

Labor Department be strengthened and restored to its original position as the central agency of the Government for dealing with labor problems.

#### BUREAU OF EMPLOYMENT SECURITY

One of the most essential steps in improving the organization of labor functions is the transfer of the Bureau of Employment Security to the Department of Labor. This Bureau administers the activities of the Federal Government with respect to employment services and unemployment insurance. These activities mainly involve the review and apportionment of grants-in-aid, approval of State plans and grants, the conduct of research and developmental activities, and the provision of advice and assistance to the State agencies which actually conduct the services.

Public employment services and unemployment insurance are companion programs inextricably interrelated both in purpose and operation. The first assists workers in finding jobs and employers in obtaining workers; the second provides cash benefits for the support of workers and their families when suitable jobs cannot be obtained. Thus, each complements the other. At the local operating level the two programs are almost invariably carried on in the same unit—the local employment office. At the State level they are administered by the same agency in nearly every State. As a result, an unusually high degree of coordination at the Federal level is essential.

There can be no question as to the basic consideration which must govern the administration of both of these programs. From the standpoint of all interested parties—the worker, the employer, and the public—the primary concern is employment. Essential as they are, unemployment benefits at a fraction of regular wages are a poor substitute for the earnings from a steady job. In the administration of these programs, therefore, primary attention must be focused on achieving the maximum effectiveness of the employment services. On them depend the prosperity and well-being of the worker and the extent of the unemployment-compensation burden on the employer and the public.

I have long been convinced that the Department of Labor is the agency which can contribute most to the development of sound and efficient employment service. It has the understanding of employment problems and of the operation of the labor market which is essential in this field. It possesses the necessary specialists and the wealth of information on occupations, employment trends, wage rates, working conditions, labor legislation and other matters essential to employment counseling and placement.

Close working relations between the United States Employment Service and most of the agencies of the Labor Department are vital to the success of both. The Bureau of Labor Statistics has a fund of information on employment and occupations which is basic to the planning and operation of the Service. The Women's Bureau and the Child Labor Branch of the Wage and Hour Division afford expert advice on employment problems relating to women and adolescents. The Bureau of Labor Standards can assist the Service on questions of working conditions and other labor standards, and the Bureau of Apprenticeship on occupational-training problems. At the same time the various agencies of the Labor Department need the detailed current information on labor problems and the condition of the labor market which the United States Employment Service possesses.

Experience has demonstrated that unemployment insurance must be administered in close relationship with employment service and other employment programs. In many of our industrial States, and in most foreign countries, unemployment insurance is administered by the agency responsible for labor functions. Furthermore, the unemployment-insurance system has a vital stake in the effectiveness of the program for employment services, for what benefits the employment service also benefits the unemployment-insurance program.

The transfer of the Bureau of Employment Security, including the United States Employment Service and the Unemployment Insurance Service, together with the functions thereof, will give assurance that primary emphasis will be placed on the improvement of the employment services and that maximum effort will be made to provide jobs in lieu of cash benefits.

The plan also transfers to the Department of Labor the Federal Advisory Council created by the act establishing the United States Employment Service. This Council consists of outstanding representatives of labor, management, and the public who are especially familiar with employment problems.

#### VETERANS' PLACEMENT SERVICE BOARD

Although the Veterans' Employment Service operates through the regular employment office system, its policies are determined by the Veterans' Placement Service Board created by the Servicemen's Readjustment Act of 1944. This Board consists of the heads of three Federal agencies, only one of which administers employment services. Furthermore, the full-time director of the Service is appointed by the Chairman of this Board, who is not otherwise engaged in employment-service activity, rather than by the head of the agency within which the service is administered. Such an arrangement is cumbersome and results in an undue division of authority and responsibility.

In order to simplify the administration of the Veterans' Employment Service and assure the fullest cooperation between it and the general employment service, the plan eliminates the Veterans' Placement Service Board and transfers its functions and those of its Chairman to the Secretary of Labor. By thus concentrating responsibility for the success of the Service, the plan will make for better service to the veteran seeking employment or vocational counseling.

This plan is a major step in the rebuilding and strengthening of the Department of Labor, which I am convinced is essential to the sound and efficient organization of the executive branch of the Government.

HARRY S. TRUMAN.

THE WHITE HOUSE, June 20, 1949.

### REORGANIZATION PLAN NO. 3 OF 1949

Eff. Aug. 20, 1949, 14 F.R. 5225, 63 Stat. 1066

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, June 20, 1949, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949 [see 5 U.S.C. 901 et seq.].

#### POST OFFICE DEPARTMENT

##### SECTION 1. FUNCTIONS OF THE POSTMASTER GENERAL

(a) There are hereby transferred to the Postmaster General the functions of all subordinate officers and agencies of the Post Office Department, including the functions of each Assistant Postmaster General, the Purchasing Agent for the Post Office Department, the Comptroller, and the Bureau of Accounts.

(b) The Postmaster General is hereby authorized to delegate to any officer, employee, or agency of the Post Office Department designated by him such of his functions as he deems appropriate.

##### SEC. 2. DEPUTY POSTMASTER GENERAL

There shall be in the Post Office Department a Deputy Postmaster General, who shall be appointed by the President by and with the advice and consent of the Senate, shall perform such duties as the Postmaster General may designate, and shall receive compensation at the rate of \$10,330 per annum or such other compensation as may be provided by law for the under secretaries of executive departments after the date of transmittal of this reorganization plan to the Congress.

##### SEC. 3. ASSISTANT POSTMASTERS GENERAL

There shall be in the Post Office Department four Assistant Postmasters General, who shall be appointed by

the President by and with the advice and consent of the Senate, shall perform such duties as the Postmaster General may designate, and shall receive compensation at the rate of \$10,330 per annum or such other compensation as may be provided by law for the assistant secretaries of executive departments after the date of transmittal of this reorganization plan to the Congress.

#### SEC. 4. ADVISORY BOARD

There is hereby established an Advisory Board for the Post Office Department of which the Postmaster General shall be chairman and the Deputy Postmaster General the vice chairman. The Board shall have seven additional members, representative of the public, who shall be appointed by the President by and with the advice and consent of the Senate. The members so appointed shall each receive compensation of \$50 per diem when engaged in duties as members of the Board (including travel time to and from their homes or regular places of business) and reasonable subsistence and travel expense as determined by the Postmaster General. The Board shall meet quarterly at the seat of the government in the District of Columbia, or at such other time and place as the Postmaster General shall determine for the purpose of considering methods and policies for the improvement of the postal service, and shall advise and make recommendations to the Postmaster General with respect to such methods and policies.

#### SEC. 5. AGENCIES ABOLISHED

(a) There are hereby abolished the Bureau of Accounts in the Post Office Department (including the office of Comptroller) and the office of Purchasing Agent for the Post Office Department.

(b) The offices of First Assistant Postmaster General, Second Assistant Postmaster General, Third Assistant Postmaster General, and Fourth Assistant Postmaster General (5 U.S.C. 363) are hereby abolished; but the incumbents thereof immediately prior to the taking of effect of the provisions of this reorganization plan shall without reappointment be the first Assistant Postmasters General in office under the provisions of section 3 hereof.

#### SEC. 6. EMPLOYEES, RECORDS, PROPERTY, AND FUNDS

The employees now being employed, and the records and property now being used or held, in connection with any functions transferred by the provisions of this reorganization plan are hereby transferred to such agencies of the Post Office Department as the Postmaster General shall designate. The unexpended balances of appropriations, allocations, and other funds available or to be made available for use in connection with such functions shall remain so available.

[The Post Office Department and the office of Postmaster General of the Post Office Department were abolished and all functions, powers, and duties transferred to the United States Postal Service by Pub. L. 91-375, §4(a), Aug. 12, 1970, 84 Stat. 773, set out as a note under 39 U.S.C. 201.]

#### MESSAGE OF THE PRESIDENT

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 3 of 1949, prepared in accordance with the provisions of the Reorganization Act of 1949. This plan constitutes an important first step in strengthening the organization of the Post Office Department.

One of the prime essentials of good departmental administration is authority from the Congress to a department head to organize and control his department. The Commission on Organization of the executive branch of the Government emphasized in its first and subsequent reports that separate authorities to subordinates should be eliminated. The plan gives the Postmaster General the necessary authority to organize and control his Department by transferring to him the functions of all subordinate officers and agencies of the

Post Office Department, including the functions of each Assistant Postmaster General, the Purchasing Agent, the Comptroller, and the Bureau of Accounts. The Postmaster General is authorized to delegate to subordinates designated by him such of his functions as he may deem appropriate.

The Postmaster General is responsible for the management of one of the world's largest businesses. Like the head of any large business, the Postmaster General should be given adequate top-level assistance in carrying on the operations of the Department so that he may have time to devote to matters of departmental and public policy. In order to provide needed assistance to the Postmaster General, the plan establishes the positions of Deputy Postmaster General, and four Assistant Postmasters General, comparable to the positions of Under Secretary and Assistant Secretaries in other departments.

The plan also establishes an Advisory Board for the Post Office Department, composed of the Postmaster General, the Deputy Postmaster General, and seven other members representing the public who shall be appointed by the President by and with the advice and consent of the Senate. The Advisory Board will make available to the Postmaster General the advice of outstanding private citizens and will afford a useful channel for the interchange of views between postal officials and the public concerning the operations of the postal service.

I have found after investigation that each reorganization contained in the plan is necessary to accomplish one or more of the purposes set forth in section 2(a) of the Reorganization Act of 1949. I have also found and hereby declare that by reason of the reorganization made by this plan, it is necessary to include in the plan provisions for the appointment and compensation of the Deputy Postmaster General, four Assistant Postmasters General, and members of the Advisory Board for the Post Office Department. The plan abolishes the Bureau of Accounts of the Post Office Department and the offices of Comptroller, Purchasing Agent, First, Second, Third, and Fourth Assistant Postmasters General.

This plan carries into effect those of the recommendations of the Commission on Organization of the Executive Branch of the Government respecting the Post Office Department which can be accomplished under the provisions of the Reorganization Act. I am also transmitting to the Congress recommendations for legislation which will implement other recommendations of the Commission and place the operations of the Post Office Department on a more businesslike basis.

The primary result of this reorganization plan will be more effective administration. Although a substantial reduction in expenditures will not be brought about by the plan alone, major economies can be achieved over a period of time as a result of this plan and the enactment of the postal legislation which I am recommending to the Congress.

HARRY S. TRUMAN.

THE WHITE HOUSE, June 20, 1949.

#### REORGANIZATION PLAN NO. 4 OF 1949

Eff. Aug. 20, 1949, 14 F.R. 5227, 63 Stat. 1067

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, June 20, 1949, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949 [see 5 U.S.C. 901 et seq.].

#### EXECUTIVE OFFICE OF THE PRESIDENT

The National Security Council and the National Security Resources Board, together with their respective functions, records, property, personnel, and unexpended balances of appropriations, allocations, and other funds (available or to be made available), are hereby transferred to the Executive Office of the President.

#### MESSAGE OF THE PRESIDENT

To the Congress of the United States: