

Deadline Near On Fed. Scholarships

Are high school seniors in your community about to pass up an opportunity to win one of eight \$500 scholarships?

The application deadline for the Federation's 13th annual scholarship competition falls on April 15, 1963—just 10 days away—and, to date, entries are lagging somewhat.

Thos. L. Pitts, the Federation's secretary-treasurer, explained that the contest is open to all public and private high school seniors in California. Brochures describing the rules, the basis for the awards and some sample test questions were sent to some 800 high schools throughout the state and all affiliates last January. Winners will be chosen on the basis of an examination to be held in participating high schools on Friday, May 17, 1963. Further details on the contest may be obtained from high school principals or by writing the California Labor Federation, AFL-CIO, 995 Market Street, San Francisco 3, California.

Pitts urged all central labor bodies and local unions as well as individual union members to encourage the participation of high school seniors in their area in this contest.

Of the eight scholarships to be awarded in 1963, five are being made available through the cooperation of the following affiliates of the Federation:

The Los Angeles Building and Construction Trades Council; the California Legislative Board of the Brotherhood of Railroad Trainmen; the California State Council of Carpenters; the Carpenters' Ladies Auxiliary, California State Council; and the California State Council of Culinary Workers, Bartenders, and Hotel and Motel Service Employees.

State Report Exposes Inadequacy of Work Injury Compensation

The gross inadequacy of weekly indemnity benefits paid injured workers in the case of both permanent and temporary disabilities is exposed in a report issued this week by the State Division of Labor Statistics and Research. Based on an analysis of the weekly wages paid some 12,589 injured workers during the month of September, 1962, the report shows that 44 percent of injured workers suffering temporary disabilities are being denied workmen's compensation benefits equal to the 61.75 percent wage-loss compensation standard set forth in State law.

In the case of those suffering permanent disability, a full 70 percent are being compensated at a rate below the law's standard.

This is because restrictive ceilings are placed on the amount of wages that may be counted in computing average weekly wages for purposes of applying the 61.75 percent compensation standard. Thus, an injured worker must have average weekly wages of \$113.36 to qual-

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THOS. L. PITTS
Executive
Secretary-Treasurer

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Pitts Charges Organized Medicine's Attack On Medicare "Massive Mistake"

"Organized medicine's frantic campaign to defeat President Kennedy's program to provide hospital care for the elderly under the social security system is not only fundamentally immoral, it's a massive mistake," Thos. L. Pitts, leader of California's organized labor, declared today.

Referring to attacks levelled at the revised King-Anderson bill during the past week by Dr. Edward R. Annis, president-elect of the American Medical Association and by Dr. Samuel Sherman, new president of the California Medical Association, Pitts said:

"The AMA leaders have been detonating one blast after another against the bill yet all they're doing is clearing the ground for its enactment. The bill affords the elderly freedom of choice of doctors and does not involve payment of doctors' bills. Yet they've tried to smear it as a 'welfare' measure when in fact it's not. It's a hospitalization insur-

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Top Experts Due At U.C. Parley On Unemployment

A task force of some 50 experts will take part in a three-day conference on "Unemployment and the American Economy" at the Claremont Hotel in Berkeley April 18-20, 1963 in an effort to find better ways to solve the nation's persistently mounting unemployment problems.

The conference, the first of four annual meetings to be sponsored by the University of California's Institute of Industrial Relations, is part of a four-year research program that will involve both an extensive and intensive study of various aspects of national unemployment problems, including a look at solutions tried in Europe.

Arthur M. Ross, the Institute's director, said the renewed rise in unemployment (the U. S. unemployment rate jumped to 6.1 percent in February) lends fresh urgency to the conference.

"Putting men in jobs deserve the same emphasis as putting a man on the moon," Ross said. He deplored the fact that "chronic joblessness in the United States is being taken for granted" and pointed out that "there is no doubt chronic unemployment is aggravating many labor-management disputes."

The topic for the first day of the conference, which is part of a long-range project financed by a \$400,000 Ford Foundation grant, will be "Retraining and Labor Market Policies." The second day's topic will be "The Problem of Expanding Economic Activity." On the third day the question "What Can We Learn From European Experience?" will be explored. The morning sessions, which will include two main addresses followed by a discussion by conference participants, will be open to the public but the afternoon sessions will be confined to the participants. Each session will begin at 9:30 a.m.

Governor Edmund G. Brown will address a large dinner meeting of the conference participants in the Gold Room

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Workmen's Comp. Premiums Hiked

Ignoring pleas submitted in the public interest by organized labor, State Insurance Commissioner F. Britton McConnell has granted private insurance carriers that participate in the state's workmen's compensation program their fourth rate increase in 18 months. All told, the private carriers will have received a 25.9 percent boost in most such rates in the past year and one-half when the 10.1 percent increase just authorized becomes effective April 1, 1963.

The California Labor Federation, AFL-CIO, opposed the new boosts because they permit the carriers to rake off more of the premium dollar for fixed costs

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COMMITTEE HEARINGS

Assembly

Monday, April 8

Civil Service and State Personnel,
Room 2117, 1:30 p.m.
AB 1393 (Meyers) Salaries of state employees. **Good**

Education, Room 4202, 3:45 p.m.
AB 620 (Garrigus) Dismissal of probationary employee. **Watch**

AB 756 (Winton) Credential requirements to include "experience." **Bad**

AB 757 (Winton) Allows "service" credential. **Bad**

Judiciary, Room 2170, 3 p.m.
AB 1656 (Thelin) Unclaimed property. **Bad**
AB 1246 (Song) Employment practices. **Watch**

AB 1288 (Dannemeyer) Liens, construction payments. **Good**

AB 1087 (Cologne) Apportionment of mechanic's lien and prior encumbrance. **Watch**

***AB 1531 (Williamson)** Jury duty. **Good**
Municipal and County Government,
Room 2133, 3:45 p.m.

AB 1697 (Carrell) Law enforcement employees. **Bad**

ACA 16 (Dymally) Low-rent housing projects. **Good**

AB 894 (Petris) Housing authorities' powers. **Good**

Public Health, Room 5168, 1:30 p.m.
AB 949 (Waite) Radiation control. **Good**

Ways and Means, Room 4202, 1:30 p.m.
AB 110 (Belotti) Apprenticeship. **Good**

AB 49 (Elliot) California Commission on Manpower, Automation and Technology. **Good**

Tuesday, April 9

Fish and Game, Room 2170, 1:30 p.m.
AB 792 (Kennick) Fish nets and districts. **Watch**

Rules, Room 5168, 9 a.m.
AJR 16 (Badham) Re federal constitutional amendment. **Bad**

Wednesday, April 10

Education, Room 4202, 7:30 p.m.
AB 888 (Garrigus) School support bill. **Watch**

Elections and Reapportionment
Room 5168, 1:30 p.m.

AB 1138 (Gonsalves) Time off for voting. **Watch**

ACA 19 (Thelin) Election of public officers. **Bad**

SB 191 (Grunsky) Absent voter ballots. **Watch**

Governmental Efficiency and Economy,
Room 2170, 1:30 p.m.

AB 963 (McMillan) State Housing Law. **Good**

AB 1611 (Knox) Cosmetology. **Watch**

AB 985 (Bane) Barber college instructors. **Good**

AB 1201 (Ferrell) Fair Employment Practice Commission. **Watch**

AB 1239 (Dymally) Fair Employment Practice Commission. **Good**

Industrial Relations, Room 5168, 3:45 p.m.
AB 1173 (Knox) Add Section 230 to Labor Code relating to wages. **Watch**

AB 1294 (Dannemeyer) Relating to the Labor Commissioner: employees' actions. **Good**

AB 1559 (Cusanovich) Re hours of labor—smelter and underground employees. **Bad**

AB 1717 (Pattee) Relating to labor camps. **Bad**

Livestock and Dairies, Room 2117, 3:45 p.m.
SB 488 (Stiern) Slaughtering of animals. **Good**

Revenue and Taxation, Room 2170, 3:45 p.m.
ACA 20 (Mills) Property tax. **Good**

***AB 661 (Petris)** Personal income tax. **Good**

Thursday, April 11

Education, Room 4202, 3:45 p.m.
AB 464 (Waldie) Education of educationally handicapped minors. **Good**

Government Organization,
Room 2133, 1:30 p.m.

AB 458 (Petris) Workmen's compensation. **Good**

Monday, April 15

Education, Room 4202, 3:45 p.m.
AB 1614 (Garrigus) Technical, agricultural and forestry schools. **Bad**

Judiciary, Room 2117, 3:45 p.m.
ACA 30 (Thelin) Regulations adopted by counties and cities. **Bad**

AB 1755 (Willson) Hearing boards in civil actions. **Watch**

AB 1822 (Dymally) Liability of public agencies. **Watch**

AB 1328 (Willson) Mechanics' liens. **Bad**

AB 1511 (Cusanovich) Mechanics' liens. **Watch**

Tuesday, April 16

Criminal Procedure, Room 2133, 1:30 p.m.
AB 1715 (Waldie) Arrest. **Bad**

Finance and Insurance, Room 4202, 3:45 p.m.
AB 1785 (Chapel) Statement of interest charges. **Good**

Senate

Monday, April 8

Labor, Room 5007, 11 a.m.
SB 525 (Holmdahl) Labor camps and housing. **Watch**

***SB 889 (McAteer)** Unlawful labor activities. **Good**

SB 651 (Nisbet) Relating to payment of wages. **Bad**

SB 12 (Collier) Wages for employees. **Good**

AB 1098 (Ashcraft) Relating to purchasing agents. **Watch**

Tuesday, April 9

Agriculture, Room 3191, 1 p.m.
AB 553 (Zenovich) Cold storage meat sales. **Bad**

Governmental Efficiency
Subcommittee on Alcoholic Beverages,
Room 4203, 8 p.m.

SB 658 (Burns) Prohibition of sales during elections. **Good**

Local Government, Room 4040, 9:30 a.m.
SB 705 (Bradley) Financing county capital improvements. **Bad**

Wednesday, April 10

Education, Room 5007, 9:30 a.m.
SB 883 (Grunsky) Public school finance. **Watch**

SB 247 (Grunsky) Public school district expenditures. **Bad**

Governmental Efficiency,
Room 4203, 9:30 a.m.

SB 333 (Christensen) Industrial Accident Commission. **Watch**

SB 866 (Bradley) Fair employment practices. **Watch**

AB 1208 (Burton) Human relations commissions. **Good**

Fish and Game, Room 3191, 1:30 p.m.
AB 272 (Thomas) Commercial sardine season. **Good**

Thursday, April 11

Finance, Room 5007, 9:30 a.m.
SB 172 (McAteer) Payment of state employees. **Good**

Institutions, Room 2040, 10 a.m.
SB 361 (Farr) Removal of prison inmates. **Bad**

Friday, April 12

Elections, Room 3191, 9:30 a.m.
SB 620 (Cobey) Direct primary elections. **Watch**

Monday, April 15

Business and Professions,
Room 4040, 9:30 a.m.

Legislative Notes

Full Employment Policy

A significant "full employment" policy bill, authored by Senator John W. Holmdahl (D) of Alameda County, was cleared by the Senate Governmental Efficiency Committee and sent to the Upper House floor this Wednesday.

The bill, SB 370, declares it "the continuing policy and responsibility of the State to foster and promote full employment with maximum production and purchasing power." Patterned in part after the federal Full Employment Act of 1946, the Holmdahl bill would require the Governor to submit an economic report to each regular session of the Legislature, setting forth the following:

(1) The levels of employment, production, and purchasing power existing in the State and the levels needed to achieve full employment;

(2) Current and foreseeable trends in the levels of employment, production and purchasing power;

(3) A review of both the State's economic program and economic conditions prevailing during the preceding year in terms of their effect upon employment, production and purchasing power;

(4) A program for carrying out the State's full employment policy, together with such recommendations for legislation as the Governor may deem necessary or desirable.

The Holmdahl bill, properly implemented, would provide the base for more effective coordination of State and federal efforts to achieve a rate of economic growth necessary to restore full employment.

Consumers

Governor Brown's long-awaited consumer message was scheduled for delivery to the Legislature this Thursday as News Letter goes to press. It is anticipated that he will make specific proposals for legislation in a number of areas, including food buying, television and auto repair, and consumer credit. A State "truth-in-lending" bill may be in

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AB 986 (Bane) Practice of barbering. **Good**
AB 987 (Bane) Barbers. **Good**

AB 988 (Bane) Practice of barbering. **Good**
Judiciary, Room 4203, 9 a.m.

SB 655 (Lagomarsino) Arrests. **Bad**
SB 683 (Bradley) Depositions in arbitration proceedings. **Bad**

Tuesday, April 16

Local Government, Room 4040, 9:30 a.m.
SB 868 (Bradley) County property. **Good**

SB 869 (Bradley) City public works. **Good**

DIGEST OF BILLS

Key to Symbols

CR Civil Rights and Civil Liberties
DI Disability Insurance
EA Employment Agencies, Private
ED Education
EL Elections
HO Housing

IN Insurance (Incl. H & W)
LC Labor Code Changes, General
LI Liens, Attachments & Writs
LS Labor Unions, Individually
LU Labor Unions, General
MI Miscellaneous
PE Public Employees
PH Public Health

RE Recreation
S Industrial Safety
SL State & Local Government
TA Taxation
TR Training & Retraining
UI Unemployment Insurance
WC Workmens Compensation
WP Water and Power

* Sponsored by the California Labor Federation, AFL-CIO

No bill may be taken up until 30 days after date of introduction indicated in Digest, except by $\frac{3}{4}$ vote.

ASSEMBLY BILLS

AB 1924 Ashcraft (Fin. & Ins.) Workmen's compensation. Provides for reduction in compensation in proportion to extent to which prior disease or physical impairment is a contributing cause of disability resulting from combined effects of an injury and such prior disease or impairment. March 18. **WC—Bad**

AB 1925 Ashcraft (Fin. & Ins.) Workmen's compensation. Requires Industrial Accident Commission to give notice when, upon own motion, it commutes compensation payable to lump sum, rather than permit it to commute with or without notice when it commutes on own motion. Substitutes for present ground of commutation that commutation will avoid undue expense or hardship, the ground that it will avoid inequity and not cause undue expense or hardship. March 18. **WC—Watch**

AB 1926 Ashcraft (Fin. & Ins.) Workmen's compensation. Limits rule for determining average weekly earnings where employment is for 30 or more hours per week and for 5 or more weekly working days to case where employment is permanent and regular. With regard to other employees, provides that in determining their average weekly earnings it is to be presumed that their average weekly and annual earnings accord with recorded earnings for unemployment insurance purposes for last 12 reported quarters immediately prior to date of injury. March 18. **WC—Bad**

AB 1936 Bagley (Ed.) Administration of public school system. Revises generally applicable provisions delineating relative spheres of authority of Superintendent of Public Instruction and State Board of Education, to give the superintendent, rather than the board, the general policy-determining powers in all areas other than in connection with elementary school textbooks or where express provisions of law otherwise require. Specifies that board generally shall be advisory body to superintendent within the Department of Education and shall have other duties and responsibilities as may be conferred on it by law. March 18. **ED—Bad**

***AB 1938 Petris** (Ind. R.) Employment during labor dispute. Makes it a misdemeanor for a person or firm not involved in the labor dispute to recruit, procure, supply, or refer any worker for employment in place of an employee who is involved in the labor dispute; and for a person or firm involved in the labor dispute to employ, in place of an employee involved in the labor dispute, a worker recruited, procured, supplied, or referred by a person or firm not involved in a labor dispute or a worker who customarily and repeatedly offers himself for employment in the place of employees involved in labor disputes. Makes it a misdemeanor for a worker who customarily and repeatedly offers himself for employment in place of employees involved in labor disputes to take or offer to take the place of an employee involved in the labor dispute. Makes it a misdemeanor for a person or firm involved in the labor dispute to contract or arrange for employment in place of employees involved in the labor dispute. Makes it a misdemeanor to recruit, solicit, or advertise for employees or refer workers to employment, in place of employees involved in a labor dispute, without adequate notice of the existence of the labor dispute and that the employment is in place of an employee involved in the labor dispute. March 18. **LC—Good**

AB 1953 Zenovich (Fin. & Ins.) Unemployment benefit eligibility. Provides that: when claimant already disqualified under Sections 1256 or 1257 becomes subject to further disqualification under Sections 1256 or 1257, rather than when successive disqualifications under Sections 1256 and 1257 occur, the director may extend ineligibility for an added period not to exceed eight additional weeks. March 19. **UI—Bad**

AB 1976 Burton (Ind.R.) Farmworkers: minimum wages. Establishes a minimum wage of \$1.50 an hour for farmworkers employed by an employer who employs nine or more employees. Defines "wage" to include all amounts paid for labor performed, whether the amount is fixed by time, task, or piece, on a commission, or by any other method of calculation. Authorizes an employer to use any method of calculating wages so long as the wages actually paid equal \$1.50 per hour. March 19. **LC—Watch**

AB 1988 Bagley (P.U. & C.) Contractors License Law. Provides that law does not apply to a public utility operating under regulation of Public Utilities Commission on work incidental to their business on property owned or leased by the utility, rather than not applying to such utility on work incidental to their business. Provides that exception shall not be construed to include the construction, alteration, or improvement of a building or structure on any other property. March 20. **LS—Good**

AB 1993 Ashcraft (Soc. Wel.) Aid to needy children. Authorizes establishment of work relief programs by counties and cities, subject to approval of State Department of Social Welfare, and provides that parents of needy children may be required to work in such programs, without compensation, as condition to grant of aid. March 20. **MI—Bad**

AB 1996 Millas (Ed.) School tests. Prohibits a school district from using district funds to purchase or obtain printed standardized tests without first securing the approval of the Superintendent of Public Instruction. March 20. **ED—Bad**

AB 1999 Winton (Pub.H.) Precludes employment of a person by any restaurant to prepare, handle, or serve food, on and after January 1, 1964, unless such person has passed a physical examination prescribed by the State Department of Public Health prior to employment and at least annually thereafter. Requires restaurant to pay half the cost of such examination. March 20. **LS—Watch**

AB 2009 Kennick (G.E. & E.) Requires that application for license to conduct employment agency shall be accompanied by affidavit from an employment agency licensee as to applicant's good moral character in addition to such affidavits from two reputable citizens and requires investigation of each applicant upon first application for license. March 21. **LC—Watch**

AB 2013 Willson (Fin. & Ins.) Workmen's compensation. Requires Industrial Accident Commission to dismiss without prejudice an application for compensation filed by employee when it appears that all required benefits have been paid or furnished, that there is no present failure or refusal to pay compensation due or furnish medical treatment, and that, consequently, there is nothing in dispute. March 21. **WC—Bad**

AB 2014 Willson (Fin. & Ins.) Workmen's compensation. Modifies provision prohibiting Industrial Accident Commission, on petition to reopen a matter previously decided by it, from finding there was no employment, to provide that should an employee file a petition to reopen within five years from the date of injury upon the ground of a new and further disability or if an employer within that time institutes a proceeding to reduce a permanent disability rating previously given the employee, the commission may consider and act on the matter after five years from the date of injury. March 21. **WC—Bad**

AB 2019 Casey (Fin. & Ins.) Workmen's compensation: permanent disability. Revises provisions on periods during which benefits for specified percentages of permanent disability are payable. March 21. **WC—Bad**

AB 2025 Badham (Agr.) Allows school districts to enter into agreements with agricultural co-operatives or associations for the purpose of maintaining, harvesting and selling agricultural products grown on school land. To take effect immediately, urgency measure. March 22. **LS—Bad**

AB 2030 Z'berg (C.S. & S.P.) Prescribes formula to be used by board of compensation of personnel engaged in the building, constructing, reconstructing, altering, remodeling, repairing, improving, painting, demolishing or clearing of buildings, structures, improvements or other works. March 22. **LS—Watch**

AB 2037 Winton (N.R.P., & P.W.) Enlarges coverage of provisions relating to subletting and subcontracting in public works and purchases by permitting the provisions to apply to all such activities, instead of specifying that applicable statutes shall not apply to contracts for the construction, improvement or repair of streets or highways, including bridges. States the Legislature's policy to be and makes provision to ensure that a prime contractor is fully qualified to perform all portions of the work to be done by him and that each of his subcontractors is also fully qualified to perform the portions to be allotted to them. Provides that such qualifications must be listed in the prime contractor's bid, and permits the awarding authority to reject any bid without such listed qualifications. Makes various changes to conform to these requirements. March 25. **LS—Good**

AB 2046 Willson (Jud.) Eliminates provision for the automatic vesting of property homesteaded during life in the surviving spouse of the deceased. To become operative on July 1, 1964. **MI—Watch**

AB 2048 Flournoy (Fin. & Ins.) Workmen's compensation. Provides that in preparing and amending a schedule for determining percentage of permanent disabilities and in determining percentage of permanent disability apart from the schedule no account shall be taken of subjective symptomatology not supported by manifest compatible physical impairment. March 25. **WC—Bad**

ASSEMBLY BILLS (Continued)

AB 2063 Burton (Fin. & Ins.) Workmen's compensation: disability payments. Provides that in case of temporary partial disability the disability payment is two-thirds, rather than 65 percent, of the difference between the average weekly earnings of the employee and the weekly amount which he probably will be able to earn during the disability. Provides that such payments shall not be made after five years. March 25. **WC—Watch**

AB 2068 Winton (N.R., P., & P.W.) Public works and purchases. Declares that the policy of this State is to provide for uniform procedures for the taking of subbids on a competitive basis prior to submission of any bid by a prime or general contractor in the construction, alteration and repair of public structures. Makes the provisions relating to subletting and subcontracting on public works specifically applicable to every public agency and political subdivision of the State, whether chartered or not. March 25. **LS—Watch**

AB 2077 Willson (G.E. & E.) Fair Employment Practice Commission. Eliminates provision that, on the filing of an accusation alleging an unlawful employment practice, the commission must investigate and attempt to eliminate the practice by conciliation and persuasion. Provides, instead, that such an investigation must be undertaken only if the accusation alleges facts sufficient to constitute a violation of the fair employment practices provisions; and that such an attempt to eliminate the practice must be undertaken only after it is determined by preliminary investigation that probable cause exists for believing the accusation. March 26. **CR—Bad**

AB 2079 Barnes (Elec. & Reap.) Elections dates. Declares that the direct primary shall be on the first Tuesday in August, instead of the first Tuesday after the first Monday in June. Declares that the state convention of each political party shall meet on the third Saturday in September, rather than on the first Saturday in August for the Republican Party and on a Saturday in August for the Democratic Party. Declares that county central committees shall meet on the second Tuesday in September, rather than on the second Tuesday in July. Deletes the provision requiring that in each year when electors of President and Vice President of the United States are to be chosen, the presidential primary shall be consolidated with the direct primary and no order is necessary. March 26. **EL—Watch**

AB 2089 Knox (Fin. & Ins.) Health care plans. Requires, on and after January 15, 1964, that one of the physician members of the State Board of Public Health be a physician whose practice is conducted primarily in providing services to members to a licensed health care plan. Establishes a Health Care Plan Board consisting of three members of the public appointed by the Governor, and provides for licensing and regulation by the board of health care plans and agents of those plans. Prescribes fees for licenses and penalties for violations. March 27. **IN—Bad**

AB 2094 Kennick (Trans. & C.) School transportation. Requires contracts for transportation of pupils to and from public schools between a school district with an average daily attendance in excess of 500,000 and a person, copartnership, firm or corporation other than a common carrier, 'municipally owned transit system or parent or guardian to contain a provision that the drivers transporting the pupils shall be paid not less than the general prevailing rate per diem wages and not less than the general prevailing rate of per diem and per hour wages for holiday and overtime work performed in the school district. March 27. **PE—Watch**

AB 2098 Pattee (G.O.) Regulations of state agencies. Provides that all regulations of state agencies shall cease to be effective on last day of general

session of Legislature, unless ratified by concurrent resolution. Prohibits agency from adopting regulation to accomplish same purpose, if Legislature does not ratify original regulation. March 27. **SL—Bad**

AB 2104 Rumford (N.R., P., & P.W.) Youth conservation program. Establishes Youth Conservation and Training Program, to be administered by State Forester, subject to general policies established by a Board of Directors of the program. Provides for admission thereto of youth trainees on lists established by Director of Employment who apply for admission, if determined to be at least 16 years of age but under 22, not attending school, and with little or no significant work experience. State nature and purposes of program, including the performance of various conservation functions. Provides for the payment of contributions by school districts of the costs of education of youth trainees, and enables the districts to levy an additional school district tax in order to pay the costs. Permits the school district maintaining a high school to include the average daily attendance of the trainees in the computation for purposes of State School Fund apportionments. March 27. **TR—Bad**

***AB 2107 Meyers** (C.S. & S.P.) Public employees: wages. Provides that all employees employed by the State in construction, repair or maintenance work shall receive not less than the prevailing rates and benefits paid to persons employed in like work in private industry. March 27. **LS & PE—Good**

AB 2110 Meyers (C.S. & S.P.) Health plans: state contributions. Specifies that, except as to public contributions made pursuant to statute on the basis of prevailing practice or their being comparable to benefits afforded particular employees in private employment, no state funds shall be expended for employer contributions for health and welfare coverage without prior approval of plans by the Board of Administration of the State Employees Retirement System. March 27. **PE—Watch**

***AB 2111 Meyers** (G.E. & E.) Public works—California preference. Provides that contractors and subcontractors bidding on public works to be performed on behalf of the State or any political subdivision shall not be awarded the bid unless the contractor is duly licensed in the State of California. Also provides that the contractor who has satisfactorily performed prior public works contracts and has paid state and county taxes within the State for not less than two consecutive years immediately prior to submitting the bid shall receive a limited preference over one who has not. Provides that contracts shall not be sublet to persons who have not paid such taxes for at least two consecutive years prior to the awarding of the subcontract. Gives preference to materials and products manufactured in the State whenever the bid of the competing out-of-state bidder, quality and suitability considered, is less than 10 percent lower. Gives preference for materials supplied by resident dealer in awarding contracts for furnishing materials whenever the bid of the competing out-of-state bidder, quality and suitability considered, is less than 10 percent lower than that of the competing resident dealer. March 27. **LS—Good**

AB 2112 Johnson (Mun. & C.G.) Public works contracts: modification. Provides where a general law city has awarded a contract for public works and execution of the contract is delayed by third parties attacking authority of the city to enter such a contract, the city can negotiate an increase in consideration to be paid the contractor to cover the increase in the general prevailing rate of per diem wages which may occur during the period of delay where such increase was not contemplated by the city or bidder when they entered the contract. To take effect immediately, urgency measure. March 27. **LS—Good**

SENATE BILLS

SB 1035 Grunsky (Rev. & Tax.) Bank and corporation taxes. Exempts from taxation specified "real estate investment trusts." March 25. **TA—Bad**

SB 1037 Gibson (B. & P.) Employment agency. Creates within the Department of Professional and Vocational Standards an Employment Agency Licensing Bureau under the direction of the Director of Professional and Vocational Standards. Vests in the bureau the power to license and regulate employment agencies. Repeals Labor Code regulation. Creates an Employment Agency Advisory Board, consisting of five members appointed by the Governor for four-year terms, to assist the director in carrying out his functions under act. March 25. **EA—Bad**

SB 1049 Short (Gov. Eff.) Increases membership on Unemployment Insurance Appeals Board from 3 to 6 members. Provides that the board shall be composed of two panels with each panel to have all powers now granted the board, except that the whole board must consider rules pertaining to the board, review rules adopted by the Director of Employment, and consider matters brought before it by the chairman of the board. March 25. **UI—Watch**

SB 1051 Stiern (Agr.) Eggs. Deletes exemption of salvage operations incidental to candling or grading of eggs from licensing by State Department of Public Health. Deletes requirements that persons engaged in preparation of egg products for resale or manufacturing who are not otherwise required to be licensed must register with the department. March 25. **LS—Watch**

SB 1053 Sedgwick (Ed.) Conservation and training programs. Permits governing boards of school districts and county superintendents of schools to conduct programs in youth conservation and training within or without the boundaries of the school district. Provides authority to employ necessary personnel and equipment for such a program and establishes procedures

for carrying it out, including contracting with other governmental entities to operate a joint program. March 25. **TR—Bad**

SB 1054 Christensen (Jud.) Liability of public agencies. Makes permanent the provisions now applicable only until the 91st day after 1963 Regular Session, generally reinstating the doctrine of sovereign immunity as it existed on January 1, 1961. Makes applicable to the State, as well as local agencies, the Public Liability Act of 1923, re liability for dangerous conditions of public property. March 25. **SL—Watch**

SB 1057 Gibson (Ins. & F.I.) Requires notices of meetings of Industrial Accident Commission, and requires that all meetings be open to public except while judicially determining case benefits. March 26. **WC—Bad**

SB 1064 Cameron (Gov. Eff.) Youth conservation program. Establishes Youth Conservation and Training Program, to be administered by State Forester, subject to general policies established by a Board of Directors of the program. Provides for admission thereto of youth trainees on lists established by Director of Employment who apply for admission, if determined to be at least 16 years of age but under 22, not attending school, and with little or no significant work experience. States nature and purposes of program, including the performance of various conservation functions. Provides for the payment of contributions by school districts of the costs of education of youth trainees, and enables the districts to levy an additional school district tax in order to pay the costs. Permits the school district maintaining a high school to include the average daily attendance of the trainees in the computation for purposes of State School Fund apportionments. March 27. **TR—Bad**

SCA 18 Rees (Rev. & Tax.) Telephone company taxes. Adds Sec. 14.5, Art. XIII, Cal. Const. Imposes an annual tax upon telephone companies under jurisdiction of the Public Utilities Commission to be in lieu of other specified taxes. March 25. **TA—Watch**

Pitts Charges Organized Medicine's Attack On Medicare "Massive Mistake"

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ance program while the Kerr-Mills program they embrace, on the other hand, IS a welfare measure.

"In a series of speeches throughout California last week, Dr. Annis reportedly asserted that 2.5 million of the nation's 17.5 million elderly citizens are on welfare rolls and have no unmet needs. This is a gross deceit and the doctor knows it. Can any voter honestly believe that the aged who are forced to accept general assistance have no unmet needs?

"The AMA's national spokesman dismissed the remaining 15 million elderly by noting that 9 million have some form of health insurance and that others are able to provide for themselves. But he failed to mention the gross inadequacy of almost all of such plans.

"The simple truth is that a high cost group like the aged cannot finance their current medical needs out of current income through experience-rated voluntary plans. The Social Security mechanism is essential because it spreads the cost over the working years.

"The AMA insists that the only answer is in expansion of the 'dole' principle of the Kerr-Mills approach. Yet the fact of the matter is that even the wealthy states don't have the matching funds required under the Kerr-Mills plan to do the job for which there is such a crying need. Even if the expansion suggested by the CMA late last year were put into effect, the program would still be grossly inadequate both in benefits and in coverage," Pitts, secretary-treasurer of the California Labor Federation, AFL-CIO, asserted.

"In California," he explained, "the Kerr-Mills program of medical aid to the aged (MAA), which has been in effect with the blessings of the CMA since January 1962, provides aid only for the chronically ill. An aged person who is acutely ill qualifies for no assistance at all for the first 30 days of illness. California's present law also requires all aged persons to be stripped of all personal reserves such as cash, savings, investments or non-utilized property worth more than \$1,200 before they may be considered for assistance under the Kerr-Mills program.

"On Tuesday Dr. Sherman said the CMA would strive to make the state's old age medical program 'the

finest of this nature in the country.' What he failed to explain was that 'the finest of this nature in the country' could, and probably would, still be a miserably inadequate program.

"Personally I can't help but believe that the medical profession is suffering itself from an acute case of conflict of interest. While it has inveighed mightily against government in medicine, it has voiced no qualms about the entangling alliances made between the medical, drug and insurance industries.

"Last year the AMA piously decided that it is not unethical for doctors to own drug stores or stock in pharmaceutical companies. And just a few weeks ago a former president of the Los Angeles County Medical Association attacked a health insurance plan founded by the CMA as a 'corporate colossus' that 'has waxed fat and saucy with an income of such size that a non-medical hierarchy has gained control'."

According to press reports, the plan has branched into life insurance and was rumored about ready to go into the automobile insurance field, Pitts said.

"If physicians would face the problems and responsibilities of their profession with courage and candor, the medical profession might begin to rehabilitate the shabby public image it is creating for itself today. But it cannot begin that job until it opens its eyes to the fact that present hospitalization insurance plans are too costly and provide insufficient benefits for millions of our citizens and that only a nationally administered insurance program can cope with the dimensions of the existing medical needs of our elderly citizens," Pitts concluded.

End Hotpoint Boycott

The successful conclusion of a 22-day strike against the Hotpoint Division of the General Electric Company has officially ended an AFL-CIO backed boycott of the electrical firm by the Sheet Metal Workers.

Edward F. Carlough, General President of the Sheet Metal Workers, said an important aspect of the settlement "is that General Electric was forced to revise its historic 'no concession' position known throughout the labor movement as 'Boulwarism'."

Legislative Notes

(Continued from Page 2)

the offering, patterned after the Douglas measure in Congress. This would require that the simple interest rate be stated on the face of all consumer credit contracts.

On the consumer front this week, the Senate approved SB 316 (Short), prohibiting the use of the words "when packed" in the declaration of quantity, and also any terminology that tends to exaggerate the amount in a container such as "jumbo quart," etc.

Half-way Mark

The Legislature this week passed the half-way mark in the 1963 general session. It's usually at this point that the Legislature begins to buckle down to business . . . and there is plenty of it at hand.

The bulk of Labor's legislative program is still awaiting hearing in committee. This includes major proposals for updating social insurance programs and plugging gaps in State labor laws.

Three Federation-sponsored measures have moved to date:

—*AB 319 (Davis), strengthening Labor Code provisions governing security for wages in logging operations, which this week was sent to the Senate floor with a "do pass" recommendation from the upper house Labor Committee.

—*AB 418 (Knox), prohibiting short weights in packaged goods, which has passed the Assembly and is scheduled for hearing in the Senate Business and Professions Committee on April 22.

—*AB 419 (Knox), regulating advertising and placement activities of private trade schools, which has been approved by the lower house Governmental Efficiency and Economy Committee and is waiting clearance in the Assembly Ways and Means Committee.

In the civil rights field, as reported last week, the Rumford fair housing bill (AB 1240) is also in the lower house Ways and Means Committee. From here on out, the going will be rough for this key the going will be rough for this key civil rights bill. At the moment, both proponents and opponents are assessing the effect which the narrow defeat of the Berkeley fair housing ordinance this Tuesday will have on the Rumford measure. But irrespective of the Berkeley vote, nothing short of an all-out effort by Labor and other supporting groups will secure its passage.

Top Experts Due At U.C. Parley On Unemployment

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at the Claremont, Friday, April 19. Dinner arrangements include a no-host reception at 6:30 p.m. followed by dinner at 7:30 p.m. Cost of the dinner, which will be informal, is \$6 per person.

Among the experts to address the conference are: William Haber, chairman of the Economics Department of the University of Michigan; Seymour L. Wolfbein, director, Office of Manpower, Automation and Training of the U. S. Department of Labor; Walter W. Heller, chairman of the President's Council of Economic Advisors; Otto Eckstein, Professor of Economics at Harvard and managing editor of the "Review of Economics and Statistics"; Jack Downey, chief economist of the Organization for Economic Cooperation and Development; and Robert J. Myers, deputy commissioner of the Bureau of Labor Statistics of the U. S. Department of Labor.

Other speakers who will comment on these addresses include: Nathaniel Goldfinger, director, Department of Research, AFL-CIO; and Stanley H. Ruttenberg, now special assistant to the U. S. Secretary of Labor but formerly director of research for the AFL-CIO.

Workmen's Comp. Premiums Hiked

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even though the carriers have not proved a comparable increase in such costs.

Expressing regret at the Insurance Commissioner's apparent inability to recognize the inequity inherent in the present rate fixing formula, Thos. L. Pitts, Secretary-Treasurer of the labor federation, said:

"The net impact of this formula is to reduce the funds available to provide benefits for workers injured on the job. This is because the formula used by the California Inspection Rating Bureau allows a 38 percent "expense loading" factor to be included by the carrier in every rate increase authorized.

"For example, if a given rate was \$1.00 eighteen months ago (and it was raised 5.5 percent in October 1961, 5.0 percent in February 1962, 5.3 percent in October 1962, and then 10.1 percent in April 1963) the overall total increase amounts to 25.9 percent or nearly 26 cents per premium dollar. But more than one-third of this increase, or 9.8 cents, will go to the insurance companies for fixed costs

Work Injury Compens

(Continued from Page 1)

ify for the present \$70.00 per week temporary disability maximum. The report, however, shows that 44 percent of all injured employees on the job in September, 1962, earned more than \$113.36, and therefore, were compensated at a lower rate than 61.75 percent.

On the other hand, the present maximum weekly benefit for permanent disability is \$52.50, requiring average weekly earnings of \$85.02 to qualify for this maximum. The Division's report shows that 70 percent of the injured workers earned more than this amount, and therefore were compensated at a lower rate than the 61.75 percent standard.

State AFL-CIO Secretary-Treasurer Thomas L. Pitts said that the official State figures, based on actual reports filed with the Division of Labor Statistics and Research, "spell out the urgency of action by the Legislature on Federation-sponsored measures aimed at correcting the intolerable deception that exists in our workmen's compensation law."

Legislation proposed by Senator Edwin J. Regan and Assemblyman Byron Rumford, he pointed out, "would allow the 61.75 percent wage-loss principle in the law to operate for both permanent and temporary disabilities within a maximum benefit ceiling of \$150 per week.

As embodied in SB 233 and AB 433, Pitts pointed out that "this legislation would merely allow the wage-loss standard established back in 1914 to operate as intended."

despite the fact that they have not even been called upon to prove that their fixed costs have risen at all.

"In my view this is a 'rake off' that is hidden behind the screen of the complexities of the insurance business, and I am amazed that a highly placed public official continues to tolerate it."

Labor Urges OK For Truth in Packaging Bill

"As consumers, we want only to protect our pocketbook at the market place without a refresher course in mathematics, the burden of a portable calculator or the nuisance of a magnifying glass." That's how an AFL-CIO spokesman summed up organized labor's position in favor of passage of the Hart Truth-in-Packaging bill in testimony presented at a recent Senate Anti-Trust Subcommittee hearing.

Industry spokesman tried to maintain that the bill would deny consumers the right to buy packaged products "in such sizes and shapes of packages as they may desire." This patently phony argument is swept aside in a moment if consumers ask themselves if they desire breakfast cereals packed in 13¾ containers or toothpaste in 5¼ ounce tubes.

Yet opponents of the bill, which would impose long needed controls to curb deliberately deceptive packaging practices, try to contend the bill would "stifle innovation," "curb competition," and "limit freedom of choice." They also advanced the old contention that "voluntary action" on the manufacturers part was the most effective way to correct any abuses.

Repudiating these arguments, the AFL-CIO statement pointed out that, quite the contrary, the bill "has great potential for benefiting consumers and restoring their traditional rights to know what they are buying before they buy and to make rational price comparisons between competing products."

Letters to U. S. Senators and Congressmen are vitally needed to help pass this bill.

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