

State AFL-CIO Votes Support for Steel Men

The executive council of the California Labor Federation, AFL-CIO, has voted unanimous support of the United Steelworkers of America in the event that a strike becomes necessary in stale-mated negotiations with the giant steel industry of the nation.

In support of its action, the state AFL-CIO leaders issued the following statement:

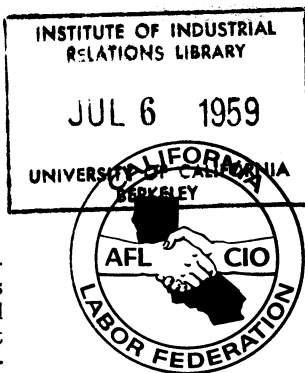
"Current negotiations between the Steelworkers Union and the steel industry are of tremendous importance not only to the workers involved in this giant industry, but also to the consuming public at large. With a pious zeal for the public welfare which the steel industry has never shown before, its spokesmen are now exhorting the nation to support their self-serving, make-believe crusade against inflation. In short, the industry is trying to hoodwink the consuming public in support of the profit-hungry policies of steel industry leaders on grounds that any wage increase will force another increase in the price of steel.

"The basic issue in the current negotiations in steel is whether an industry, rapidly accumulating great profits resulting from an advanced technology, and consequent substantial increases in output per manhour, can prevent its union workers from obtaining improved benefits and living standards which they rightfully seek on the basis of a fair sharing of the industry's increased profits and productivity among the worker, the shareholders, and the consumer.

"The proposals of the members of the United Steelworkers of America for a fuller equity for themselves and their families out of the rapidly advancing technology and accelerating substantial profits of the steel industry are morally and economically justified. The sharing of the fruits of greater production and greater productivity per manhour is the only way to provide the maintenance and increase in mass purchasing power essential to a dynamic, expanding American economy. The concentration of the benefits of advancing technology in the hands of a few in the form of profits, retained by management, is the surest road to mass unemployment, shrinking production, and depression.

"The steel industry is applying a double standard. It hides the fact that it applies one standard for industry management and stockholders—and another for the workers. The steel corporations say it is sound and desirable for profits, managerial compensation, prices of steel stock equities and dividends to go up, up and up—despite the uncontroverted fact that all such returns for the steel corporations already are far above the level of the majority of other industries and have increased

(Continued on page 2)



C. J. HAGGERTY
Executive
Secretary-Treasurer

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State AFL-CIO Executive Council Votes Agricultural Labor and Consumer Action

The executive council of the California Labor Federation, AFL-CIO wound up a two-day session last week at the Hollywood Roosevelt Hotel in Hollywood with a pledge that put the state labor movement squarely behind programs to block the exploitation of agricultural workers and to protect the interests of the public as consumers.

The 36-member policy board of the state AFL-CIO adopted a three-pronged program in the field of agricultural labor:

1. They extended full support and assistance to the farm labor organizing campaign launched recently in California by the national AFL-CIO.

2. They pledged assistance and support to the Imperial Valley Labor Coordinating Committee established to expose and correct a situation described as approaching "licensed and legalized slavery" in the importation of Mexican nationals as farm workers.

3. Finally, the executive board instructed Secretary-Treasurer C. J. Haggerty to give all available assistance to the California Citizens Committee for Agricultural Labor launched recently by religious, labor and other public-spirited groups and individuals determined to focus the public's attention on the growing plight of agricultural workers in the state.

Action on the farm labor front was taken following extensive reports by Norman Smith, director of the AFL-CIO agricultural labor organizing campaign in California, with headquarters in Stockton, and after hearing a delegation representing the Imperial Valley Labor Coordinating Committee expose shocking violations of Public Law 78 in a vertical exploitation and profiteering on the importation of Mexican nationals at the expense of business and labor in the community.

The Imperial Valley delegation described a situation whereby Mexicans are imported in far greater numbers than needed, and kept in labor camps under military-like conditions. They are forced to make all expenditures in the camp, and profiteering is such that, in many instances, workers are left with paychecks of less than \$1.00 a week.

The Imperial Valley delegation presented the executive council with photo-

static copies of three checks showing payments to braceros for a week's work in the amount of 10c, 17c and 50c.

Example after example was given of Mexican nationals being misused in skilled work classifications contrary to Public Law 78 and the international agreement with Mexico under which the bracero is brought into the United States.

In many instances, the Imperial Valley delegation pointed out, the bracero is found engaged in construction activities on and off farms at the rate of 70c an hour.

Similarly, the Mexican national is being used in the operation of farm machinery in skilled job classifications, despite federal law limiting his use to field labor only, and despite the existence of an abundant supply of domestic labor.

Local merchants, the delegation said, also suffer under this system of vertical exploitation and profiteering, as they do not see one penny of the miserable wages paid the bracero. The executive council was informed that businessmen in the Imperial Valley, center of bracero importations, are backing organized labor's efforts to correct the situation.

In support of the Imperial Valley Labor Coordinating Committee, the executive council voted approval of a statewide appeal for funds to finance the committee's work in the compiling of facts necessary to obtain remedial action, both legislatively and administratively.

On the consumer front, the executive council voted the participation of organized labor in the formation of a California Consumer Association composed of consumer-interest groups to promote and protect the interest of the buying public at all levels.

In this connection, the AFL-CIO leaders expressed their hope that the Consumer Association will be of assistance to the office of Consumer Counsel estab-

(Continued on page 2)

STATE AFL-CIO EXECUTIVE COUNCIL VOTES AGRICULTURAL LABOR AND CONSUMER ACTION

(Continued from Page 1)

lished recently by the state legislature within the Governor's office.

Launching of the California Consumer Association is planned following a one-day conference on consumer problems scheduled for Saturday, July 11, 1959, at the University of California Extension Building in San Francisco.

In other actions, the executive council:

1. Voted unanimous approval of Secretary Haggerty's preliminary report on the 1959 legislative session (see last issue of the News Letter), and praised the accomplishments of the Federation's legislative representative and staff.

2. Voted full support of the Steelworkers in the event of a strike with the steel industry.

3. Made detailed plans for the forthcoming convention of the California Labor Federation, to be held in San Diego August 10-14.

HAGGERTY URGES WEST COAST SHIP CONSTRUCTION WORK

C. J. Haggerty, executive secretary-treasurer of the California Labor Federation, AFL-CIO, this Tuesday called for united action by business and labor to secure some \$62 million in ship construction work for California.

In a statement issued at an emergency press conference called by the Governor's Committee for Ship Construction and Repair, the state AFL-CIO leader said that California stands to lose the construction of three American Mail Line freighters and two Pacific Far East Line ships if shipowners fail to indicate their preference for construction in the state.

The construction work involves an estimated 12 million man-hours of work.

The full text of the statement issued by Haggerty, a member of the Governor's Committee for Ship Construction and Repair, was as follows:

"The California Labor Federation, AFL-CIO, is dedicated to the maintenance and extension of full employment in the state. In a growing state like ours it is of utmost importance that we not only work together to bring industry into the state, but also to maintain those industries which are so admirably suited to the West Coast, with its abundant supply of skilled labor.

"In this regard, California's shipbuilding industry is vital to both the prosperity of the state and the defense of America against its enemies abroad. If this industry is not maintained at full operating capacity, the state stands to lose millions and millions of dollars necessary for economic growth, and the federal government and the nation as a whole will have dissipated the skilled work force of an industry essential to the defense of our nation.

"At this moment, the state stands to lose some \$62 million worth of ship construction work which rightly belongs to California. This construction includes three American Mail Line freighters, and two Pacific Far East Line ships, which

I understand would be built in the state, if the American Mail Line and the Pacific Far East Line would indicate their preference for California construction.

"At a difference in cost that is practically negligible to the shipowners, we believe that these companies have an obligation to California to press for construction here. These companies have as vital a stake in the stimulation of all phases of commerce and industry that would result from West Coast construction, as do the millions of workers in California. I sincerely hope that the Pacific Far East Line and the American

STATE AFL-CIO VOTES SUPPORT FOR STEELWORKERS

(Continued from Page 1)

at faster rates in the past 15 years. But a different standard is applied to the steel industry's workers. The steel industry opposes progress for the steelworkers.

"It is time now that the public become aware of how it is being used to block justifiable increases in steelworker wages based on their proper share of productivity gains.

"For more than 20 years the story of steel has been—more output with fewer workers and constantly rising profits.

"Twenty years ago it took 22.1 man-hours of production and maintenance labor to produce a ton of finished steel shipments. By 1949, the need had dropped to 16.3 man-hours; as of March-April, 1959, it had fallen to 11.4.

"More production but fewer steelworkers is the story in 1959—only more so. Estimates for April—when output was already achieving a new peak—placed production and maintenance jobs at less than 510,000; this is about 35,000 less than during the previous peak production year of 1955.

"Over the twenty-year period from the beginning of 1939 to the beginning of 1959, steel productivity (output per man-hour) rose 87.9%. In contrast, steelworkers' 'real' earnings went up only 7.19%. Since the rise in workers' real benefits has actually lagged behind the productivity rise, these improvements could have and should have been financed without price increases at all.

"Since the end of World War II, the industry has raised steel prices 23 times. It has not only boosted prices to cover what it chooses to call the 'cost' of worker improvements, but it has actually raised prices more than \$3 for every \$1 increase in worker earnings.

"The steel industry has been able to milk workers and the consumer in this fashion, because of monopoly controls which enable the steel giants to administer their own prices upward with little or no regard for demand and supply.

"Although steel industry's arbitrary pricing policy is a prime instigator of inflation, company spokesmen are again

Mail Line will join with labor and other industry leaders to bring about the unity of action that is necessary to get this \$62 million worth of ship construction work assigned to our Golden State.

"As far as organized labor is concerned, and myself personally as a member of the Governor's Committee for Ship Construction and Repair, we intend to press for California construction right down to the wire. The \$62 million in construction will establish a pattern for the future which will either make or break the California shipbuilding industry."

attempting to sell the myth that still higher prices are needed to meet higher payroll costs. Actually, the gap between payroll costs and steel costs has been constantly getting wider. Between 1940 and March 1959, the gap between steel prices and all employees payroll costs—not just production and maintenance worker costs—rose from \$32.45 per ton to \$99.26. From the first half of 1955 to March 1959—in less than four years—the price of a ton of steel was raised \$34.18, while the payroll cost of all employees per ton increased only \$9.31. In 1959, payroll costs have been going down because of an increase in output per manhour, which may even exceed the 11.6% productivity rise in 1955.

"And still, the industry piously appeals for public support of its outrageous position in collective bargaining that the union forces up the prices of steel. The California Labor Federation agrees wholeheartedly with United Steelworkers that the U. S. Steel Corporation, for example, could cut prices \$18 per ton and still earn a respectable after-tax profit of 6.8% on net worth on the basis of its first quarter 1959 operations.

"In the face of these facts, we find it deplorable that the giants in steel should seek aid and comfort from the consuming public which it has been robbing blind, year in and year out. We find it even more deplorable that the present national Administration should be a party to this deceit in playing upon the legitimate inflationary fears of the public to strengthen the bargaining position of industrial giants who are largely responsible for the inflationary pressures in our economy.

"The Executive Council of the California Labor Federation, AFL-CIO, in renouncing this ostrich game with the facts, extends full support to the Steelworkers in their efforts to gain a justifiable settlement which will allow workers to share in the productivity gains of America's giant steel industry, and at the same time, protect the interests of the consumers from inflationary administered prices."

Consumer Conference Set for July 11

A one-day conference on consumer problems, patterned after a highly successful session last year at Asilomar, will be held Saturday, July 11, 1959, at the University of California Extension Building, 55 Laguna Street in San Francisco.

C. J. Haggerty, secretary-treasurer of the California Labor Federation, AFL-CIO, this week sent announcements of the conference to all affiliated organizations in the state, to encourage wide attendance by labor groups.

The conference is presented by the Institute of Industrial Relations of the University of California, Berkeley, in cooperation with the California Labor Federation, AFL-CIO, Consumers Union, California Conference of Machinists, California State Conference of Carpenters, California State Council of Culinary Workers, California State Federation of Teachers, California State Theatrical Federation, Communications Workers of America District 9, State Building and Construction Trades Council of California, American Labor Education Service, California Credit Union League, Associated Cooperatives, Inc., Consumers Cooperative of Berkeley, Inc., and Consumers Cooperative of Palo Alto, Inc.

Registration will begin at 8 a.m. the Saturday morning of the conference.

The fee is \$4.00, not including lunch, which will be a maximum of \$2.50. Conference participants may also register in advance of the conference. Checks for advance registration should be made out to the Regents of the University of California, and sent to the Department of Conference, University Extension, University of California, Berkeley 4.

The conference will open with an address by Colston Warne, president of the Consumers Union, on "Why the Consumer Needs Protection." This address will be followed by a morning session on "How Consumer Laws Work," with Persia Campbell, former Consumer Counsel to Governor Averill Harriman of New York, as speaker and session leader.

The new office of Consumer Counsel established by the California state legislature this year, is patterned after the New York experience with Persia Campbell as Governor Harriman's Consumer Counsel.

Governor Edmund G. Brown has been invited to address a luncheon session on the general subject of consumers in California.

The afternoon of the conference will be devoted to three simultaneous workshop sessions of one hour each. All conference participants will attend each session in turn.

Topics to be discussed include (1) "Installment Buying and the State Legislature," (2) "Quality Control and the State Legislature," and (3) "Wages and Prices."

Mitchell Tightens Transportation Laws for Mexican Migrant Workers

Secretary of Labor James P. Mitchell this week tightened the safety requirements governing the transportation of Mexican farm laborers to and from the places where they work in the United States.

Secretary Mitchell said new safety requirements covering short-haul transportation of Mexican nationals employed under the migrant labor agreement with Mexico have been sent to all Bureau of Employment Security regional directors with instructions that they be forwarded immediately to all employers of Mexican contract workers. The new requirements, which are effective at once, are specifically directed at short-haul transportation for Mexican nationals which is now generally inadequately covered by state laws.

Under the Standard Work Contract in the Migrant Labor Agreement with Mexico transportation facilities used in the movement of Mexican nationals between

Farm Placement Reception Centers and the place of employment must meet the same safety requirements that are applicable to common carriers.

Under the new requirements, employers are also made responsible for the safe transportation of Mexican workers while they are on the job. They must assure that only competent and qualified persons drive vehicles transporting workers; that vehicles and requirement used to transport workers meet reasonable standards of safety; and that proper precautions are exercised to safeguard workers while being transported to and from the places where they work.

Complementing the action taken by Secretary of Labor Mitchell is the recent enactment of AB 49 (Pattee) by the 1959 state legislature.

The Pattee measure establishes new state standards for the safe transportation of farm workers, and is applicable to domestic agricultural labor not covered by the Mitchell orders.

FEDERATION CIVIL RIGHTS PROGRAM ADOPTED

A four-point program to guide the activities of the California Labor Federation's standing Committee on Civil Rights won approval of the Federation's executive council at its two-day meeting in Hollywood last week.

Federation Vice President Albin J. Gruhn, chairman, outlined the program on behalf of the action committee established by the merger convention of the state AFL-CIO. Gruhn placed the functions of the Civil Rights Committee in the four fields of (1) education, (2) service to local and central labor council civil rights committees, (3) discrimination within unions, and (4) public relations.

Under the category of education, the action program calls for broad distribution among local affiliates and individual members of the Federation's convention actions on civil rights, and regular distribution of pamphlet literature developed by the various groups with which labor works closely on various civil rights issues.

A statewide conference on civil rights was also proposed by the committee, with delegates from all affiliates invited to participate. Such a conference, it was pointed out, should include the participation of various minority organizations.

In the servicing of local and central labor council civil rights committees, Gruhn's group proposed an initial meeting with local representatives active in the field to see what their needs and

problems are, so that usable services can be provided at the state level.

As possible local projects, the committee suggested (1) a survey of school districting lines in various cities, and (2) work with Negro churches on motivating more Negro youth to get a better education, in general, and to prepare for apprenticeship training in particular.

Regarding the problem of discrimination within unions, the committee noted that the new state FEP law, enacted with active labor support, applies to labor unions as well as business. The committee report stated that all civil rights grievances should be referred to the AFL-CIO Civil Rights Committee, since local unions can only be disciplined by their Internationals, and the national AFL-CIO in working directly with International unions on the problems presented.

As a means of improving public relations, the committee proposed (1) more frequent news releases to minority newspapers whenever there is a civil rights issue, (2) distribution of all labor pamphlets and leaflets to civil rights groups and organizations, (3) promotion and establishment of speakers' bureaus to service requests of local civil rights groups, and (4) development of better relations with labor reporters for more accurate reporting of civil rights activities of organized labor in the commercial press.

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Deadline for Convention Resolutions—July 27

All resolutions submitted by local unions and councils to the August 10-14 convention of the California Labor Federation, AFL-CIO must reach the office of Secretary-Treasurer C. J. Haggerty by 5:00 p.m. on MONDAY, JULY 27, 1959. This is in accordance with the Federation's constitution, adopted at last December's merger convention.

The only exception to this deadline will be resolutions submitted by regularly constituted and affiliated statewide organizations at conferences held between July 27 and August 9, which must be filed with the secretary-treasurer not later than 9:00 p.m., on *SUNDAY, AUGUST 9, 1959*.

Resolutions delivered to the secretary-treasurer subsequently will be reported by him on the first day of the convention as late resolutions, and will not be referred to a committee for consideration unless the convention so orders by a vote of two-thirds of the delegates present and voting.

All resolutions must bear the signature of an executive officer or the seal of the affiliated organization.