CALIFORNIA AFL CIO LABOR FEDERATION

Weekly News Letter

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151

Industrial Safety Conference Set

The Governor's annual Industrial Safety Conference, slated for February 16 and 17 at the Fairmont Hotel in San Francisco, will feature President James A. Brownlow of the AFL-CIO Metal Trades Department as labor speaker at the opening session.

The 10th annual two-day conference, which will attract labor-management participants from all over the state, is to be chaired by John F. Henning, director of the state Department of Industrial Relations.

Dan Kimball, Aerojet president, will share the opening honors with Brownlow.

An innovation in this year's conference is that separate section meetings will be held only during the afternoon of the first day, with the second morning being devoted to panel discussions on the handling of building materials and the responsibilities for safety leadership.

Governor Edmund G. Brown is scheduled to address a luncheon session on the second day.

The section meetings on the afternoon of the first day are designed for groups to discuss their own particular problems by industry: agriculture, construction, forest products, government agencies, manufacturing, material extraction, industry, special research, trades and services, transportation, communications and utilities.

At a final session, 2:00 p.m. February 17, there will be a demonstration of "illumination and on-the-job safety" presented by the Pacific Gas and Electric Company.

A 7 to 8 per cent increase in the rate of on-the-job injuries in California in 1959 is expected to challenge the efforts of participants at the Governor's Safety Conference.

Industrial Relations Director Henning predicts a record attendance of 1400 representatives of labor-management and safety organizations.

TV STATIONS CARRYING "AMERICANS AT WORK" IN STATE

KLYD-TV - Bakersfield	Sat. 1:15 p.m.
KHSL-TV - Chico	Mon. 4:00 p.m.
KIEM-TV - Eureka	Sat. 8:30 a.m.
KFRE-TV - Fresno	Sun. 11:15 p.m.
KFSD-TV - San Diego	Sun. 4:00 p.m.
KTVU-TV - San Francisco	Sat. 10:00 a.m.

Legislature Convenes in Budget Session; Governor Spikes Tax Cut Maneuvers

The California legislature convened in Sacramento this Monday to receive Governor Brown's record-breaking $2,477,121,574.00 state budget for the coming fiscal year, which was declared "faithful to the principles of fiscal solvency, faithful to the needs of today, faithful to the future of California."

The Brown recommendations would commit to basic capital outlay investment some $73 million in estimated general fund surpluses for the current fiscal year ending in June, which the Governor's Republican opponents would use for tax-cutting purposes.

In an obvious effort to spike partisan tax maneuvers, the Governor said:

"I propose that the great bulk of the balance which will be on hand at the end of the present fiscal year be invested—not just spent—to provide the building and equipment immediately necessary for our skyrocketing educational demands, our rising prison problems, our mental health requirements, and our basic capital needs."

Utilizing the surpluses in this manner, the Governor's recommended budget would balance out, according to his estimates, with a $1.4 million cushion at the end of fiscal year 1960-61.

TAX CUTS TO BE OFFERED

Even as the Governor was delivering his budget message, however, several measures to cut back taxes

(Continued on Page 2)

Petri Case Upholds State Labor Code Policies In Field of Labor-Management Relations

Analysis of last week's state Supreme Court decision in the Petri case reveals a determination on the part of the court's majority to re-establish the principles of state labor law which had been consistently applied for more than 50 years until ignored in the past few years by the court's present minority.

Stripped of legal language, the court majority concluded that the legislature meant what it said in declaring state Labor Code policy, and that picketing for organization and recognition constitutes protected activity.

In addition, the decision declared that the courts do not have the authority to establish the machinery or the rules whereby collective bargaining can be effectuated by the courts.

Involved also in the decision was the state's frequently misused Jurisdictional Strike Act.

The employer in this case, a laundry operator, openly refused to have anything to do with the defendant bona fide labor organization, and instead, promoted the formation of an "inside" or "company union" to obtain an injunction under the Jurisdictional Strike Act to stop the activities of the bona fide union. Most of the employer's drivers had signed up with the bona fide union.

Last week's decision spelled out what constituted "interference" with a labor organization, thereby shattering employer-developed procedures for using the state's Juris-

(Continued on Page 4)

Legislature Convenes in Budget Session; Gov. Spikes Tax Cut Maneuvers

(Continued from Page 1)

were being dropped into the hoppers.

Senator Richard J. Dolwig, a leading Republican critic in the upper house, introduced bills to reduce state income tax revenue by approximately $4 million yearly as follows: permit a surviving spouse to file a joint return for two years after the death of his or her spouse; permit retirement income credit; allow medical deductions in excess of 3% of adjusted gross income instead of the present 5%; and allow a maximum child care deduction of $600 for working mothers.

Despite Brown's warning, a bipartisan effort was also mounting in the Senate to lop off some $5 million in sales tax revenues by eliminating the consumer levy on prescription drugs and medicines. This highly popular measure, advocated by organized labor in the past, was dropped in the hopper by Republican Senator John F. McCarthy with 23 Democrats and 11 Republicans as co-authors.

Assemblyman Walter I. Dahl (R., Piedmont) is pushing for repeal of the 3c per pack sales tax on cigarettes enacted last year as a major part of the Governor's tax program. Such a measure would cut into revenues by approximately $65 million.

Capital observers in Sacramento, however, are highly doubtful that any major tax-cutting will take place in the face of the Governor's open opposition. The only tax measure given any chance is the sales tax repeal on prescription drugs and medicines, which will face an uphill battle in the Assembly, despite reported bi-partisan support in the upper house.

WATER UNDERCURRENT

Although the budget session is restricted to consideration of the state's budget and related fiscal matters, a heavy undercurrent of concern about the state's $1.75 billion water bond program was percolating in the capital.

Late on Wednesday the legislature recessed for committee work on the budget, and will reconvene on February 29 to finish out the budget session. At that time, a concurrent special session will undoubtedly be called by the Governor to consider a number of urgency matters, but Brown has emphatically stated that he will not open any special session to major policy deficiencies in his $1.75 billion water bond program which goes to the voters in November.

Although there is little the legislature can do regarding water in the absence of a special session call, the growing uneasiness among legislators concerning the general policy vacuum will find opportunity for expression in the consideration of a $34 million Brown budget item for (a) additional canal reservoir work on the South Bay Aqueduct, (b) a subsidence feeder canal in the San Luis division, and (c) completion of railroad and highway relocation work in Oroville.

Brown has called for these expenditures as necessary for "clearing the way and laying the groundwork for the proposed state water program on which the people of California will pass this November. . . ."

The California Labor Federation, AFL-CIO remains among major groups demanding a special session call on water to enact ironclad protections against monopoly and speculation in the distribution of water and power benefits.

Strong support was given to the Federation position last weekend in Sacramento by the California Water and Power Users Association, composed of small farmer, labor and consumer groups, which demanded enactment of similar protections as a condition for support of the $1.75 billion bond issue.

The Association meet saw state Democratic Senator Virgil O'Sullivan (Tehama County) label the Governor's program as "one of the most ill-conceived, illogical and ill-planned schemes ever conceived in the state of California."

O'Sullivan said that "it was conceived to avoid the 160-acre limitation and power preference clause of reclamation law, to profit the people of a certain area (the southern San Joaquin Valley)."

In urging legislative action before the vote this November, O'Sullivan added: "Why all the fear? Why all the hiding and concealment if there is nothing wrong with this bond issue?"

Assemblyman Edwin L. Z'berg, (D. Sacramento) also sharply criticized the lack of policies in the program. Challenging the basic economic design of the water program, Z'berg questioned the desirability of making power users pay a higher price than the cost of generation in order to subsidize water deliveries. Under the Brown program, power would be sold at market price, competitive with steam power, without reference to the cost of producing the public power.

In addition to liberal opposition to the water bond program, mounting interest has developed on policy matters relating to allocation of costs, financial feasibility of the project under a bond issue and related matters. Major newspapers in the state are also strongly editorializing for a special session to clear the air on such policy matters.

NAACP Raps "Race" Union

The West Coast Regional Policy Committee of the National Association for the Advancement of Colored People, meeting in San Francisco recently, declared emphatically that its opposition to segregation in unions extends to **all** labor organizations.

The action was a direct slap at the all-Negro California Barbers, Bartenders, Maids and Culinary Workers, which is using the good name of Joe Louis to organize Negro service workers into a separate union on a segregated basis.

"Race" unions, the NAACP says, can only perpetuate the isolation of the Negro worker from the mainstream of job opportunities.

The statement underscored the long-standing NAACP position that the avenue for improvement of the wages and working conditions of individuals from minority groups is through active membership in bona fide labor organizations, operating within the structure of the labor movement in the various crafts and industries.

It called upon the AFL-CIO to press for organization of all industries and crafts, including large unorganized pockets of Negro workers.

More Phony Labor Papers

Phony "labor" papers soliciting ads under false pretences of being official publications of AFL-CIO organizations are continuing their racket operations in various parts of the state.

One such paper, recently called to the attention of the Federation, is the Riverside County Labor Leader, which identifies itself as "an independent labor paper servicing Riverside County, devoted to the interests of AFL-CIO."

It is also reported that Los Angeles businessmen are again being annoyed by a phony labor paper claiming official sanction by using the name "AFL-CIO Journal."

C. J. Haggerty, secretary-treasurer of the California Labor Federation, AFL-CIO, requested this week in San Francisco that all affiliates advise the Federation on activities of any phony publications in their respective areas.

Hope for blocking the unethical practices of these "racket operations," Haggerty said, has improved as the result of three important actions in the east, reported recently by the International Labor Press Association.

On January 11, after three days of unprecedented proceedings before a three-judge panel, the Circuit Court of Appeals in Philadelphia found the racket paper "Trade Union Courier" and promoters Maxwell and Bert Raddock guilty of criminal contempt for continued violation of the court's order that they stop misrepresenting the paper as an official AFL-CIO organ.

The labor paper promoters face possible prison sentences, and their pseudo-labor paper was fined $35,000.

Richard Koota, who at various times has worked with the "Courier," has also been sentenced to six months in the New York City Penitentiary for his part in the operation of the racket publication "International Labor Record."

In another action, Ernest Mark High, publisher of "Spotlight," was ordered by the full Federal Trade Commission to stop selling advertising space in his newspaper by representing it as a nationally circulated official publication of the AFL-CIO. The FTC order also requires High to stop printing unauthorized advertisements in the publication and seeking to exact payment for them.

Meany Issues Appeal for Wilson Strikers

AFL-CIO President George Meany this week issued a nationwide appeal in support of striking Packinghouse Workers against Wilson & Company's efforts to break their union.

The following is the full text of a letter sent out by Meany to officers of all national and international unions, state and local central bodies, and directly affiliated local unions:

> For twelve weeks, 5,000 members of the United Packinghouse Workers of America have been on strike against Wilson & Company plants—a strike forced by a company clearly determined to break the union.
>
> Wilson & Company must not succeed in its campaign. The union members must be—and can be—victorious. It is up to the rest of us in the AFL-CIO to insure that victory.
>
> The issues and facts in this strike have, of course, been distorted by the daily press. It is my purpose here to set the facts straight, to urge your continued assistance to the strikers in every possible manner and to solicit your generous contributions for their support.
>
> These are the facts: The Wilson employes worked without a contract from September 19 until late in October when they were locked out. On November 3 the union struck, seeking only a contract similar to others negotiated in the industry.
>
> From that date to this, the Wilson Company has refused to negotiate in good faith and has used every despicable anti-labor device, including importing strike-breakers, to destroy the union. The Company has failed only because of the union's solidarity and the steadfastness of the rank-and-file.
>
> This is the fight of the entire trade union movement. We cannot allow anti-union campaigns such as this to succeed. We must make sure that these strikers are not starved into submission. We will do that job.

Here are the ways in which we can help:

1. Make sure that every AFL-CIO member and every member of an AFL-CIO family knows that Wilson & Company products are made by strike-breakers.

2. Provide the financial help which the Wilson strikers need desperately. Contributions from our national and international unions and from their local unions of the AFL-CIO, as well as from every state and local central body are vital to victory. Because of the urgency of the situation, I suggest your contributions be sent directly to UPWA Secretary-Treasurer G. R. Hathaway, 608 South Dearborn Street, Chicago, Ill. I urge you to be both generous and prompt.

Every kind of assistance, moral, financial and organizational is needed. These 5,000 men and women have proved their trade unionism on the picket line during the past twelve weeks. We cannot let them down. We will not let them down.

Health Insurance Conference For Federal Employees

A one-day conference on the Federal Employees Health Insurance Act of 1959 and the problems of cost, quality and organization of medical care involved, has been set for Saturday, February 27, at International House in Berkeley.

The conference is being presented by the Institute of Industrial Relations of the University of California at Berkeley in cooperation with public employee unions.

The meeting will open at 9 a.m. with a general session address by Dr. E. Richard Warneman on "health insurance and medical care: problems of cost, quality and organization," to be followed by a panel discussion on the subject.

A luncheon session will feature an address by Gordon Peterson, health benefits representative of the 12th U. S. Civil Service Region on the Federal Employees Health Insurance Act of 1959.

A panel discussion of the Act in the afternoon will conclude the one-day conference.

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Petri Case Upholds State Labor Code Policies

(Continued from Page 1)

dictional Strike Act to block activities of a bona fide organization.

The court said that the "undisputed evidence," viewed in light of Section 1117 of the state's Jurisdictional Strike Act, "establishes as a matter of law that plaintiff 'interfered with' " the so-called "inside" union. Under Section 1118, therefore, there was "no jurisdictional strike . . . and the order granting a preliminary injunction against defendant's strike must be reversed."

The court decision continued:

"Section 921 (Labor Code) provides that promises embodied in yellow dog contracts shall not be enforced. Section 922 provides that any person who coerces another to enter into such a contract as a condition of employment is guilty of a misdemeanor. Section 923 announces it the public policy of the state 'to uphold the freedom of employees to organize and enter into collective bargaining contracts for their own protection' . . .

"These sections do not preclude a promise to join independent labor organizations . . . closed or union shop contracts, or concerted activities to obtain such contracts . . .

"Neither do they place on the employer an affirmative duty to bargain . . . An employer faced with a union's demand for recognition still has 'the choice of yielding to the union's demand or continuing to endure the interference with its business relations which the (union's) activities caused . . .

"The Jurisdictional Strike Act . . . was designed, not to diminish free competition between labor and industry but to release the innocent employer caught between the rival claims of two or more labor organizations . . .

"It is for the legislature to determine whether voluntary bargaining should now be displaced by a rule compelling the employer to bargain with the representatives of his employees . . ."

"A host of problems attends compulsory bargaining that only the legislature can resolve," the majority declared.

In overruling three recent cases founded only in court dicta, the court majority said:

"By reinterpreting Section 923 of the Labor Code and invoking the Jurisdictional Strike Act, the court in the Garmon Case held that a closed or union shop contract is an unlawful labor objective under state law when none of the employees wish to join or be represented by the union. The court's conclusion that by signing a closed or union shop agreement the employer would interfere with the employees' rights 'in the designation of . . . representatives or in self-organization or in other concerted activities for the purposes of collective bargaining or other mutual aid or protection' . . . was directly contrary to the settled rule that Section 923 does not restrict the right of labor to engage in concerted activity to attain a closed or union shop . . .

"Furthermore, the Garmon case was decided on the erroneous assumption that the conduct found tortious under state law was also illegal under federal law, and it was reversed on the question of federal preemption . . ."

The court decision continued:

"In Chavez v. Sergeant . . . this court departed from rules based on the free interaction of economic forces . . .

"In undertaking to restate the labor law of California, however, the Chavez case went beyond the issue before the court . . . By going further and setting up a new system of labor law based on majority rule instead of the free interaction of economic forces, the case would turn our trial courts into labor relations boards without legislative guidance or necessary administrative machinery.

"These difficulties may not have been foreseen when the dicta of Chavez were applied in Retail Clerks Union v. The Superior Court . . . to enjoin concerted activity that was theretofore clearly legal."

Noting that in this type of case, the trial court was being asked to sit as a labor board, and thus determine the appropriateness of bargaining units, conduct elections, certify the majority representative, and direct collective bargaining, the court concluded:

". . . employers are not required by law to engage in collective bargaining.

". . . closed or union shop agreements and concerted activities to achieve them are lawful in this state whether or not a majority of employees directly involved wish such agreements. If a contrary rule is to be established, the legislature, not this court, must enact it. The Garmon and Retail Clerks Union cases are, therefore, overruled. Insofar as it is inconsistent with the views expressed herein, the Chavez case is disapproved."

The dissenting opinion in the Petri case, delivered by Justice Schaeur, however, provided the anti-union base for future appeal to the legislature to write the anti-labor dicta of minority viewpoint into the state Labor Code.

Schaeur's dissenting opinion was written in the form of a diatribe more befitting a professional labor hater than a dissenting judge.

References are made in the dissent to "blackmail picketing," the widely expressed recent thinking in the field of labor-management **individual** workman relations," "self-appointed" organizers, and a state landscape littered with "labor bosses" trying to rustle workers into unions they don't want.

The substance of Schaeur's dissent, besides laying the base for future anti-labor attacks, was to uphold the court's previous efforts in the past two years to legislate anti-labor doctrine and retain the Jurisdictional Strike Act as a tool to be used against the activities of bona fide unions.