

JFK Asks Voters To Put Richards in U.S. Senate Seat

President John F. Kennedy has lowered the boom on insinuations and innuendos flowing regularly from campaign aides of Senator Richard Richards' opponent that intimated that the President was not wholeheartedly supporting Senator Richards' candidacy for the U. S. Senate.

In a recent wire in behalf of Senator Richards, President Kennedy said:

"I am pleased to convey to you tonight, through California's cabinet member Ed Day, my wholehearted and enthusiastic support of Dick Richards.

"As our Postmaster General, one of Ed Day's responsibilities is to see that important messages are delivered. Tonight's message is an important one to me — and is of vital importance to all of you.

"The national spotlight is on the United States Senate race in California.

"Through the eight years Dick

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Fed Raps Proposed Insurance Rules On Hospital Policies as Inadequate

Despite a vigorous protest by the California Labor Federation, the State Department of Insurance this week moved toward adoption of new regulations that will permit insurance companies in California to sell individual surgical and hospitalization policies that offer very little in benefits in relation to the cost of the policy.

Deadline Falls Wednesday For Absent Voters Ballots

The deadline to apply for absentee ballots is next Wednesday, October 31. Voters who wait until Wednesday to apply must apply in person since all such applications must be in the hands of the County Clerk by October 31.

It is not necessary for a voter to be absent from home on election day to qualify for an absentee ballot. It is only necessary that voters applying for absentee ballots EXPECT to be absent from their election precinct during voting hours on the day of the General Election, Tuesday, November 6. All absentee ballots must be returned to and in the hands of the County Clerk no later than November 3, 1962.

Union members who have to travel substantial distances to and from their jobs and who may not get home before the polls close in their precinct are urged to vote by absentee ballot.

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THOS. L. PITTS
Executive
Secretary-Treasurer

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Pitts Assails Nixon Fake-Photo Smear Against Brown, Asks Bi-Partisan Protest

Richard M. Nixon and his campaign plotters have pulled the plug on every scruple of democratic government by being a party to the outrageous photo-faking smears just disclosed against Governor Edmund G. Brown," Thos. L. Pitts, secretary-treasurer of the California Labor Federation, AFL-CIO, charged this week.

"An assault of this type leaps out of the confines of partisan politics and violates the moral fiber of the entire state. The people of California — Democrats and Republicans alike—must voice their abhorrence of such despicable tactics.

"It will not be enough for the

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Dr. Richardson's Opponent Linked To Radical Right

"Dr. Ralph Richardson's opponent for the post of State Superintendent of Public Instruction is distributing a pamphlet throughout the state today that deliberately misrepresents Dr. Richardson's qualifications and boasts of an award made to Max Rafferty by Freedom Foundation, an ultra-conservative right-wing group," Thos. L. Pitts, State AFL-CIO leader, warned union members today.

"The Board of Directors of the Freedom Foundation at Valley Forge, which gave Rafferty \$500 and a medal earlier this year, reads like a roster of the nation's radical right and four out of five of the Foundation's trustees are noted for their right-wing activities," Pitts said.

"In 1949 the International Brotherhood of Papermakers received a cash award from the Foundation but when they discovered the extremely right-wing character of a number of other award recipients selected by the Foundation, the Papermakers returned the award and refused to be associated in any way with it," Pitts recalled.

"The mutual admiration between Rafferty and the rabid right-wing extremists has become increasingly

Drafting of the new regulations was ordered by the State Legislature to set standards to assure that purchasers of such policies receive a "reasonable" level of benefits in relation to the premium charged.

The legislation, Assembly Bill 571 authored by Ronald Brooks Cameron, now the COPE-endorsed candidate for Congress in the 25th Congressional District, "was intended to protect purchasers of such policies from buying the old pig in the poke but the rules now about to be adopted by the Insurance Commissioner fall far short of affording the protection intended by AB 571," Thos. L. Pitts, legislative advocate for the Federation, charged.

Joseph Thomas, the Chief Assistant Commissioner, had appointed a commit-

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Fed Raps Proposed Insurance Rules

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tee consisting solely of insurance industry people to advise him on how to promulgate the Cameron Act at a meeting held last February 26, even though a representative of the California Labor Federation volunteered to serve on the committee as a consumer's representative," Pitts said.

At the public hearing conducted this past Tuesday in San Francisco, the Federation publicly protested the fact that it was denied participation in the committee's deliberations. It also objected to the lack of a consumer's representative on the committee, and deplored the fact that the committee that advised the Department on the drafting of the

regulations consisted solely of representatives of the industry that was to be regulated.

Insurance Commissioner F. Britton McConnell admitted that he had relied only on private insurance company actuaries and his own staff in developing the regulations.

The Federation's statement, which was read at the meeting, asserted:

"We believe that true reasonableness is determined in a matter such as this by multi-lateral participation. Unilateral advice such as that offered by the vendors of insurance, although perhaps traditional in this area, is not always the best basis of the formulation of public policy."

The regulations will permit the insurance companies to sell policies that provide benefits that cost the company as little as 35 per cent of the funds collected for that particular type policy.

The Cameron Act directs the Insurance Commissioner to withdraw approval of policies if the benefits allowed in them are unreasonable in relation to the premiums charged. The standard of reasonableness in the regulations that McConnell plans to adopt says, in effect, that benefits paid out under such policies should be not less than 50 per cent of the premium charged if the premium is in excess of \$7.50 per person annually or 35 per cent if the premium is at a lesser rate.

The Federation's statement maintained that "allowing a loss ratio of as low as 35 per cent for policies costing less than \$7.50 a year is not in accord with our interpretation of the legislative mandate."

The Federation also pointed out that in view of the options granted by the regulations, "it appears that most carriers would find a method of bringing their ratios up through averaging and combining" to reduce the minimal allowable loss ratio to a level of 40 per cent instead of 50 per cent for policies costing \$7.50 a year or more.

Asserting that the level of benefits paid in relation to premiums charged should be higher, the Federation suggested that if the Department of Insurance does not see fit to raise the loss ratio it might at least require that each policy carry some account of the average loss ratio over the last several years on that particular policy form just as most suits of clothes sold today bear a label indicating 35 per cent cotton, 65 per cent wool.

"Perhaps in time we will see policies bearing a content tag reading 40 per cent benefits—60 per cent overhead. Of course, we hope that competition and other stimulating factors lead to a higher content of pure wool and a lower content of synthetics," the AFL-CIO statement concluded.

Study of Impact Of Segregation on Jobless Praised

An inquiry into de facto segregation in schools and its impact on hard core unemployment and automated problems conducted by an Assembly Subcommittee in Los Angeles last week drew warm praise from Thos. L. Pitts, Secretary-Treasurer of the California Labor Federation, AFL-CIO.

The hearing, held by the Special Assembly Subcommittee on Economic Development and Automation, explored the plight of the unskilled and semi-skilled workers and focused specifically on de facto school segregation.

In stating the agenda for the hearing the Subcommittee noted that "de facto" segregation, eventually, has a decisive effect on whether or not our schools are developing qualified and adjusted students. The quality of education determines to what extent individuals are able to take advantage of the federal Manpower Development and Training Act since the principal tools being used to combat the problems of automation are retraining and apprenticeship training programs.

In a wire to the committee's chairman, Assemblyman Augustus F. Hawkins, the COPE-endorsed candidate for Congress from the new 21st Congressional District, Pitts stated:

"In behalf of the 1.4 million members of the California Labor Federation, AFL-CIO, I would like to commend the Subcommittee for holding its hearings on de facto school segregation in California with special reference to its impact upon the quality of education and vocational training received by our young people.

"Your concern over this vitally important issue is in harmony with the viewpoint unanimously expressed by the 2,000 delegates to our 4th convention in Long Beach, August 20-24, of this year. I have reference to Resolution No. 11 which called for 'a comprehensive and intensive study of racial and ethnic segregation in the public schools of California communities, under the sponsorship of appropriate state and local authorities in cooperation with concerned civic groups, with the aim of designing a program to overcome the evils produced by such segregation in the educational system.'

"To organized labor in California it is of secondary importance whether this situation results directly from segregated housing patterns or from a combination of contrived school boundaries and selective transfer practices. No matter how school segregation is brought

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Richards has served in the State Senate he has fully demonstrated his commitment to human welfare. He is a leader of men and a leader with ideas.

"He has represented a constituency of six million Californians during a time when your state has been undergoing a surge of social, economic and technological change.

"Today the nation is faced with the great challenges of change.

"Today, as at no other time in our history, we need in Washington men who are unwilling to have us drift; men who are not afraid to sail hard into the wind; men who have consistently been allied with those who believe in facing up to change.

"If this nation is to move ahead; if this nation is to fulfill its role as the leader of freedom-loving men everywhere; if this nation is to meet the changing needs of free society, then a progressive Congress is required — a Congress of men who are sent to Washington by the progressive element in the electorate; of men who have been consistently and openly identified with progressive programs and leadership.

"I urge all of you to encourage your friends, your neighbors, your fellow citizens of this great state to give their help, their voice, and their vote to insuring the election of Dick Richards to the United States Senate."

(Signed) John F. Kennedy

California's Natural Gas Users Win \$79 Million Refund Thanks to Brown

Thanks to Governor Edmund G. Brown, California's natural gas users are in line for a \$79 million refund today following a decision by the Federal Power Commission on a case initiated by Brown while he was serving as Attorney General in 1955.

The case developed under the terms of the Natural Gas Act which allowed companies to increase rates subject to later review by the Federal Power Commission.

Under the terms of this act, the El Paso (Tex.) Natural Gas Company boosted its rates to the Pacific Gas & Electric Company and the Pacific Gas & Light Supply Company which passed the increases along to their customers.

Brown, despite opposition, got the legislature to appropriate \$30,000 to take California's case before

the Federal Power Commission. His contention was that El Paso was basing its increase on a risk rate of return on its entire investment. He assigned Deputy Attorney General William M. Bennett, now Chief Counsel for the California Public Utilities Commission, to pursue the case. The State PUC successfully contended that the company, since it had a guaranteed business, should be restricted to a normal 6 per cent return.

The FPC's order last weekend directed El Paso to make the refund to its wholesale customers in four states — California, Texas, New Mexico and Arizona — and also called on El Paso to reduce its rates accordingly. Nearly 90 per cent of the refunds, however, involve California consumers. Following the FPC decision, Bennett stated:

"This is a victory for all of the people of California. It is good for business because it means a cut in industry costs. California uses more natural gas than any other state in the Union. It particularly was a victory for Governor Brown."

Thos. L. Pitts, Secretary-Treasurer of the California Labor Federation, AFL-CIO, on learning of the decision, commented:

"By insisting on a matter of principle to pursue the natural gas rate case and fighting for the \$30,000 necessary to do it, Governor Brown has demonstrated again his preoccupation and dedication to the task of serving the people of California."

"Like the Governor's nominal investment in behalf of the people of this state in the Office of Consumer Counsel, which Nixon wants to abolish, this is another instance in which the Governor's business and legal acumen has paid off handsomely for us all," Pitts said.

"Although El Paso has announced it will appeal the ruling and thus may delay the refunds, Brown's action has turned the spotlight of public attention on some rather unusual procedures authorized by the Natural Gas Act. This could well lead to remedial legislation on the federal level that would be of benefit to millions of citizens and industrial gas users throughout the nation," he added.

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apparent during the past few weeks," Pitts noted.

He suggested that perhaps this was why the John Birch Society recently recommended that all Birch Society members read Rafferty's book, "Suffer Little Children," a collection of his speeches and articles.

"Rafferty's pamphlet gives Rafferty credit for 14 years experience as a school administrator but falsely claims that Dr. Richardson has had none. Yet Rafferty knows perfectly well that Dr. Richardson has served on the Los Angeles School Board for more than 5 years and as president of the Board has had responsibility for a budget of more than \$400 million a year, a school staff of 45,000 persons and more than 700,000 students or nearly one-fifth of all the students in California," Pitts asserted.

"In contrast, Richardson's opponent has never had responsibility for a school district with even 100 teachers," he added.

"The most recent opinion polls on the school superintendent's race indicate a very close contest," Pitts warned. "Dr. Richardson's election to that office is vital to the continued growth, development and improvement of our educational institutions within the spirit of the democratic search for truth instead of within the bounds of an authoritarian philosophy that values indoctrination for patriotism above truth," Pitts warned.

Federation Backs Petition To Repeal Fair Trade Act

The California Labor Federation is supporting an initiative petition to prohibit price fixing and to repeal the Fair Trade Act in California, secretary-treasurer Thomas L. Pitts has advised all affiliated unions.

"After carefully reviewing the contents of this proposed initiative measure, I find that its aims are fully in accord with our convention mandate on the subject," Pitts said.

"In accord with this policy . . . I urge you to support the circulation of this initiative measure," Pitts concluded.

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about, its salient feature is inevitably the dilution of the educational and vocational aspirations and the opportunities available to children belonging to minority groups.

"Obviously the nation itself suffers losses from these practices almost as severe as those endured by the individuals and families directly affected. This is manifest not only in terms of the depletion of our supply of skilled manpower, but also in the crucial area of inter-personal and inter-group understanding. The consequences in this respect are brought home to us daily at all levels of society ranging from our local communities to our relationships with the vast non-white populations of the world.

"It is our sincere belief that your Subcommittee can perform an invaluable service to our state and nation by developing forceful legislative recommendations designed to offset the evils generated by de facto school segregation in California. The benefits of such legislation will be realized not only in terms of better equipping individuals for the problems posed by automation and technological change, but from the standpoint of a fuller implementation of our Democratic ideals," Pitts' wire concluded.

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Republican candidate simply to deny any knowledge of this spurious material, and then to call it disgraceful and dismiss it. That's his standard tactic in this deceitful technique, but he has already pumped it dry in this campaign. He used it when the 'Is Brown Pink?' bumper strips appeared and he tried it again when the scurrilous 'California Dynasty of Communism,' a 32-page pamphlet that attempted to smear the entire state Administration as 'soft on Communism' suddenly began to pop up all over California. The man heading a party ticket must bear responsibility for the actions of his campaign," Pitts declared.

"The pattern of concerted clandestine planning, abetted by phony puppet organizations, is now so blatant it insults the intelligence and the basic concept of American fair play of every voter in California," Pitts said.

DELIBERATE MISREPRESENTATION

The state AFL-CIO leader was indignant over the disclosure Monday that two pieces of pro-Nixon campaign literature being widely distributed in the state used cropped sections of photographs of Governor Brown at two innocent public functions to portray him in a highly unfavorable light and to deliberately misrepresent the Governor's position.

One leaflet, produced by the Nixon Campaign Committee, and titled "Pat Brown and the CDC" shows Governor Brown clapping his hands, smiling and looking down encouragingly. Below the photo is a line that reads, "I want this organization (CDC) to flourish and grow."

The original photo of the Governor in that pose showed the Governor smiling

at a little polio victim trying to walk on crutches.

The earlier pamphlet, "California Dynasty of Communism," produced by Karl Prussion, of Los Altos, contains a photo showing Governor Brown in a prayerful pose with his head bowed and his hands clasped under his chin facing a photo of Premier Khrushchev. The original picture of Governor Brown in this pose was taken when the Governor exchanged greetings with a visiting Laotian girl. Its use in Prussion's pamphlet is contrived to make the Governor appear subservient to Khrushchev.

"But the editors of Prussion's pamphlet, whoever they are, weren't satisfied with lifting Governor Brown's photograph out of context so they manufactured a quote to appear beneath the photograph which reads, 'Premier Khrushchev, we who admire you, we who respect you, welcome you to California,'" Pitts pointed out.

Governor Brown has denied ever uttering the words attributed to him in Prussion's document.

SEQUENCE OF SMEARS NOTED

"The sequence and connection of these two disgraceful pieces of campaign literature is important," Pitts said. "The 'California Dynasty of Communism' pamphlet has been circulating in this state for some time. Note that its initials also are CDC. Copies of it were obtainable at GOP headquarters in Los Angeles County for 50 cents and copies were also available at a recent Republican State Committee meeting in Los Angeles.

"When Nixon was first told that Prussion's pamphlets were being distributed by the Los Angeles County GOP headquarters, Nixon said that he repudiated the pamphlet and would do everything in his power to have them removed.

"But a week later Judd Letham, Los Angeles County GOP Central Committee Chairman who is in charge of the office, said that no one had contacted him to ask that distribution of the pamphlet be stopped and indicated that,

even if Nixon were to ask, he wouldn't do it.

"Ultimately state GOP Chairman Casper Weinberger did ask that the pamphlets be removed from GOP headquarters and they were, but this was some time later," Pitts said.

"I don't believe Nixon can be credited with either prompt or effective action in this instance," he added.

"Now Nixon's campaign headquarters in Los Angeles are distributing the 'Pat Brown and the CDC' pamphlet in a sly and deceitful attempt to make the voters equate Council of Democratic Clubs with California Dynasty of Communism," Pitts asserted.

"Surely the voters of this state won't sit idly by while being subjected to such contemptible political chicanery. This attempt to begot the voters of California with charges that Governor Brown and other officers of his administration are 'soft on Communism' is utterly spurious and every reasonable citizen in the state knows it. The author of 'California Dynasty of Communism,' Karl Prussion, is a well-known professional right-winger. Nixon's increasing dependence on the tactics and techniques of the John Birch Society is further evidence of his basic irresponsibility as well as his moral bankruptcy.

1958 CAMPAIGN FIGHT CITED

"Organized labor fought a long hard battle against ex-Senator Knowland in the 1958 'right to work' campaign," Pitts recalled, "but it was an honorable campaign and neither side stooped to such loathsome tactics as are now being employed by Nixon.

"The smear gimmick has cropped up too often in this campaign to be excused as the work of some over-zealous campaign aide. I'm sure the vast majority of Californians recognize the unfairness and dishonesty of the technique and will explain it to Nixon in very simple language at the polls on November 6," Pitts said.

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