time we have a
17 manager of the real estate department who is an American
18 Indian and we have another gentleman who started at this
19 plant who is a land and right of way agent. So, going
20 through the history of this, we had actively had an
21 affirmative action program since 1936 and in recruiting
22 and trying to obtain minorities for employment.

23 The other possibility that you are going to
24 run into as far as employment of minorities is the highly
25 technical operation of the utility business. Most of the

1 minorities that we have contact us do not have the skills
2 that are necessary to become involved with this. We do
3 have on the job apprentice programs which are registered
4 with the State Apprenticeship Council and an affirmative
5 action program, the statement has been made for that. At
6 the present time we have two American Indians that are
7 involved in this apprentice program, so there are
8 opportunities for them to obtain the skills in the company.

9 MR. BIGHORN: Continuing in the recruitment, do
10 you endeavor to go out and find minorities, or do they
11 come to you and what is the procedure?

12 MR. DONALDSON: Very definitely we have, since
13 the Civil Service or Civil Rights Act of 1964, I have made
14 contact with Mrs. Valerie Hays who is the employment
15 specialist for the Northern Cheyenne. We have worked with
16 her in trying to set up definite programs with her. She
17 has referred two people to us and we have tried to recruit
18 them but the people would not leave the locality that they
19 were living in at the present time to come for employment
20 to Butte, but one of them decided, an engineer who just
21 recently graduated from the University of MONTANA, decided
22 to go into the Peace Corps before he went into industry.

23 MR. BIGHORN: When was that?

24 MR. DONALDSON: In March of 1972. We had our
25 review specifically on Indians as stated before for our

1 Billings Division and Missoula Division in November of 1972.

2 MR. BIGHORN: Who did this review?

3 MR. DONALDSON: The Office of Federal Contract
4 Compliance because we are government contractors.

5 MR. BIGHORN: Now, so that you are saying that
6 you do not go out and seek people regarding specific areas
7 or is it on a --

8 MR. DONALDSON: It's on a company-wide basis.

9 MR. BIGHORN: State level?

10 MR. DONALDSON: Company-wide basis, we are looking
11 for qualified people and we have specifically gone out and
12 as I mentioned to Mrs. Valerie Hays. Also Mrs. Robinson,
13 we told her if she had any people that were qualified to
14 refer them to us in this meeting that she mentioned and as
15 of this date I do not know of any referrals from Mrs.
16 Robinson to my office.

17 MR. BIGHORN: Okay. Might I ask another question
18 then, I think it might refer back to Mrs. Robinson's statement,
19 I am also an American Indian and I have faced some of the
20 problems in terms of looking for jobs. Sometimes we view
21 you know, the big companies or the BIA or other agencies
22 as going begging for jobs, this kind of thing, and I was
23 thinking in terms of what I see on television, you see a lot,
24 you watch television you see the advertising being done,
25 and White Anglo people advertising or working instead of what

1 the Montana Power or other companies who might do that,
2 in terms of people coming to you for jobs, I think that
3 it would benefit or enhance your affirmative action plan
4 if you would advertise on the TV and radio and billboards
5 you want to get more minorities.

6 MR. DONALDSON: We have advertised that we are
7 an equal opportunity employer. In getting back to your
8 statement of the reluctance to come in. I again refer
9 back to Mrs. Hays who is an employment specialist for
10 the Northern Cheyenne Indian Reservation, that is my
11 understanding, it is her job to assist the people on the
12 reservation to find employment. Is this not a way that
13 the Indian individual on the reservation working through
14 and could overcome this stigma that seems to be present?

15 MR. BIGHORN: I guess you know since you work
16 on the state level, I think that what you are telling me
17 then is that your endeavors are to see Indian employees
18 say like on the Northern Cheyenne, you use pockets to get
19 a poll from, or is that something --

20 MR. DONALDSON: These are the pockets that we
21 know where to go to these people. We also go through the
22 Montana State Employment Office, every job that we have
23 except the engineering jobs for new electrical, mechanical,
24 and civil engineers, we have advertised with the State
25 Employment Office in the specific locality and statewide.

1 MR. SPANG: Mr. Donaldson, my name is Al Spang
2 and I happen to work very closely with Valerie Hays. I
3 wonder what your efforts were in making reservation
4 contacts prior to Mrs. Hays coming to the Northern Cheyenne?

5 MR. DONALDSON: We hadn't had a contact with her.

6 MR. SPANG: I mean what were your contacts or
7 your efforts among the Northern Cheyenne prior to Mrs.
8 Hays coming there to the reservation, she's been there a
9 little over a year, what were your efforts?

10 MR. DONALDSON: We had contacts also when she
11 was in Havre.

12 MR. SPANG: I am speaking specifically about
13 Northern Cheyenne.

14 MR. DONALDSON: I am sorry, I can't tell you,
15 the corporation that is down there.

16 MR. SPANG: Bighorn Development?

17 MR. DONALDSON: We have had contact with him as
18 far as training programs, I happened to know Stan personally
19 and had one talk with him. Mrs. Hays did contact us and we
20 have had contact through the State Employment Office, that
21 is basically the way we have operated.

22 MR. SPANG: Did you say that Montana Power
23 does have an affirmative action plan?

24 MR. DONALDSON: Yes, we do. We were required to
25 file it with the Office of Federal Contract Compliance.

1 MR. SPANG: Is this open to public inspection?

2 MR. DONALDSON: It is our understanding that
3 both the EEO-1 reports and the affirmative action plan
4 are confidential and people that have asked for them,
5 we have advised that we have filed these and they are
6 available through the government agencies.

7 MR. MUSKRAT: May I ask a question? We asked
8 if you would bring affirmative action plan and present
9 it to this committee. Have you -- and you agreed to do
10 so I believe -- have you done so, sir?

11 MR. DONALDSON: We have one but I also understand,
12 Mr, Muskrat, that you have a copy of our plan.

13 MR. MUSKRAT: That is incorrect. I do not have
14 a copy of your affirmative action plan and I would
15 appreciate it if you could furnish this committee with
16 a copy. Mr. Chairman, with your permission, may I have
17 a clerk or someone mark that exhibit C for inclusion in
18 the record, the affirmative action plan of Mr. Donaldson,
19 Exhibit D for introduction in the record.

20 MR. CATE: Yes.

21 MR. DONALDSON: I would also like to include
22 in the record this was reviewed by the Office of the
23 Federal Contract Compliance and that was approved by them.

24 MR. MUSKRAT: Mr. Donaldson, Mr. Bighorn asked
25 you how you explained the disparity of 15 Indians and a total

1 employment of 1333, that comes out to approximately 4.5%
2 and you explained to Mr. Bighorn how the office, the OFCC
3 had reviewed you and didn't find anything wrong. I was
4 wondering how do you explain that disparity?

5 MR. DONALDSON: According to the last figures
6 that we received from the Montana State Employment Security
7 Commission, which is dated April 10, 1973, and of which
8 they list the minority population in the major counties
9 in which we operate, and taking the total work force, the
10 total minority work force, it comes out to 1.3 and if you
11 look at ours it comes out 1.4 so we are 1/10th of a percent
12 up above of the minority work force.

13 MR. MUSKRAT: Mr. Donaldson, are you aware that
14 the state only counts those people as unemployed who are
15 actually drawing unemployment compensation and once they
16 cease drawing unemployment compensation, even though they
17 might be unemployed, are dropped from the ranks of the
18 unemployed by the state and are not considered in that
19 figure. Are you aware of that fact?

20 MR. DONALDSON: I did not ask them of this.

21 MR. MUSKRAT: Yes sir, that is correct, I believe,
22 and so you are not including a great deal of minority
23 people who are unemployed, you count as unemployed only
24 those people who are solely drawing unemployment compensation
25 if you use the state's figures.

1 MR. DONALDSON: These are the figures that
2 are available to businesses today in the state of Montana.

3 MR. MUSKRAT: The Department of Labor also
4 furnishes figures, I would appreciate it if you took a
5 look at those.

6 MR. DONALDSON: These are figures that are
7 as of April 10 which I mentioned from the State.

8 MR. MUSKRAT: But as I stated those are only
9 the people actually drawing unemployment compensation.
10 I believe you will agree with me, the economy since 1970
11 has experienced a downturn as opposed to an upturn.

12 MR. DONALDSON: Then Mr. Muskrat, would you
13 explain to me why when I send these in to a federal agency
14 the figures which we send in were based on exactly the same
15 as what I quoted to you now, why this would be approved by
16 a federal agency as being adequate?

17 MR. MUSKRAT: Mr. Donaldson, I cannot answer
18 that question because I cannot speak for the Office of
19 Federal Contract Compliance. However, we do have a witness
20 appearing for that agency and I will be happy to ask that
21 question for you.

22 The second thing that I would like to ask you,
23 you stated that you had an affirmative action plan, we
24 had a witness just prior to your panel which expressed a
25 very strong desire to assist you in the implementation of a

1 meaningful affirmative action plan. Is it your intention
2 to work as closely as possible with this witness, she is
3 giving you free recruitment service in essence I believe.

4 MR. DONALDSON: We explained to her when she
5 came in, in our first meeting, that any referrals that we
6 very definitely would work with her in any referrals that
7 she brought in to our company.

8 As I stated before, we have never to this date
9 that I know of had any referrals that have come into my
10 office or into my personnel clerk's office that does a
11 lot of interviewing.

12 MR. MUSKRAT: My point is simply this. If you
13 will check that blue book I have referred to several times
14 during the hearing, you will find the burden is not on the
15 minority people to come to you, it's on you to go to the
16 minority people. It's up to you to file a meaningful
17 affirmative action plan and recruit them. Were I the
18 personnel man in your position I'd want all the assistance
19 I could get and I personally would make use of it.

20 MR. DONALDSON: We have an affirmative action
21 plan and it is operating. When we go in to recruit new
22 universities and colleges we definitely ask for referral
23 of minorities. We ask for referral of women. This year
24 we received a referral of one American Indian and a
25 woman in the engineering field. We are following our

1 affirmative action plan.

2 MR. BIGHORN: I would like to ask you another
3 question regarding this review. Who was the inspector
4 that made that review?

5 MR. DONALDSON: Leon Sawyer.

6 MR. BIGHORN: Another question. For prospective
7 employees, do you have tests, what are the procedures?

8 MR. DONALDSON: The only place we use a test
9 is in our apprentice lineman program where we ask them to
10 go to the employment office, or an aptitude test to
11 determine if they have the aptitude to become a journeyman
12 lineman. The only other area where we might use tests is
13 we have discontinued them -- it was in the secretarial
14 field, we were utilizing the Vo-Tech schools, the CEP
15 program and also use the high schools and taking the
16 teacher's statement as to whether this young lady or this
17 young man has the qualifications for secretarial work.

18 JUDGE BENNETT: I am inquiring of the whole
19 panel in a sort of scattergun manner, you have testified
20 to the utilization of the services of the Montana State
21 Employment Service. I would like to ask you if any of you
22 have had any experience in applying to the Employment
23 Assistance branch of the BIA?

24 MR. STEVENS: Not on my part.

25 MR. DONALDSON: No.

1 MR. BUTTREY: No.

2 MR. SCHILTZ: Mr. Buttrey, just to clear the
3 record, you and I were talking about Rocky Boy and Fort
4 Belknap; Rocky Boy Reservation is near Havre and Fort
5 Belknap is Assinniboine near Havre; is Havre the trade
6 area for those two reservations, the major trade center?

7 MR. BUTTREY: I don't know how to answer that,
8 I don't know, sir. I would have said yes 20 years ago
9 but with transportation being the way it is, we find that
10 even the people in the city of Havre come to Great Falls
11 for their trade. It's the center of the population in the
12 area, but I would not say it gets the majority of the trade
13 in the area any more.

14 MR. SCHILTZ: You say that, is it fair to say
15 that your operation in Havre does a substantial amount of
16 business with the Indians in and on the two reservations?

17 MR. BUTTREY: I would not put it at substantial,
18 no sir, not in the department stores.

19 MR. SCHILTZ: That is all.

20 MR. CATE: The Committee will recess until 12:45.
21 We'll go back into session formally at 1:15 with the
22 Columbia Falls employer, Plum Creek Lumber Company,
23 testifying at that time. Until that time this Committee
24 is recessed.

25

(Noon recess taken)