

## Group Legal Services Bar Protested

Proposed amendments of the "rules of professional conduct" of the State Bar of California, severely limiting legal services labor unions may furnish their members, have been officially protested by Charles P. Scully, General Counsel of the California Labor Federation.

Aimed primarily at preventing labor organizations from referring their members to a union attorney, the proposals have been submitted to the State Bar's Board of Governors in a report from its special committee on group legal services.

In a letter to the State Bar, Scully noted that the special committee repeatedly referred to labor unions in its report. He questioned whether the committee understood the broadness and scope of its recommendations in view of the fact that the Federation, representing most of the state's 1.5 million AFL-CIO members, was not among the various organizations invited to present its views.

Scully stated, "It is the feeling of the Federation that if a more complete and impartial survey in this regard were made, the Bar might well be recommending changes in its canons to permit conduct which is now prohibited rather than proposing canons which further restrict individuals from the

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Executive  
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## SOLONS URGE STATE WATER PROGRAM TIE-IN WITH KENNEDY'S NEW FRONTIER

Five California Senators this week challenged Governor Brown to support dynamic participation by the state in the Kennedy Administration's "New Frontier" as the only solution to California's water problems.

Their statement on water policy noted that the state's own experts concede that the \$1.75 billion bond program approved by the voters is woefully short of funds required to construct the promised projects.

They advocated utilization of the historic policy of federal-state cooperation in the construction of multi-purpose projects such as Oroville Dam as part of the incoming Administration's integrated program of development for the entire West.

The water policy plea was signed by Democratic Senators Stanley Arnold (Lassen), Carl L. Christensen (Humboldt), George Miller, Jr. (Contra Costa), Virgil O'Sullivan (Colusa), and Stephen P. Teale (Tuolumne).

The statement has been interpreted

ed as an ultimatum to Brown for coordinated federal-state development under the terms of federal reclamation law.

The full text of their statement is as follows:

"California voters have agreed, under Proposition 1, to bond themselves for a series of water projects. These projects, they were assured, would add up to a balanced statewide plan.

"But, the \$1.75 billion in bonds is not enough to complete all the works that were promised. The state's consultants have confirmed this. So, this program for the vital future development of California is in trouble.

"We face two choices:

"(1) Either our state water policy is to remain singular and static. We can continue to hold to 'go it alone' concepts.

"(2) Or California, as the fastest growing state in the nation, can join the 'New Frontier'. We can play a dynamic role in supplementing a federal water development plan for all the western states.

"This is not a hard choice.

"Obviously, we should avail ourselves of the assistance of the federal government, as western states have in the development of water resources throughout this century. This is the right choice. This is the historical choice. The current state of our national economy demands it.

"This choice means that the keystone of the State Water Plan, No. 1 project in Proposition 1—Oroville Dam—can and must be built. It can be built without delay and it must be built as a true multi-purpose project. It should be built as a federal reclamation project.

"We point out there is precedent for federal-state cooperation in California

## State Unemployment Soars During November

Unemployment in California and the nation as a whole during November reached record levels for that month, according to state and federal reports issued recently.

Joblessness in California rose to 349,000 from the 298,000 October mark, the highest for any November since 1949, according to Director of Employment Irving H. Perluss. The current unemployment level represented a 50 per cent increase over the November 1959 total.

Perluss pointed out that the jobless total increased in the face of high level employment because the number of new jobs has not kept pace with the growth of California's labor force.

The state civilian labor force of 6,465,000 in November was 252,000 greater than a year ago, while the number of jobs increased only 135,000.

The unemployed in California during November constituted 5.4 per cent of the civilian labor force and represented the highest rate experienced by the state in 11 years. The rate was up from 4.6 per cent in October 1960 and 3.7 per cent in November 1959.

At the same time, Director of Industrial Relations John F. Henning announced that California's civilian employment of 6,116,000 in November 1960 represented a record high for that month, despite an employment drop of 106,000 since October.

The new record levels of employment and unemployment in California dramatized the lag in the state's economic growth rate behind that of its labor force.

Henning indicated that the major employment losses were seasonal and included

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## State Civil Rights Legislation Drafted

A blueprint for advanced legislation in California to further curb discrimination in private housing along racial, religious and nationality lines has been drafted with major participation from representatives of organized labor.

Plans for a vigorous campaign for enactment of such legislation by the 1961 session of the legislature were adopted at a recent Fresno meeting of the California Committee for Fair Practices. This group, chaired by C. L. Dellums of AFL-CIO's Brotherhood of Sleeping Car Porters, is an outgrowth of the organization which conducted the successful campaign for a Fair Employment Practices law.

Seeking to strengthen the present housing law, which forbids discrimination in the sale or renting of dwellings in which public funds are involved in financing, the state committee approved plans for a bill that would extend such limitations to the sale or rental of private housing without public financing.

Passage of this bill, including a provision to place enforcement of housing and employment legislation under the control of a single state commission such as now enforces FEPC, will be a major priority of the State Committee.

Other legislation for which the committee also will work includes:

1. Tightening of laws against discrimination in places of public accommodation.
2. Giving state licensing boards power to revoke the licenses of discriminating licensees.
3. Banning discrimination in redevelopment projects.
4. Granting of old age pensions to aliens.
5. Revision of present vagrancy laws.

Thos. L. Pitts, State AFL-CIO Secretary-Treasurer, noted that in efforts to obtain enactment of such legislation, the state committee deserves the fullest support not only from organized labor but from all elements in the state dedicated to the elimination of discrimination along racial, religious and nationality lines.

## State Unemployment Soars During November

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the usual sharp contraction in farming activities, plus cutbacks in canning, construction and lumbering operations.

Partially offsetting these reductions were gains in retail trade with the start of the Christmas rush and expansion in government, services and the finance group.

Over the 12-month period, manufacturing industries employed 6,000 fewer workers, with aircraft continuing to be the softest spot. Aircraft employment in November was down by 36,000 from the comparable period of 1959.

Other durable goods manufacturing industries reporting reduced employment included primary metals, machinery and stone-clay-glass.

Missiles and electronics, on the other hand, chalked up substantial gains from a year ago.

### U. S. Job Decline

California's unemployment situation paralleled developments for the nation as a whole. As reported in Newsletter recently, unemployment nationally jumped 452,000 between October and November to a total of 4,031,000, according to the U. S. Department of Labor. The nationwide army of the unemployed stood at its highest level for post-war Novembers.

In releasing the November job report, Labor Department manpower expert Seymour Wolfbein declared, "The trend in unemployment is upward—we see nothing in the offing which will bring unemployment down."

The November job report nationally indicated that the seasonally adjusted rate of unemployment stood at 6.3 per cent compared to 6.4 per cent in October. The only post-war November exceeding that rate was in 1949, when it reached 6.5 per cent.

Wolfbein considered the elimination of some 500,000 manufacturing jobs during 1960 as "very serious." He noted that it is the manufacturing sector "which really swings the economy."

Underscoring this, the AFL-CIO last week noted in its current issue of **Labor's Economic Review** that the "major reason" for the present economic slump has been that "people have not been able to buy enough of the consumer goods and services that can be produced."

A meaningful increase in the buying power of American consumers, who purchase nearly 70 per cent of the nation's total production, is "essential" to help lift the nation out of the current recession, the **Review** declared.

It pointed out that per capita buying power rose at an average annual rate of 2.3 per cent between 1947 and 1956. During the last four years, buying power has inched forward at the rate of only 1.2 per cent annually.

Output per man hour has been rising at an average annual rate of about 3.1 to 3.4 per cent since 1947, according to Labor Department figures cited in the **Review**. It forecast productivity increases ranging from 3.5 to 4.0 per cent annually in the future "if automation continues to spread and if the economy operates in high gear."

The AFL-CIO publication observed that unless workers' real income rises enough to cope with the increase in productivity, the nation will be faced with "widespread layoffs."

## Church Council Backs Farm Worker Organization

The moral support of the 40 million members of the National Council of Churches has been thrown behind the AFL-CIO effort to organize agricultural labor by unanimous endorsement of a general board policy by the council's fifth general assembly meeting in San Francisco during December.

The council's resolution expressed "deep concern for the wages, living and working conditions of the seasonal agricultural workers." It added that "we rejoice at evidences of growing general concern for improving conditions under which these agricultural migrants live."

"We note with approval," the statement continued, "the creation of a permanent President's Committee on Migratory Labor. We en-

courage more vigorous efforts in behalf of federal and state legislation to extend the federal minimum wage; to improve housing facilities, health, education and welfare services; and transportation safeguards for migratory farm workers.

"We urge the continuation of current efforts at responsible and democratic labor organization among these workers. We favor extending to them by law the right of collective bargaining and access to the services of the National Labor Relations Board on a par with other wage workers in industry.

"We call upon employers of Christian conscience to encourage and stand with these workers in their efforts to gain human dignity, self-respect and economic security through the well-tested device of union organization."



# SOLONS URGE STATE WATER PROGRAM TIE-IN WITH KENNEDY'S NEW FRONTIER

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for the construction of federal multi-purpose projects. Black Butte Dam on Stony Creek and New Hogan Dam on the Calaveras River were initiated with funds advanced by our state and are being constructed by the federal government. The San Luis Project is on a combined federal-state basis.

"Let Oroville Dam be the first of a new series of needed cooperative federal-state projects to develop our natural resources.

"In addition to Oroville Dam, there are a host of eligible 'fresh federal starts'. Within the system proposed by the state there are a number of works in which there is high federal interest. Federal agencies are studying problems in the San Francisco Bay and the Delta area. Surveys have been made by government agencies of virtually every stream and water course in California.

## State Funds Inadequate

"We point out that our state government simply does not have the money, in any available bond fund, tax revenues or other financial resources, to complete the program promised to the people of California.

"Furthermore, our state needs a dynamic program of development. We need an expanded industrial, agricultural and commercial base to accommodate our exploding population. Without water, our economy faces stagnation.

"Right now, California is caught in the throes of a nationwide business recession. Five great areas in our state already have been classified as 'distressed'. Throughout the state more than 5 per cent of our working force—one man out of each 20—cannot find a job. An accelerated construction program for needed water development would help close this employment gap.

## Historic Parallel

"There was a parallel situation in the 1930s, when the State of California, by itself, planned with a \$170,000,000 bond issue approved by the voters to undertake a basic water program. But funds were short and the U. S. Bureau of Reclamation constructed the Central Valley Project.

"To date, more than \$1.3 billion of federal moneys have been invested in California water development. The state's Central Valley Project bonds are still held in reserve.

## Broad Cooperation

"We believe our state government should cooperate with intensified federal efforts in the whole field of water and other resources development.

## Saline Conversion Breakthrough

"This would include a crash program for a breakthrough in the conversion of saline and brackish waters. Scientists tell us that while such a breakthrough

may be ten or more years away, intensified work would bring that date closer. The timing of this breakthrough could very well have important international significance.

"A successful, economic conversion process would mean a source of water supplies for our population which faces the Pacific Ocean, especially to meet the demands for more industrial and domestic water use. Any surpluses that result from present sources could be diverted to the interior areas, particularly for agricultural use.

## Research, Water Development and New Sources of Power

"This kind of water development is tied in with the creation of new sources of power. We commend to federal interest the research talent available in California in our state and private institutions for the coming breakthrough in the fields of solar and nuclear energy and their application to water development and conservation.

## Importance of Oroville Dam

"Oroville Dam fits precisely the standards for a federal project. Its construction by the government would mean reasonable rates for water users, and the low-cost power the dam would produce could be taken by the state, as preference customer, for use in the remainder of the state system.

"The Oroville project, however, should supplement, not replace other federal projects in California on which advanced planning has gone forward.

## Water Conservation Projects— and the Delta

"For example, we commend to federal authorities, the Auburn Dam project on the American River, the Folsom-South Canal project, Nashville and Melones Dams in the proposed Eastside development, and Bullard's Bar Dam on the Yuba River. We look forward to federal activity on California's north coastal streams.

"These are water conservation projects — and only by building upstream water conservation projects can we provide enough water to maintain the great Sacramento-San Joaquin Delta's economy. To rob water from the Delta before additional water supplies are added would be an engineering and political mistake of immeasurable consequence.

## End the Arizona Dispute

"A 'go it alone' philosophy has for too long been the rule in California water policies. A 'good neighbor' water development program must be inaugurated in the West. This means, for instance, an end to disputes that led to costly litigation such as that between California and Arizona. Experience has shown that lawsuits, expensive to the taxpayer, do not develop one additional drop of water. Cooperation will!

# Collective Bargaining Activities in 1961

The major collective bargaining activity of 1961 will be in the automobile industry, where contracts are due to expire in August and September, the U. S. Department of Labor's Bureau of Labor Statistics reports in the December issue of the **Monthly Labor Review**.

Important negotiations are also coming up in trucking (January), rubber (April through June), meat packing (August), machinery (September), and possibly coal (subject to reopening on 60 days' notice).

Almost 120 agreements covering 5,000 or more workers each and affecting a total of nearly 2 million workers expire in 1961. More than 60 additional agreements covering 1.7 million workers permit reopening on general wage changes. A listing of major agreements, showing scheduled 1961 actions, is presented in the **Monthly Labor Review**.

In a companion article, BLS reports that under major contracts (covering 1,000 or more workers each) that will remain in effect during 1961, at least 2.9 million workers will receive deferred wage increases as a result of bargaining concluded in 1960 or earlier years. Most frequently, these increases will average 8 but less than 9 cents an hour.

Among the workers scheduled to receive deferred increases, about 1.1 million are also covered by cost-of-living escalator provisions. Of this number three out of five are employed under contracts specifying an upper limit to any cost-of-living increases that might go into effect in 1961.

As of January 1961, BLS estimates that between 2.5 and 2.8 million workers (including the 1.1 million also scheduled to receive deferred increases) are cov-

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## The Goal—A Coordinated Program

"We repeat that our immediate goal is the welding of a combined federal-state water conservation program. We point out that California should join other states in the great western region to accomplish this. We believe that our California plans should be carefully fitted into an integrated program of development for all the West.

"The new Democratic Administration in Washington has promised to sweep away 'stand pat' policies of the previous administration. For eight years a ban has been enforced on the initiation of wealth-producing resource projects in the western United States. This ban will now be lifted.

"We therefore call upon the Governor of California and other state officials, as well as our U. S. Senators and Congressmen, to put before the new administration in Washington, a proposal to bring the federal government into a coordinated program with California and its neighbor states for full development of our western water resources."

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## Group Legal Services Bar Protested

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ability of providing group legal services if it is desired.

"Insofar as the comment on channeling . . . is concerned, it is the feeling of this organization that the labor organizations and their officials should have the same right to refer their members to competent labor counsel handling workmen's compensation cases, as banks, insurance companies and individuals have the right to recommend and to refer their associates and friends to individuals whom they believe to be qualified members of the Bar.

"While the paragraph does refer to coercion, there is an overall inference that the mere referral itself is improper.

"... this organization wishes to note that from the very nature of the fact that various labor groups will be represented by individuals specializing in labor law and that part of the specialty of labor law includes such programs as workmen's compensation, etc., to say that any of the groups that he represents cannot refer their members to him of necessity precludes him from performing services in the very specialty to which he devotes his attention.

"The Federation appreciates that the State Bar has a proper interest in maintaining the highest professional and ethical conduct of its members, but also believes that any action in this respect must be associated with the public interest.

"In this latter respect, it is respectfully submitted that the recommendations of the committee are founded on erroneous conclusions and accordingly respectfully request you reject the recommendations."

## LABOR HAILS GOLDBERG'S APPOINTMENT

The designation of Arthur J. Goldberg as Secretary of Labor by President-elect John F. Kennedy has been greeted warmly throughout the ranks of organized labor as a certain indicator of a vigorous discharge of the Department of Labor's responsibilities to working people under the new Administration.

Presently serving as special counsel to AFL-CIO, Goldberg has been general counsel for the Steelworkers Union and AFL-CIO's Industrial Union Department.

In making the announcement, Kennedy described the appointee as "one of the country's leading experts" in the complexities of industrial relations, and a man who has shown "intelligence, wisdom and intuition."

The President-elect praised Goldberg's skill in devising the "effective and successful procedures" under which Communist-dominated unions have been expelled from the former CIO. He noted that these steps "marked a major setback to Communist infiltration of American democratic institutions."

Kennedy also commended Goldberg's role as counsel to the AFL-CIO Ethical Practices Committee.

Goldberg responded by committing himself to the most energetic efforts to eliminate the causes of unemployment and to administer the nation's labor laws "vigorously, fairly and without fear or favor."

In a telegram to the Secretary-designate, outgoing Labor Secretary James P. Mitchell congratulated Kennedy's choice and declared that a better appointment could not have been made.

Goldberg's entire professional career has been in the field of labor law. The 52-year-old Chicago-born lawyer became general counsel of the former CIO in 1947. He served as a major in the Army

during World War II attached to the Office of Strategic Services.

Goldberg is a trustee or director of numerous labor and philanthropic organizations including the Fund for the Republic and the Carnegie Endowment for International Peace.

### OTHER KENNEDY APPOINTMENTS

Other cabinet level appointments announced within recent weeks by Kennedy include the following:

Dean Rusk, named Secretary of State, has served as president of the Rockefeller Foundation and as an assistant secretary under Dean Acheson.

Robert S. McNamara, chosen as Secretary of Defense, is president of the Ford Motor Co. A registered Republican, he has nevertheless supported Democrats on frequent occasions.

C. Douglas Dillon, appointed as Treasury Secretary, is another Republican and currently serves as Under-secretary of State.

Orville L. Freeman, named Agriculture Secretary, is the present governor of Minnesota.

Robert F. Kennedy, given the post of Attorney General, is the President-elect's brother and campaign manager.

J. Edward Day, as Postmaster General, has a background as an insurance executive in Los Angeles.

Stewart L. Udall, designated to be Secretary of Interior, has an outstanding record in the House of Representatives as the champion of natural resources development for the West.

Abraham A. Ribicoff, governor of Connecticut, designated to be Secretary of Health, Education and Welfare.

Luther H. Hodges, appointed as Secretary of Commerce, is now governor of North Carolina.

### COX SOLICITOR GENERAL

The third-ranking job in the Attorney General's office, that of Solicitor General, has been filled by Kennedy with the appointment of Harvard Law School Professor Archibald Cox. Considered the nation's leading expert on labor law, Cox will be in charge of the government's appearances before the Supreme Court. The new appointee served as Kennedy's advisor during the floor and conference debates preceding passage of the Landrum-Griffin Act in 1959.

## Collective Bargaining

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ered by agreements with cost-of-living escalator clauses.

Estimates for the companion article are based on major collective bargaining settlements coming to BLS' attention by early December 1960. Service trades, finance, and government are excluded.