

## Bow Substitute Exposed

In a letter to Congressman Cecil King (Dem., Calif.), Secretary-Treasurer Thos. L. Pitts pinpointed one of the fatal weaknesses in the health care plan proposed by Congressman Bow and other opponents of the King-Anderson approach.

Representative Frank Bow (R., Ohio) and several dozen Republican colleagues introduced almost identical bills in the field of health care for the elderly in early April. The Bow proposal would use private health insurance as a basis for providing medical care to the aged. This alternative to the King-Anderson approach of medical care for the aged through social security would provide a credit of \$125 which could be deducted from the income tax of persons 65 years or older.

In his letter to Congressman Cecil King, a co-sponsor of the King-Anderson bill, Pitts cited the report of the California Assembly Interim Committee on Finance and Insurance. This Interim Committee studied so-called voluntary health insurance plans during the 1959-1961 interim period.

The Committee investigation

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## Nixon Backs Unholy Alliance Against Prop. 4

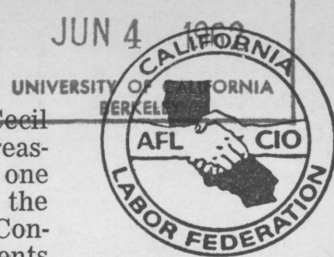
State AFL-CIO Secretary-Treasurer Thos. L. Pitts, this Tuesday, charged that "an unholy alliance consisting of the State Chamber of Commerce, the California Taxpayers Association, the State Farm Bureau Federation, and the California Real Estate Association have joined hands in an attempt to defeat the use of the state's credit for a high social purpose."

Referring to the lavishly financed campaign against Proposition No. 4 on the June 5 primary ballot, Pitts said:

"The special interests groups have not hesitated to spend thousands of dollars on radio and billboard advertisements. They have purchased the services of Whitaker and Baxter in this attempt to defeat a proposal to provide decent living conditions for our elderly citizens."

(See partial list of special interest contributors on page 2.)

Proposition No. 4 would make available the proceeds from a \$100 million state bond issue for loans to public and private agencies for acquiring and building low-cost rental housing for elderly and physically handicapped persons with low incomes. The loans would be self-liquidating.



THOS. L. PITTS  
Executive  
Secretary-Treasurer

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# Weekly News Letter

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## STATE COPE LAUNCHES VOLUNTARY FUND-RAISING DRIVE

AFL-CIO affiliates throughout the state have been called upon to participate in a voluntary fund-raising drive launched by California Labor COPE to help elect labor-endorsed candidates to Congress.

In a letter to AFL-CIO affiliates setting forth details on the drive, Secretary-Treasurer Thos. L. Pitts appealed for unity of action, pointing out that the state effort is designed to supplement the national COPE solicitation because of the national significance of California's Congressional election this election year.

Pitts' reference was to the reapportionment of Congressional districts which has given California eight new seats, increasing the state's total delegation in the House of Representatives from 30 to 38.

"Nationally, both the Kennedy Administration and the AFL-CIO are depending upon this state to substantially increase the number

of liberals elected to Congress in order to enhance the prospects for the enactment of sorely needed progressive legislation and to prevent the Congress from falling into the clutches of a strengthened Dixiecrat-conservative Republican coalition," Pitts declared.

The state AFL-CIO executive officer called attention to national Director James L. McDevitt's warning that "working people will take a shellacking in Congress in the next two years if they fail to participate vigorously in this fall's important Congressional elections."

The experience in off-year (non-Presidential) elections in the past 50 years, Pitts pointed out, has seen an average loss of 9 percent in Congressional strength by the party in power.

"If history is permitted to repeat itself this election year," Pitts added, "this . . . would give the

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## CHARGE NIXON CONDONES UNFAIR LABOR PRACTICES

Richard M. Nixon, GOP gubernatorial aspirant, has been charged with condoning "union busting" policies of station KXTV in Sacramento.

Gene DeAlessi, representative of the National Association of Broadcast Employees and Technicians, said that Nixon is utilizing the unfair TV station in his campaign despite the fact that the NLRB has found it guilty of unfair labor practices in a 20-month strike involving members of the American Federa-

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## SEC INVESTIGATES POSSIBLE STOCKMARKET RIGGING

The Securities and Exchange Commission is undertaking an investigation of the recent plunge in stock prices. A strong suspicion exists that the brokerage houses and other professional traders who profited heavily from the plunge, did not do so by coincidence.

It is reported that preliminary evidence exists indicating that floor traders and other professionals had been "dumping" stock during most of May. These professional traders then apparently went into the depressed stock market on Tuesday and bought the same stock back at much lower prices.

An SEC official has stated, "They made a killing. We want to know who sold before the public panic selling started and we're going to find out." The SEC is taking a special interest in the possibility of a coordinated action among New York Stock Exchange members

firms. Definite and conclusive proof does not exist at this time.

The SEC does not plan a public hearing at this time, but has assigned its staff to examining the total of transactions made for their personal accounts by exchange members. It is expected that these reports will show that exchange members have been unloading their stock for a number of weeks.

"Short selling" will also come under scrutiny. This is the practice of selling borrowed stock at a high price and then buying shares later at a depressed price and repaying the owner of the stock with the shares bought at the lower price. The SEC hopes to determine the true extent to which "short selling" was practiced prior to the slump.

The results of the SEC investigation will be extremely interesting. Stock exchange officials and, not surprisingly, Mr. Richard Nixon, have been placing heavy emphasis upon President Kennedy's action on the steel price increase.

It is ironic that those groups which have spoken so often and so loudly about the dangers of "inflation" would react so adversely to an attempt to curb inflation. These groups have made a convenient slogan out of the "inflation" fears which they profess to hold.

It is entirely possible that this study may show that the slump was due to manipulation by professionals and not the action of President Kennedy in curbing inflation.

SEC chairman Wm. Cary has denied the contention that the SEC is investigating "in a formal sense". He characterized the SEC probe as merely an attempt to determine why the market dropped and rose in such an unusual manner.

He said, "We'd want to know what class of persons were on the buying side and what persons were on the selling side."

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showed that many of the commercial insurance companies selling health insurance paid a preposterously low amount of benefits, considering the cost of the premium.

## SPECIAL INTEREST

### Contributors Against Prop. 4

Whitaker and Baxter, San Francisco publicists handling the special interest campaign against the aged housing bonds in Prop. 4, report receipts to date of \$83,285. It's Los Angeles sequel reports \$56,000 in contributions in preliminary filings with the Secretary of State.

Here is a PARTIAL LIST of contributors reported:

P. G. & E., \$15,000; Standard Oil, \$15,000; Los Angeles Clearing House Association, \$10,444; Home Builders' Association of Southern California, \$10,000; Southern Pacific, \$7,500; Bank of America, \$5,110; Wells Fargo, \$3,265; Crown - Zellerbach, \$3,000; Crocker-Anglo Bank, \$2,500; Stauffer Chemical, \$2,500; Kern County Land Company, \$2,000; Food Machinery Corporation, \$2,000; Bank of California, United California Bank and Bechtel Corporation, \$1,500 each; Calpak, \$1,280; So. Alameda County Board of Realtors, \$1,250; Dean Witter & Co., Signal Oil Co., and DiGiorgio Fruit Corp., \$1,000 each.

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tion of Theater and Radio Artists.

NABET and AFTRA representatives are asking members of organized labor in California to protest Nixon's TV appearance on the station.

In a wire to Nixon's campaign manager and the former Vice President, DeAlessi said:

"Unfair KXTV has been on AFL-CIO sanctioned strike for 20 months. Strongly urge you withdraw Nixon's advertising from this station. Advertising dollars spent on unfair KXTV contribute to this station's overt attempt to destroy free collective bargaining. KXTV has been found guilty of unfair labor practices by the NLRB. Continued advertising on this station is confirmation that Richard M. Nixon condones the union-busting policies of unfair KXTV."

The NABET official requested an immediate reply as to what Nixon intended to do about this situation. As of Thursday, no response was received from Nixon or his campaign representative.

The record of commercial insurance carriers selling individual medical and hospital insurance was especially disturbing.

A study of all health insurance business transacted in California revealed that, during the period 1955-58 individual accident and health policy holders received 46 cents in benefits for every dollar of premium paid. The remaining 54 cents of the premium dollar apparently went into agents' commissions, general overhead expenses and profits for the insurance companies.

Pitts contrasted this abnormally high "expense ratio" with the very low overhead expenses of the present social security system.

He took the position that if the public is going to pay for health insurance, which they would do under the Bow plan through loss of revenue due to the tax deduction, the aged citizen should get his money's worth.

He stated, "It seems ironic that those who speak so frequently of fiscal responsibility are so willing to sacrifice revenue without any assurance that the health insurance premium dollar is going to bring a reasonable amount of benefits to the aged."

## Migratory Farm Labor Bills Need Added Push

Congressional focus on major legislative issues concerning aged health care, tax reform, and trade expansion has pushed into the background other social legislation pending in Congress.

Five Senate-approved migratory labor bills are in danger of being lost on the House side unless there is an outpouring of public sentiment in support of them.

Religious, labor and other public spirited groups are urging local organizations and individuals to press their Congressmen for action this session or the Senate-approved bills will die with the conclusion of the 87th Congress. The legislation itself constitutes a modest package of reform embracing the following proposals:

—**S. 1123; Child labor.** This bill would narrow the exemption of agricultural labor now contained in the Fair Labor Standards Act. (Under current exemption, agricultural labor is totally excluded from the federal child labor laws outside of regular school hours.)

—**S. 1124; Education.** This bill would establish a four-part, five-year program of federal assistance to state and local communities seriously affected by the seasonal impact of migratory families. The federal government would provide 100 percent of the children's educational assistance each year for the first two years of the program; thereafter, the assistance would be shared by the federal government and the states on a 50-50 matching basis.

—**S. 1126; Registration of interstate farm labor contractors.** This bill establishes a system of federal registration for farm labor contractors (or crew leaders, as they are frequently called). Any person who for a fee recruits ten or more migrant workers for interstate agricultural employment would be required to register with the Secretary of Labor with certain exceptions.

—**S. 1130; Health services.** This bill authorizes up to \$300 million annually in federal grants to stimulate and support local health programs in areas seriously affected by the seasonal impact of migratory farm labor. The grants will be made by the Surgeon-General of the United States Public Health Service

## Apprenticeship Grads Among Highest Paid Workers

Young men looking for security in employment and good wages were urged this week by a U. S. Department of Labor official to give careful study to California's bright apprenticeship opportunities.

(June has been designated "apprenticeship month.")

Morris E. Skinner, California supervisor of the Bureau of Apprenticeship and Training, says workers completing this type of on-the-job training in this State enjoy a high degree of employment security, their wages are among the highest in industry, and they tend to remain with the same employer where they served their apprenticeship. Also, time lost from lack of work is very low, and home ownership for the group far surpasses national and state figures.

Skinner cited a survey conducted in 1960 to determine how trainees who completed their apprenticeships in 1955 are now faring. He noted that 94.9 percent were found to be still in the same trade, and that 41.3 percent of these had advanced to supervisory or management positions while 53.6 percent are high-waged journeymen.

The survey, which was conducted by the California Division of Apprenticeship Standards, under the direction of Charles Hanna, showed further that 88.8 percent of the 1955 "graduates" in apprenticeship earn more than \$6,000 per year—**52.4 percent are earning \$8,000 or**

**more!** Turnover was low, 76 percent having worked for three or fewer employers, and 50 percent having remained in the employ of one concern. Time lost last year was also low for this group, with 64 percent having lost no days during 1960 and 22 percent out of work no more than four weeks. Home ownership far outstripped the state and national ratios with 84.5 percent of the 1955 group owning the homes they live in. The state ratio is 53.2 percent and the national figure is 56.2 percent.

"In an era of persistent unemployment, these people are earning a good living because they took the apprenticeship route to a career to improve their skills in their chosen trade," Skinner concluded.

The survey comprised a preliminary report by the state Division of Apprenticeship Standards, and was used as reference material at the recent California Apprenticeship Conference last month in Los Angeles.

## Apprenticeship Stamp

A two-year campaign, supported by the California Labor Federation, AFL-CIO, to obtain a U. S. Apprenticeship stamp has won the approval of the Post Office Department.

A multi-colored stamp honoring the national apprenticeship system is now being planned for future issuance.

to public or non-profit agencies, institutions and organizations for paying part of the cost of: (1) Establishing and operating family health service clinics for domestic agricultural migratory workers and their families, including training persons to provide services in the establishing and operation of such clinics; and (2) special projects to improve health services and health conditions of domestic agricultural migratory workers and their families. *In California, this bill would provide needed funds to augment and expand Governor Edmund G. Brown's migratory health care program passed by the 1961 legislature.*

—**S. 1132; National Advisory Council on Migratory Labor.** This bill establishes an advisory council to be composed of 15 members appointed by the President with bal-

anced representation to advise the President and Congress with respect to (1) the operation of federal laws, regulations, programs and policies relating to any and all aspects of migratory agricultural labor; and (2) any and all other matters relating to migratory agricultural labor.

The child labor (S. 1123) and the crew leader registration (S. 1126) bills have received favorable action by the House Education and Labor Committee. The health bill (S. 1130) is expected to receive favorable action by the House Committee on Foreign and Interstate Commerce.

The two remaining measures concerning migrant education (S. 1124) and the national advisory council (S. 1132) are being held up by the House Committee on Labor and Education and one of its select subcommittees.

## 35-Hour Work Week Drive

AFL-CIO President George Meany, speaking recently before the 23rd biennial convention of the Amalgamated Clothing Workers in Atlantic City, announced that the AFL-CIO will start a nationwide campaign for the 35-hour week with no loss in take home pay unless the country's rate of economic growth picks up "right soon."

Meany's forecast touched off a noisy demonstration. Only 24 hours earlier the garment workers had passed two resolutions calling for the 35-hour week—one in the industry and the other as an amendment to the Wage-Hour Act—despite the Kennedy Administration's opposition reiterated at the convention by Secretary of Labor Arthur J. Goldberg.

"When we look at this unemployment situation we also take a look at the question of hours," Meany said, elaborating as follows:

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Dixiecrat-conservative Republican coalition iron control and would doom legislation important to working people."

Understandably, it was pointed out, the focus of attention is on California and several other industrial states where the fate of the new Congress will be determined.

Pitts declared that "the California labor movement has an obligation to fulfill which can be met only by a special project in support of labor-endorsed candidates for Congress."

Voluntary solicitation booklets have been printed by California Labor COPE and are being distributed through the San Francisco office of the state AFL-CIO political arm.

The fund-raising drive is designed as a state-local COPE joint effort.

"We don't say that 40 hours is bad for the health of a worker. We have more sense than that. But when we reach the point when there is no other answer to this problem of the nation's economic health, then we have to say something must be done about the hours question.

"I don't quarrel with some good friends of ours who have the idea that a shorter work week won't solve our problem. They are entitled to their opinion. I am entitled to disagree. I am entitled to make a prediction, that is, that unless we very quickly see the end of this unemployment problem—unless we see economic growth step up beyond the 2.5 percent rate which is slowly but surely going to relegate us to the status of a second class nation—unless this happens right soon, I predict that the AFL-CIO will start a nationwide campaign for a 35-hour week with no loss in take home pay."

Voluntary funds contributed are to be distributed equally between the state COPE and the local COPE in the area of the union member making the contribution.

In this respect, Secretary-Treasurer Pitts said that the drive would also accomplish the purpose of strengthening the COPE structure throughout the state for the grueling general election campaign ahead.

It is no secret that conservatives are digging in for a no-holds-barred battle in the coming elections to cement control of Congress and hobble progressive legislation.

Keynote for the effort was sounded by Senator Barry Goldwater the recognized ultra-conservative spokesman for the GOP in a recent speech in Washington. Said Goldwater "... this is not just another off-year election. This is an

## Pitts Cites Increased Leisure; Cites Prop. 5 Need

California workers will average an estimated 130 days of weekend and vacation time each year by 1970.

This prediction of the increased leisure time for California workers was made today by Thos. L. Pitts, Secretary-Treasurer of the California Labor Federation, AFL-CIO.

"The trends in automation and improved contracts point to substantial increases in recreation time for workers," Pitts said. "The working men and women are going to be hunting for healthy ways to use their leisure but they will find that the outdoor recreation facilities of our State are already overcrowded."

Pitts called on all voters of California to approve the Park and Recreation Bond Act, Proposition 5, so California can expand its facilities for outdoor recreation.

"Proposition 5 is the best chance we have had in California to plan today for tomorrow's needs. If we are to make room in our scenic wonderland for all the people who need recreation we are going to have to have the money provided by the Park and Recreation Bonds."

The Park and Recreation Bond Act provides \$150,000,000 for acquisition and development of beaches, parks, camping, boating and for scenic and historic monument preservation. There is also \$45,000,000 for grants to counties for creation of regional parks for "close to home" recreation.

"A yes vote on Proposition 5, June 5," Pitts said, "will make it possible for California to assure an investment in the future which will benefit every man and woman and child in our state."

all-out drive to recapture control of the House of Representatives. . . ."

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