

California Growers Admit Adverse Effect

A recent issue of the California Council of Growers News Letter has exploded the pious pretensions and claims of California's corporate farmers that the bracero system has not adversely affected American farm workers.

The publication of the statewide public relations arm for the growers' farm labor associations did not bother to hedge its remarks, since its circulation is limited to "members only." Speaking to its family of growers in the April 16, 1961, issue, CCG's News Letter referred to agriculture's "cold war" stemming partly from the Labor Department's recent ruling against individual growers hiring braceros more than 35 weeks per year. It complained:

"... meetings are being held with Undersecretary of Labor Willard Wirtz and others to again emphasize to the Department of Labor and other members of the federal administration the serious effects which the Department's interpretations can have not only on employers of Mexican Nationals... but on all agricultural employers as well. For it must be remembered that the farm labor pool is analogous to water in a bucket. If a supply is taken out of one corner of the bucket... the entire level goes down.

"This means that once deprived of foreign supplemental workers... as would surely be the case under the 35-week rule... grow-

(Continued on Page 3)

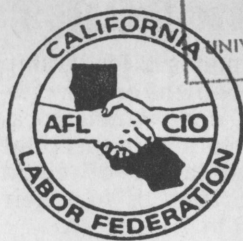
Kennedy Kicks Off Drive for Health Care Program

Last Sunday, President Kennedy and members of his cabinet led a massive attempt to swing support behind his program of medical care for the aged through social security.

The National Council of Senior Citizens for Health Care through Social Security held 33 rallies throughout the nation and drew a total attendance of about 150,000. President Kennedy appeared before 15,000 wildly cheering citizens at Madison Square Garden and Vice President Johnson delivered a hard-hitting appeal in St. Louis. Other influential persons giving the bill strong backing include California's Governor Edmund G. Brown.

The President's message was carried across the nation by television and radio to the other rallies and to millions of citizens at home. He stated, "I believe that this year—or certainly, inevitably as the tide comes in, next year—this bill is going to pass."

The bill is still locked up in the



THOS. L. PITTS
Executive
Secretary-Treasurer

Published by California Labor Federation, AFL-CIO

151

Weekly News Letter

Vol. 4—No. 18
May 25, 1962

Primary Election Get-Out-the-Vote Drive Declared Urgent

Secretary-Treasurer Thos. L. Pitts, in San Francisco this week, cautioned AFL-CIO unions against assuming a relaxed attitude toward get-out-the-vote drives for the June 5th primary.

The state AFL-CIO executive officer and state COPE head urged local unions to work closely with their area COPE organizations in the development of voting drives aimed at "reaching every registered union family member, not only in areas where endorsed candidates have vigorous primary opposition, but also in support of the AFL-CIO's entire slate of endorsed candidates from top to bottom."

Pointing out that voting patterns are frequently established in primary elections, Pitts warned that "a strong popular vote in the primary, even where the endorsed candidate may not have substantial opposition in his primary, is vital to the launching of successful campaigns in the November general election."

"It is gratifying," Pitts added, "that more than one million copies of the state COPE primary election

pamphlet carrying official AFL-CIO endorsements are being distributed throughout the state. But this is only half the job; and must be matched with an equal get-out-the-vote effort."

The popular vote at primary elections is known to be a major factor influencing the amount of financing special interests candidates are able to muster in the general elections.

"Governor Edmund G. Brown," Pitts declared, "needs an overwhelming popular vote to discourage some of the big money which will be pouring into the Richard Nixon campaign, if the GOP challenger comes through his battle with Assemblyman Joe Shell in fairly good shape."

"Lieutenant Governor Glenn M. Anderson, who carries labor's enthusiastic endorsement for re-election based on an outstanding record of performance during the past four years, is being challenged in the primary and has come under

(Continued from Page 2)

Sinister Attack On Proposition No. 4

Proposition No. 4, which will appear on the June 5th ballot, proposes a \$100 million bond issue for the purpose of making loans for the development of low rental housing for elderly and physically handicapped persons with low incomes.

If approved by the voters in June, the proposal would make available the proceeds from sale of the bonds for loans to public and some private agencies for acquiring and building low cost rental housing. The loans would have to be re-

(Continued on Page 2)

House Ways and Means Committee, where action of one kind or another is expected to occur early in June. The lineup on the 25-member committee appears to be: 10 Democrats for the bill, 10 Republicans against the bill and five Congressmen undecided. The bill needs 13 votes in the Committee in order to reach the floor for a vote.

It is predicted that the Senate will amend social security medical care provisions into some House bill if the House does not pass the King-Anderson bill. Such an action would serve the purpose of making the

(Continued from Page 3)

Primary Election Get-Out-the-Vote Drive Declared Urgent

(Continued from Page 1)

vicious attack by Republican opponents. A small turnout in the primary would feed an all-out campaign in the fall to unseat Lieutenant Governor Anderson, who has proven himself to be one of the most capable and dedicated individuals ever to assume that office in the history of California.

"A big popular vote would be equally decisive for the fall campaigns in the other statewide partisan offices where California Labor COPE has endorsed **Richard Richards** for U. S. Senator; **Stanley Mosk** for Attorney General; **Alan Cranston** for State Controller; **Bert A. Betts** for State Treasurer; and **Don Rose** for Secretary of State."

Also of particular significance in the primary election is the race for state Superintendent of Public Instruction where organized labor is solidly backing Dr. Ralph Richardson as the outstanding candidate in a field of nine running for the seat being vacated by the present Superintendent of Public Instruction. As the state's highest educational officer, the Superintendent of Public

Meany Advises NAM On Profits

At a White House Conference on National Economic Issues, which was held early this week, AFL-CIO President George Meany requested that NAM spokesman Charles Sligh demonstrate in a "crystal clear" fashion how higher business profits will automatically provide employment.

The NAM spokesman had issued the tired old slogan that unemployment is a result of falling profits due to high taxes and rising labor costs.

President Meany stated, "I challenge the NAM to tell us how much profits they need. It is not enough to say that investment by industry will make jobs." Meany asserted that most of the general public "believe that profits are too big now."

At the same meeting, AFL-CIO vice president Walter Reuther had a biting exchange with the same NAM spokesman. Reuther pointed out that it is ill advised to concentrate too heavily on profits while ignoring the fact that the economy needs higher consumption in order to create new demand.

Instruction commands a leadership role in the development of our public school system, upon which working people are totally dependent for the implementation of equal educational opportunities for their children.

"In this non-partisan office," Pitts said, "only the two top candidates in the primary will win a place on the general election ballot. Dr. Richardson must obtain a majority of the votes cast for all nine candidates in the race in order to be elected in the primary. Well organized get-out-the-vote campaigns in the primary, therefore, are vital to Dr. Richardson's endorsed campaign."

The state AFL-CIO executive officer also reminded local organizations that labor's stakes in the primary election extend beyond the success of individually endorsed candidates for statewide and district offices.

The fate of some \$970 million in state bond issues, Pitts noted, will be determined in the primary when voters pass upon five ballot measures, proposing \$200 million in school construction bonds; \$250 million in veteran home loan bonds; \$270 million in state construction bonds (primarily for higher education facilities); \$100 million in aged low-rent housing bonds; and \$150 million in recreation bonds.

"All of these bond issues, backed by both the Brown Administration and the California Labor Federation, are urgently needed to provide capital outlay funds to meet the institutional and social needs of our expanding population. A small turnout at the primary would play into the hands of reactionary groups and individuals who will turn out en masse in an effort to defeat some of these bond issues," Pitts added.

Although any one of the five bond issues may be in jeopardy, the focus of organized opposition is on the aged low-rent housing bonds, and to a lesser extent the veterans home loan bonds, led by those who oppose using the state's credit for the social purposes involved. (See Newsletter story page 1.)

"In terms of the \$970 million in bond issues alone," Pitts concluded, "every labor organization in the state must assume major responsibility to get-out-the-vote for the June 5th primary."

Sinister Attack On Proposition No. 4

(Continued from Page 1)

paid by the agencies involved and hence would be self-liquidating.

The California Labor Federation is strongly backing this attempt to help stop the huge annual subsidy to the slum landlords. Senators Richard Richards and Hugh Burns, who wrote the argument in favor of this program for the official ballot pamphlet have stated, "Let's provide decent, safe, sanitary housing for our senior citizens, and for less cost. Let's house our elderly in homes instead of institutions." The bond issue which they advocate would operate much in the same manner as the Cal-Vet farm and home loan purchase system, in that it is self-liquidating.

Incredible as it seems, however, an attack has emerged on this humanitarian proposal. A lavishly financed campaign, including the services of the Whitaker and Baxter Advertising Agency, has been launched against the welfare of our senior citizens.

Organizations such as the California State Chamber of Commerce, the California Taxpayers Association, the California Real Estate Association, and the State Farm Bureau Federation have joined hands in an attempt to deny decent housing for elderly and physically handicapped citizens. Their front organization is masking their opposition behind phony charges of "fiscal irresponsibility."

It is especially ironic that two of these organizations should be attacking Proposition 4 on these grounds.

In 1944, the California State Chamber of Commerce and the Farm Bureau Federation proposed that the State of California expend hundreds of millions of dollars in purchasing something which they already had. These two groups proposed that the state purchase the Central Valley Project from the federal government. The proposal failed because the citizens of California saw no advantage in purchasing something already owned by the people.

The plight of many of California's senior citizens in the field of housing commands support of Proposition 4, and the use of the state's credit for the high social purpose proposed.

California Growers Admit Adverse Effect

(Continued from Page 1)

ers, if they are to get their crops harvested, would be forced to compete for what few qualified domestic workers were available elsewhere. The wages growers would have to offer . . . the tremendous recruiting and other costs involved in such a fiercely competitive situation would . . . the experts point out . . . be driven 'way out of sight.' . . ."

The growers' publication went on, of course, to urge that the agricultural economy could not afford the improvements that would be involved. But California Labor Federation Secretary-Treasurer Thos. L. Pitts commented on the crux of the grower publication's statement:

"Actually, there is nothing new in the grower admission that the bracero system alone stands between agricultural workers and decent wages. Their basic analysis has been self-evident throughout the years to just about everyone.

"The Council's admission does, however, bring into focus the growers' monumental and bald-faced hypocrisy over the years before Congress and the general public in claiming the bracero program has not adversely affected domestic farm workers.

"It also serves as a yardstick for measuring the gross inadequacy of the Labor Department's \$1.00 hourly minimum rate established recently for California bracero users.

"Although its 'way out of sight' wage rate formulation is a typical exaggeration of what would actually occur in the absence of the bracero program, it nevertheless confirms our recent estimates that hourly rates in agriculture would have risen at least as much since 1950 as did wages and fringe benefits in the closely related food and kindred products industry.

"Such an increase would have amounted to 91 per cent minimally since 1950 and would have brought the rock-bottom rate on California farms somewhere around \$1.50 an hour.

"The Council's statement serves to dispel any lingering doubts both as to the presence of adverse effect but also regarding the extent of the injury. With this evidence in hand, we strongly feel that Secretary of Labor Goldberg must immediately

Trade Survey Confirms Unions' Public Welfare Dedication

Evidence that labor unions place the public welfare of the nation above self-interest is demonstrated in a recent opinion poll conducted by Elmo Roper and Associates on the question of trade expansion.

The poll — of 500 business executives and the leaders of national and international labor unions — asked for individual views on the President's proposed trade adjustment act, a high priority item currently before Congress supported by the AFL-CIO.

According to the Roper findings, while 32 per cent of the union officials believe that the lowering of tariffs will hurt their unions, a large majority favor passage of the measure.

While the same union officials are overwhelming (93 per cent) in their belief that the enactment of the bill will increase imports, a majority (71 per cent) also believe that it will stimulate economic growth.

The union leaders made it clear (57 per cent) that they consider economic competition to be the most important factor in winning the cold war, and that the President's bill will carry out this objective by making trade flow freer between this country and the non-communist nations.

The union leaders expressed strong support of provisions in the President's bill that would provide "trade adjustment assistance" in the form of federal readjustment allowances supplementing state unemployment benefits, retraining assistance, and relocation allowances.

While a majority of businessmen (67 per cent) favor the President's bill, few (3 per cent) support provisions

embark upon a thorough re-examination of the adequacy of his recent decisions, such as the one establishing a minimum hourly agricultural wage of \$1.00 in California.

"In its irreconcilable public and private positions regarding adverse effect, the Council obviously resorted to unmitigated falsehoods in one case or the other. We feel certain that the Labor Department can only conclude that the truth was spoken in the confidential analysis provided for the Council's members. In such a situation, it is clear that the Secretary must immediately take corrective action or else lend himself to making a mockery of the law."

sions for readjustment allowances to displaced workers. Forty-one per cent endorse a provision, however, calling for tax benefits to industry for the encouragement of modernization and diversification.

A direct comparison of business and union sentiment shows that while more labor leaders support the program, a larger percentage of business believe the program will benefit their self-interests.

Kennedy Kick-Off Drive

(Continued from Page 1)

complete Senate go on record for or against the bill prior to this fall's elections.

In sharp contrast to the President's hard hitting message was a puny counter-attack offered by the American Medical Association on the following day. In a nationally televised reply, the AMA spokesman characterized the King-Anderson bill as an attempt to "blitz" and "brainwash" the public and as a "cruel hoax."

Ignoring the fact that the AMA undertook a successful effort to bottle up the Forand bill, which offered surgical benefits, the AMA spokesman criticized King-Anderson as not being extensive enough.

The AMA broadcast, which cost \$75,000, was met with less than overwhelming enthusiasm.

Dr. Blue Carstenson, executive director of the National Council of Senior Citizens, stated that the AMA used "lies and deception" in the telecast.

Mr. Kennedy brought the King-Anderson bill into sharp focus when he stated that it does not "seem like such an extraordinary piece of legislation 25 years after Franklin D. Roosevelt passed the Social Security Act." Kennedy predicted that current statements by some doctors that they will refuse to treat patients under the King-Anderson bill will evaporate once his plan becomes law.

As to the matter of sapping "individual self-reliance," Kennedy asked, "What saps self-reliance more than to be sick, broke, alone?"

Local organizations and their memberships are urged to keep in close contact with their Congressmen and Senators Kuchel and Engle, urging active support of the King-Anderson bill.

Pitts Urges Strengthening of Federal Tax Bill

On May 23, 1962, Secretary-Treasurer Pitts contacted California's Senators Engle and Kuchel and urged them to take all possible steps to strengthen the Kennedy Administration's proposed federal Revenue Act of 1962.

The bill, which has been passed by the House and is currently being considered by the Senate Finance Committee, has many good features, but requires strengthening in certain provisions.

President Kennedy's plan to withhold taxes on dividend and interest income is an important feature of the bill, and is firmly backed by organized labor. This proposal, which is not a new tax but is merely an attempt to collect existing taxes, is expected to produce \$880 million in extra revenue from persons who are currently evading the tax or failing to pay it through ignorance.

An especially vicious campaign has been undertaken by spokesmen for the wealthy and big business groups opposed to the provision. They pretend concern for the "little person," but ignore the fact that the bill contains sufficient safeguards for those low-income and aged persons who are dependent upon such income for their support.

The AFL-CIO, upon examining the bill, has determined that it contains ample protections for those persons expecting no tax liability, and has very effective refund provisions for those persons subject to the withholding who have a small amount of tax liability.

"It seems only fair that those persons who earn their incomes from interest in dividend payment should be subject to the same withholding provisions as those persons who earn their income from wages," Pitts told Senators Kuchel and Engle.

The Federation took the following position on other portions of the bill:

1. Supported the effort to provide better accounting of expense account expenditures;
2. Backed provisions of the bill terminating the special tax exemption and deferral privileges which are currently enjoyed by citizens and businesses living and operating abroad;
3. Supported the collection of a more equitable tax payment from mutual savings institutions;
4. Called for action on the matter of unjustifiable capital gains treatment of profit from the sale of depreciable business assets;
5. Expressed serious misgivings about the 7 per cent investment tax credit provision and urged that its application be severely restricted;
6. Favored the elimination of exemption of expenses for lobbying.

It is hoped that the Senate Finance Committee will retain those equitable portions of the House version of the bill and will strengthen those provisions that require attention so that a true tax reform bill will ultimately be passed by this session of Congress.

Copies of Pitts' communication to Senators Kuchel and Engle were sent to all Councils in the state, urging similar action on the tax reform legislation pending in the upper house.

Family Incomes Short of Need

The U. S. average family income last year advanced \$200 to an all-time high of \$7,020. But averages are sometimes deceptive. More meaningful is the median figure.

The median family income last year was \$5,720 — half of America's families have less and half have more than this amount.

Fifty-three percent of all American families and unattached individuals had incomes below \$6,000 a year. In the \$8,000 and under group, there were 72 percent of all such spending units.

Six percent of all spending units, on the other hand, have incomes of \$15,000 or over. This six percent had more income — about \$92 billion — than any other single group. As a matter of fact, the income of this wealthy group at the top was 13 times as great as the 12 percent at the bottom who received less than \$2,000 annually.

The latest Heller budget of the University of California showed that it costs a worker family of four \$6,777.59 annually for a reasonable standard of living in San Francisco. The latest Labor Department budget of two years ago, set the national figure at \$6,400.

The above figures indicate that the nation has still some distance to go before a majority of its people attain adequate living standards. They also clearly indicate that income distribution in the United States is far from equitable. Last year, the over \$15,000 group added \$6 billion of income, although it did not change its size. The \$4,000 - \$6,000 group also remained the same in size, but its income remained static.

In the face of these figures, spokesmen for America's wealthy elite are demanding tax cuts at the top, claiming a need for the accumulation of higher savings and profits to "create jobs through expanded investments." (See AFL-CIO President George Meany's blast concerning this argument. News Letter Page 2.)

California Labor Federation, AFL-CIO
995 Market Street
San Francisco 3, Calif.

RETURN REQUESTED

Industrial Relations Librarian
Institute of Industrial Relations
214 California Hall
University of California
Berkeley 4, Calif.

NON-PROFIT
ORGANIZATION
U. S. POSTAGE
PAID
San Francisco, Cal.
Permit No. 7085