

## Webb Appointed To Head Industrial Relations Dept.

Ernest B. Webb, a veteran state official and a former Secretary-Treasurer of the Long Beach Central Labor Council, has been named Director of the State Department of Industrial Relations by Governor Edmund G. Brown.

Webb moves into the spot vacated by John F. Henning, former Research Director for the California Labor Federation, who was appointed Under-Secretary of Labor by President Kennedy several months ago.

But Webb, who has been a member of the Unemployment Insurance Appeals Board since February, 1958, won't find his new job entirely new. During Governor Goodwin Knight's administration, Webb served as Industrial Relations Director from February, 1955 to February, 1958.

Mrs. Margaret R. O'Grady, who has served as interim director of the department since Henning went to Washington, will return to her former post as deputy director.

In announcing the appointment, Governor Brown commented:

"Ernest Webb knows this job because he occupied it with distinction for three years under former Governor Knight. He has wide ex-

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## Bill Grader Wins State COPE Nod In Race for 1st District Congress Seat

William F. Grader, the late Rep. Clem Miller's field representative who is now the Democratic candidate for Congress in the 1st Congressional District, has won the official endorsement of the California Labor Council on Political Education.

In a wire dispatched this week to Charles M. Geller, Secretary of the 1st

## Study Cites U.S. Need for Tax Cut

Increased government spending and/or a tax cut are vitally needed to spur America's lagging economic growth rate. This is the conclusion of the 20-nation Organization for Economic Cooperation and Development (OECD).

In an analysis of the U.S. economy that was approved unanimously by the OECD's Economic and Development Review Committee, the organization pointed out

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## Meany Seeks \$9 Billion Low-Income Tax Slash To Spur Consumer Demand

AFL-CIO President George Meany has called on President Kennedy to seek a \$9 billion tax cut for low-income families to "stimulate consumer demand" and has urged the President to put this measure ahead of other tax reform proposals.

Meany's proposal, submitted to the President in a letter on December 19, suggests a two-step tax cut of some \$14.5 billion. The first step would be confined to the lowest tax bracket where the current rate is 20 percent on the first \$2,000 of taxable income. The AFL-CIO leader suggested that the first \$1,000 be taxed at 12 percent and the second \$1,000 at 15 percent effective January 1, 1963.

The second step in Meany's proposal calls for an across-the-board cut in personal income taxes in all but the lowest bracket and a reduction in the present 91 percent top bracket personal rate to 65 percent.

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## Unions Urged To Press Drive for 35-Hour Week

Unions must expand and intensify their drive to cut working hours if labor is to cope with increasing automation and the greater job displacement that will accompany it, according to Lane Kirkland, chairman of the AFL-CIO task force assigned to work for the 35-hour week.

"We have never argued that the shorter work week is the only cure, or that it is the one we wanted above all, but given the choice of a shorter work week or unemployment there is no doubt that the answer is a shorter work week," Kirkland said.

The AFL-CIO's Special Executive Committee and its task force will press for legislation at the next session of Congress to reduce the statutory ceiling on the straight-time work week and will help all unions in bargaining efforts to reduce working time, he said.

Kirkland, executive assistant to AFL-CIO President George Meany, spoke at the final session of a series of four conferences sponsored jointly by the New York City Labor Council and Cornell University to discuss union problems stemming from the growth of automation.

The conference was the initial step in a long range program scheduled to involve all unions in New York City in a study of the effect of technological change on industries and employment.

## Six New Films Now Available from National AFL - CIO Film Library

Six new films—two dealing with problems of discrimination and prejudice, three depicting strike situations and one providing background material on the European Common Market — are now available from the AFL-CIO Film Library, 815 Sixteenth St., N.W., Washington 6, D.C.

Except for the film on the New York City Teachers' strike, only one copy of each film is available. George Guernsey, Assistant Direc-

tor of Education, AFL-CIO, urged anyone wishing to rent any of these films to give the AFL-CIO Film Division at least a month's notice.

The new films include:

**NEW YORK CITY TEACHERS' STRIKE** — A 27-minute WCBS-TV special report on the historic 1962 New York City Teachers' strike called by Local 2 of the American Federation of Teachers. It provides an objective picture of one day's events in the strike during which 22,000 of New York City's 44,000 teachers stayed away from their jobs. Rental: \$3.

**MOTHER IS ON STRIKE** — A 6-minute film produced by the International Ladies Garment Workers, Local 180, showing what happens when union women strike against an attempt to cut their wages. The film, narrated by one of the striking mothers, shows police breaking the picket lines, children joining their mothers on the line, and appeals to the viewer not to buy clothes without a union label. Rental: \$3.

**NO MAN IS AN ISLAND** — A 27-minute CBS-TV film dealing with the conflict that results when a Negro soldier wins a scholarship to a college located in the home town of one of his white war-time buddies. The film starkly presents the emotional prejudices that taint the welcome a stranger from a minority group may encounter in religious and social activities in various communities in our land. It therefore provides a good background for a basic discussion of prejudice in all its ugly forms. Rental: \$3.

**BREAKING THE TRADE BARRIER** — A 30-minute CBS News film dealing with the problems and challenges confronting the American economy as a result of the creation of the European Common Market. Rental: \$7.50.

**A DAY IN THE NIGHT OF JONATHAN MOLE** — A 32-minute film produced by the National Film Board of Canada after the passage of the Canadian Fair Employment Practices Act which deals allegorically with problems of prejudice and discrimination. Jonathan Mole is a bitter, bigoted clerk who one night dreams that he is the Lord Chief Justice in an imaginary land presiding over a trial involving a Jew, an immigrant and an Indian who have sought to enter jobs reserved to the native born Christian, Caucasian majority. The film delves into the roots of prejudice and provides a good introduction for a healthy discussion of discrimination in general. Rental: \$3.

**THE YOUNG SAM GOMPERS** — A 27-minute NBC-TV film from the Eternal Light series depicting the early life of the founder of the AFL and one of the first strikes he organized. Rental: \$7.50.

## Meany Seeks Low-Income Tax Slash To Spur Economy

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Paring the current 52 percent corporate tax rate to 49 percent "might be contemplated" as part of the second step, Meany added. The second step would amount to a \$5.5 billion reduction in personal and corporate taxation and would be coupled to revenue producing changes in the tax laws. The second step would not become effective until 1964, Meany indicated.

Among the revenue-producing tax reforms suggested in Meany's letter were such "special tax concessions and loopholes" as the present 27.5 percent depletion allowance for mineral resources, the current tax treatment of capital gains, tax-free interest payments on state and local bonds, tax exclusions and credits for dividend recipients, income-splitting to reduce effective tax rates, "unjustifiable estate and gift tax loopholes, and the use of family partnerships to avoid taxes."

In the course of a radio interview last Sunday, AFL-CIO research director Stanley Ruttenberg said that unions would be "vigorously pursuing" the Meany tax plan in the coming session of Congress and would fight any proposals to delay the tax cut until 1964.

## Union Financial Reports Due Soon

The financial reporting forms that must be used by labor unions that are required to report annually to the U.S. Labor Department under terms of the Labor-Management Reporting and Disclosure Act were dispatched this month by the U.S. Labor Department.

The forms, unchanged from last year, must be filled out and returned to the Bureau of Labor-Management Reports within 90 days after the end of a union's fiscal year.

John L. Holcombe, Commissioner of the Bureau, said that approximately 70 percent of the nation's unions have fiscal years ending December 31.

Some 30,000 unions that had gross receipts of less than \$30,000 will receive the one-page LM-3 form. Unions with \$30,000 or more in receipts will receive the more detailed LM-2 form, Holcombe explained.

Union officers who have questions or encounter problems in filling out the form may get technical assistance at the BLMR field offices in either San Francisco or Los Angeles.

## Study Cites U. S. Need for Tax Cut

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that the present rate of economic growth in the United States "falls well short of what can reasonably be expected given the increase in population and the scope for higher productivity."

The major problem, the study asserted, has been the "persistent weakness of demand" and it seems likely that "demand from the private sector will, by itself, prove insufficiently buoyant to put the economy back on a more appropriate long term growth trend."

In view of this, "a greater stimulus from the federal budget would seem necessary to offset the weakness of private demand, a stimulus that could be provided by tax reductions, by higher federal expenditure or by a combination of the two," the report said. Since 1953 the nation's growth rate has averaged only 2.5 percent a year.

The analysis pointed out that an increase in governmental spending may bring on temporary deficit financing but noted that the quicker the economy regains the full employment level the shorter the period will be during which deficits are incurred.

The immediate problem for the United States "is neither to prevent inflation nor to increase savings for investment; it is rather a more satisfactory level of activity than it has experienced in the last five years."

In addition to all nations in the Common Market and the European Free Trade Association, the OECD membership includes Turkey, Ireland, Spain, Canada, the U.S., Greece and Iceland.

## Seal Adopted To Mark 50th Anniversary Of Founding of U.S. Labor Department

The U. S. Department of Labor has published a special seal to commemorate its 50th anniversary in 1963. The seal, to be used on all publications issued by the department in 1963, will also appear on certificates of appointment being presented to members of a special anniversary committee established earlier this year by President Kennedy.

The celebration, marking the establishment of the Department of Labor on March 4, 1913, "to foster, promote, and develop the welfare of the wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment," will be launched at a banquet and other ceremonies in Washington on March 4, 1963.

In a proclamation establishing the anniversary committee, President Kennedy designated the Secretary of Labor, all living former Secretaries of Labor and the President of the AFL-CIO as co-chairman. The president himself is the Honorary Chairman of the Committee and Vice President Lyndon B. Johnson and Speaker of the House Representatives John McCormack are Honorary Vice Chairmen.

Albin J. Gruhn, president of the California Labor Federation, AFL-CIO, has been appointed to serve on the committee which includes other representatives of labor, management and government as well as other distinguished persons in public life.

The committee's principal chore will be to plan and execute appropriate activities to commemorate the contributions made by the Department of Labor to the welfare of our workers and their families, and to our nation.

Asserting that "the success of our economy and the well being of our nation are dependent upon the skills, energies, talents, and security of the individual American wage earner," the proclamation pointed out that the Labor Department "has striven faithfully over the years to shape sound policies for meeting the nation's manpower needs and for developing and utilizing the potentials of all our labor force in productive and satisfying employment."

It also noted that the Department "has clearly recognized its responsibility to assist the business and industrial community to achieve economic growth and stability" and that it "has judiciously used the instruments of law and custom to safeguard individual workers' rights, to protect and improve the nation's labor standards, to provide free and equal opportunity for all Americans, and to fight the economic hazards of industrial life."



## Brown Selects Perluss for Superior Court

Irving H. Perluss, Director of the State Department of Employment, has been appointed to the Sacramento County Superior Court by Governor Edmund G. Brown.

Perluss, 47, who has headed the Department of Employment since 1959, joined the Attorney General's Office in 1946 following service in the Army during World War II. He handled several major cases, including the 15-month-long trial of the validity of the state's tax on national banks which involved more than \$150 million in taxes.

In the course of his service as Employment Director, Perluss refused during a period of time in 1960 to refer agricultural workers to farms that were being struck or picketed.

In making the appointment, Governor Brown said:

"He is a fine and effective director of a department which closely affects the lives of many Californians and only my conviction that his appointment will be a great gain to California's judicial system justifies the loss of his service to government."

Perluss, a native of Los Angeles, graduated from UCLA in 1937 and received his law degree from Boalt Hall, the law school at the University of California at Berkeley, in 1940. He lives at 4691 Cahana Way, Sacramento.

## Grader Endorsed

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adopted Clem Miller's program as his own platform, and his Republican opponent were interviewed at a 1st District COPE convention held in Eureka on December 15. On most issues the convention delegates found the two candidates to be "poles apart" and subsequently they unanimously endorsed Grader.

On receiving confirmation of his endorsement, Grader said:

"I am very pleased to have the support of organized labor and I know that if we work shoulder to shoulder we can win the election."

Scarcely two weeks ago Grader punctured a smear attempt levelled at him by his Republican opponent who charged him with still being on the federal payroll as Miller's field representative. Grader pointed out that, although he was not compelled by law to do so, he had resigned on November 30 and had "decided to return to the Treasury all salary paid to me between November 30 (the date he filed his declaration of candidacy) and the day the new Congressman from the 1st District takes office."

"Those who know Bill Grader know him to be a man of diligence, dedication and exceptional integrity. In the course of his service as Clem Miller's field representative during the past four years, Bill Grader has acquired a depth of knowledge of the district's problems and a familiarity with congressional processes that the voters would be wise to retain," Pitts commented.

In reporting on a recent trip to Washington, Grader said he talked to President Kennedy about problems affecting the Redwood Empire and said the President seemed particularly interested in the lumber industry situation in Del Norte, Humboldt and Mendocino Counties and in the status of the subdivision encroachment at Point Reyes National Seashore in Marin County.

"The President said he hoped that people of the 1st District would see fit to send me to Congress in January," Grader disclosed. "The President's parting word was 'Win,'" he added.

Grader has owned and operated the Grader Fish Co., a fish processing plant at Fort Bragg for more than a decade and has also served as president of the Fort Bragg Chamber of Commerce, Director of the Redwood Empire Association and helped to found Salmon, Unlimited, an organization dedicated to restoring California's declining salmon and steelhead trout runs. From 1954 to 1958 he also edited and managed the Paul Bunyan News, a weekly newspaper serving the Mendocino Coast.

# Forand Blasts AMA, Cites Urgent Need For Health Care Under Social Security

The real reason why the American Medical Association opposes health care under social security are:

1—They don't want the government to have too close a check on the incomes of doctors, a check which might show they're fast and loose with their taxes.

2—They're afraid the government will put a damper on their already excessive medical fees.

These reasons were cited as the true reasons behind the AMA's desperate drive to prevent the enactment of an adequate health care program under social security by Amie J. Forand, President of the National Council of Senior Citizens, in an address in Washington, D. C. last week.

Branding recent statements by the AMA on the economic conditions of older people as "the product of stupidity, dishonesty or cupidity," Forand said:

"AMA officials can spew millions of words from their plush offices in Chicago on subjects outside their competence—such as the economic problems of retired people. But, on subjects on which they have competence to speak—such as how to protect American mothers against untried drugs like thalidomide—they seem to have a muzzle over their mouths.

"Why does this happen? It's a simple matter of self-interest. If they speak out against the drug industry, they may endanger the millions of dollars they collect from drug firms in advertising for their medical journals; they would interfere with the millions of dollars of free services they get from drug firms and druggists and doctors who own drug stores would scream with anger," Forand asserted.

He cited a report made by the AMA Committee on Aging at a

meeting in Los Angeles on November 27 which claimed "older persons are much better off economically than some people seem to think. Those with special financial situations are an exceedingly small group . . ." and said:

"Such statements can only be the product of stupidity, dishonesty or cupidity. For, they are completely opposite from the facts as shown by all the studies of economic problems of older people made by reliable researchers."

The Senate Committee on Aging issued a report on June 14, 1962, Forand said, that revealed that more than half of all persons 65 and older—27 percent of the men and 74 percent of the women—had less than \$1,000 total cash income in 1960. Fewer than one in four had as much as \$2,000.

"The average monthly old-age benefit paid to retired workers under social security is about \$76 for all those on the rolls now and \$80 for those now coming on the rolls. Yet, according to the Labor Department, for an elderly couple to have a 'modest but adequate' level of living they need approximately \$250 a month or about \$3,000 a year.

"Why, then, do AMA officials claim older people with special financial situations 'are an exceedingly small group'?"

Using "one of the finest propaganda machines in history," the AMA tries to foist such untruths "off on the public for one simple reason: naturally if most older people have no economic problems, they can afford to pay for needed medical care. If they can afford to pay for such care out of their own incomes, then they don't need a social security health insurance program."

Forand warned that "the conservative oligarchy which runs the AMA" is now "hard at work seeking to defeat medicare through a repeat of its successful strategy of last year—direct political pressure on members of key committees

# Webb Gets Post

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perience, including his service on the Unemployment Insurance Appeals Board and the Industrial Accident Commission, in industrial affairs."

Webb, 56, a native of Ontario, Canada, lives at 4228 Burrell Way Sacramento.

of Congress." But, he asserted, "no amount of organized medicine's propaganda can deny the fact that for providing any given level of coverage the all-in-one-pool approach of social security is the most economical way to finance health care for the aged.

"No multi-million dollar public relations programs by the AMA are going to hide the fact that millions of America's older citizens are in desperate need of health care now. Millions more will face this problem in the future unless we adopt this system to enable Americans, during their working years, to make provision for their health in retirement."

Among the factors auguring well for the ultimate passage of a bill to provide medical care for the aged under social security, Forand said, are:

- The fact that in the recent Congressional election no incumbent congressman—either Republican or Democrat—who said he stood for medicare was defeated.

- The growing power of the aged population—now some 18 million strong—at the polls.

- The upward spiralling costs of health care and the inadequacy of most non-profit health plans both in terms of cost and benefits provided.

- Growing recognition of the inadequacy of the Kerr-Mills program and of the serious obstacles standing in the way of its improvement.

- The loss of public confidence in the doctors' professional association due to the excessive political activity of many doctors, the disclosures of fee splitting, unnecessary operations and other malpractices as revealed in the Columbia University reports, and a growing feeling by many members of the public that a medical-businessman has been substituted for the old-time general practitioner who held their confidence and esteem.

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