

Legislative Notes

Professional Strikebreakers

Federation - sponsored legislation (*AB 1938) to prohibit the use of professional strikebreakers in California will be aired on Wednesday, May 8th, by the Assembly Industrial Relations Committee. This is one of the key labor bills before the state legislature. It is authored by Assemblyman Nicholas C. Petris of Oakland.

Other vital labor legislation is set for hearing on May 13th. This includes *SB 811 (providing for representation procedures in intrastate commerce) before the Senate Labor Committee, and *SB 812 (proposing a state "little Norris - LaGuardia Act") before the Senate Judiciary Committee.

Legislators need to hear from affiliates on these measures.

Truth-in-Lending

One of the most important items in Governor Brown's far reaching proposals for the enactment of consumer legislation will get its first test on Tuesday when the Assembly Finance and Insurance Committee hears AB 2288, authored by Assemblyman Charles Warren of Los Angeles.

The measure, patterned after the well-known Douglas bill in Congress, is aimed at establishing "truth-in-lending." It would require that interest charges be stated on the face of installment and conditional sales

(Continued on Page 3)

IWC Wage Order Changes Aim to Aid Women and Minors but Some Fall Short

What do the changes in the minimum wages, maximum hours and standard of working conditions that were adopted last month by California's Industrial Welfare Commission mean to the women and minors employed in this state?

As reported in the April 19, 1963, NEWS LETTER, they mean a 30% increase in the minimum wage from \$1 to \$1.30 in two steps. In September, 1963, the minimum wage goes to \$1.25 and in September, 1964 it goes to \$1.30.

But a host of other changes in the Commission's 13 wage orders that were open for revision have also been approved.

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

"Although these revisions for the most part represent steps in the right direction they are also for the most part small steps toward the establishment of equitable minimum standards at a time when giant steps are required."

In some instances he pointed out, the Commission's revisions even resulted in "walking backward."

Details of these changes, which were approved too late for inclusion in the NEWS LETTER previously, are spelled out below. The exact texts of the revised

(Continued on Page 3)



THOS. L. PITTS
Executive
Secretary-Treasurer

Weekly News Letter

Vol. 5—No. 18
May 3, 1963

Published by California Labor Federation, AFL-CIO



Bill Prohibiting "Deficiency Judgments" on Repossessed Goods Cleared for Floor Vote

Consumer-protection legislation which would stop the levying of "deficiency judgments" on goods repossessed by creditors was given a "do pass" recommendation by the Assembly Finance and Insurance Committee this Tuesday and sent to the lower house floor.

Assemblyman John Francis Foran of San Francisco, author of the labor-backed measure (*AB 481), marshalled powerful supporting arguments to put an end to a flagrant consumer abuse which Foran said "encourages repossession, over extension of credit and ultimately hardship and bankruptcy."

Under the Foran bill, a creditor who repossesses and resells goods would be prohibited from recovering deficiency charges from the defaulting buyer based on the difference between the amount owed and the price for which the repossessed goods are sold. In other words, creditors would have to make a choice between repossessing the goods and

(Continued on Page 4)

Fair Housing Fight Shifts to Senate

The Rumford fair housing bill (AB 1240) is on the Senate side where labor and civil rights forces face a major uphill battle to obtain clearance from the upper house Governmental Efficiency Committee, which two years ago killed similar legislation.

As anticipated, the Assembly passed the housing anti-discrimination bill last Thursday by a substantial majority. The vote was 47 to 25.

The Senate Governmental Efficiency Committee, where the fate of the Rumford bill now lies, is composed of the following Senators: Gibson (Chairman) Solano County; Burns, Fresno County; Arnold,

(Continued on Page 5)

Cross-Filing Bill Defeated in Senate

By a narrow margin this Monday, the State Senate defeated legislation to restore cross-filing in California primary elections.

Six Democrats joined thirteen Republicans in the Senate to vote for the cross-filing restoration measure (SB 340 - Schrader). The roll call vote was 19 Ayes to 20 Noes with 21 votes needed for passage.

At one point the Senate was deadlocked on the issue at 19 to 19 with a "call" placed on the upper house

(Continued on Page 4)

AWOC Asks For Cal-Pak Products Boycott

"Don't Buy Del Monte Brands!" is the appeal being issued to "Mr. and Mrs. Consumer" by C. Al Green, Director of the AFL-CIO Agricultural Workers Organizing Committee, in connection with a long drawn out strike against the California Packing Corporation at a Stockton area labor camp.

A leaflet giving the background to the boycott request is being circulated by AWOC.

COMMITTEE HEARINGS

ASSEMBLY

Monday, May 6

Civil Service & State Personnel,
Room 2117, 1:30 p.m.

AB 2267 (Bane) School employees OASOI.
Good

AB 2030 (Z'berg) Construction personnel pay.
Watch

***AB 609 (Z'berg)** Personnel classification.
Good

AB 1002 (Meyers) Medical Exams. Good
Education, Room 4202, 3:45 p.m.

AB 404 (Winton) Certification qualifications.
Watch

AB 310 (Casey) Medical and hospital care for school employees.
Good

ACA 18 (Winton) Textbooks.
Bad

AB 1031 (Winton) Textbooks.
Bad

AB 1000 (Crown) School support bill.
Watch

Municipal and County Government,

Room 2133, 3:45 p.m.

AB 1194 (Knox) Firemen: maximum working hours.
Watch

AB 1489 (Knox) State Housing Law. Bad
Public Health, Room 5168, 1:30 p.m.

AB 949 (Waite) Radiation control. Watch

Revenue and Taxation Subcommittee,
Room 2196 3:45 p.m.

AB 1955 (Thomas) Sales Tax. Good

SB 608 (Nisbet) Sales and use tax exemptions.
Bad

Ways and Means, Room 4202, 1:30 p.m.

AB 464 (Waldie) Handicapped minors.
Good

AB 802 (Song) Work relief. Watch

AB 1272 (Foran) Apprentices. Watch

AB 1380 (Z'berg) Salaries State employees.
Bad

AB 1381 (Z'berg) Bldg. & Grounds employees.
Watch

***AB 2250 (Gaffney)** Health benefits. Good

***AB 2251 (Gaffney)** Health benefits. Good

SB 370 (Holmdahl) Full employment policy.
Good

SB 570 (Holmdahl) Barbers. Good

Tuesday, May 7

Finance and Insurance, Room 4202, 3:45 p.m.

AB 670 (Ferrell) Vehicle Insurance. Good

AB 1785 (Chapel) Interest Charges. Good

AB 2288 (Warren) Finance rates. Good

Fish and Game, Room 2170, 1:30 p.m.

AB 818 (Thomas) Long lines for salmon.
Good

Natural Resources, Room 2133, 3:45 p.m.

AB 2037 (Winton) Public Works & Purchases.
Good

Wednesday, May 8

Finance and Insurance Subcommittee on Disability Insurance, Room 4164, 1:30 p.m.

AB 1684 (Cologne) Unemployment insurance: contributions.
Bad

AB 1369 (Knox) Elective coverage: self-employed.
Watch

***AB 356 (Crown)** Unemployment disability insurance contributions.
Good

***AB 357 (Crown)** Disability insurance.
Good

***AB 358 (Crown)** Unemployment disability insurance.
Good

***AB 370 (Crown)** Disability insurance contributions.
Good

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

AB 2144 (Cologne) Alcoholic beverages.
Bad

AB 1827 (Bagley) Licensing of polygraph examiners.
Bad

AB 2127 (Meyers) Specialty contractors.
Watch

SB 485 (Stiern) Clothes cleaning. Bad

SB 316 (Short) Containers: quantity of commodities.
Good

Industrial Relations, Room 5168, 3:45 p.m.

AB 836 (Frew) Relating to employment contracts.
Watch

***AB 1938 (Petrís)** Relating to employment in industries where a labor dispute exists.
Good

***AB 2129 (Foran)** Relating to hospital and institutional employees.
Good

***AB 2249 (Gaffney)** Relating to the Labor Commissioner.
Good

Manufacturing, Oil, and Mining Industry,
Room 2133, 3:45 p.m.

AB 2238 (Waldie) California-made materials.
Watch

Revenue and Taxation,
Room 2170, 3:45-5:30 p.m.

AB 1947 (Petrís) Taxation of Insurers.
Good

AB 1948 (Petrís) Surplus line brokers. Good

AB 1949 (Petrís) Insurance tax deduction.
Good

ACA 33 (Petrís) Taxation of Insurers. Good

AB 2165 (Conrad) Motion picture property.
Watch

AB 2235 (Carrell) Personal income tax. Bad

Water, Room 4202, 1:30 p.m.

AB 755 (Z'berg) State water resources development.
Good

AB 1625 (Z'berg) State water resources development.
Watch

Thursday, May 9

Constitutional Amendments,
Room 2133, 3:45 p.m.

ACA 20 (Mills) Property tax. Good

Education, Room 4202, 3:45 p.m.

SB 152 (Cameron) Tenure law. Good

AB 181 (Gaffney) Minimum salaries of credentialed teachers.
Good

AB 2169 (Waldie) Sick leave for part-time classified employees.
Good

SB 79 (Stiern) Teachers' Professional Standards Commission.
Watch

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

AB 234 (Britschgi) Alcoholic beverage, sales hours.
Bad

AB 1710 (Burton) California Fair Employment Practice Act.
Good

Tuesday, May 14

Criminal Procedure, Room 2133, 1:30 p.m.

AB 2197 (Henson) Arrest. Bad

AB 2285 (Henson) Arrest. Bad

Transportation and Commerce, Room 5168, 3:45 p.m.

AB 2348 (Kennick) Automotive repair dealers.
Good

SENATE

Monday, May 6

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

AB 986 (Bane) Practice of barbering. Good

AB 988 (Bane) Practice of barbering. Good

SB 918 (O'Sullivan) Containers. Good

SB 957 (O'Sullivan) Self-service dry cleaning establishments.
Bad

Revenue and Taxation, Room 4040, 1:15 p.m.

***AB 661 (Petrís)** Powers of municipalities to levy and collect income taxes. Good

AB 1442 (Cologne) Bank and corporate franchise and income tax exemptions.
Bad

Tuesday, May 7

Insurance and Financial Institutions, Room 4040, 1:45 p.m.

SB 1008 (Farr) Workmen's compensation: injury.
Watch

SB 910 (Dolwig) Workmen's compensation: physicians.
Watch

SB 784 (Rees) Disability insurance: voluntary plans.
Bad

SB 1057 (Gibson) Industrial Accident Commission meeting.
Watch

SB 691 (McCarthy) Workmen's compensation: exclusive remedy. Bad

Local Government, Room 4040, 9:30 a.m.

SB 861 (Nisbet) Local agency annexations.
Watch

Transportation, Room 4203, 9:30 a.m.

SB 1123 (Farr) Highway advertising. Watch

Wednesday, May 8

Education, Room 5007, 9:30 a.m.

AB 1474 (Garrigus) School district personnel.
Watch

SB 847 (Lagomarsino) Relating to technical, agricultural and forestry schools. Bad

SB 1025 (Rodda) Classified school personnel employment.
Watch

SCA 10 (Rodda) County superintendent of schools.
Bad

SB 857 (Farr) School teachers exchange program.
Watch

SB 1053 (Sedgwick) Conservation and training programs.
Bad

SB 636 (Rodda) Public school testing program.
Good

AB 155 (Winton) Public school employee organizations.
Bad

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

SB 153 (Cameron) Park and recreation bonds.
Good

SB 700 (Rees) State Contract Act. Bad

SB 956 (Short) Salaries of state employees.
Bad

SB 973 (Teale) Public agencies: performance of services.
Watch

SB 1049 (Short) Increases membership on State Unemployment Appeals Board.
Watch

SB 1114 (Rodda) California State Fair and Exposition Law.
Watch

AB 49 (Elliott) Automation and technological developments.
Good

AB 1601 (Meyers) Political activities of state employees.
Watch

Monday, May 13

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

SB 1010 (Farr) Private employment agencies.
Bad

Judiciary, Room 4203, 9 a.m. Also on adjournment and 8 p.m. if necessary

AB 735 (Petrís) Decedents' estates. Good

SB 844 (Lagomarsino) Mechanics' liens.
Watch

***SB 812 (Holmdahl)** Labor disputes: injunctions during.
Good

AB 1656 (Thelin) Unclaimed personal property.
Bad

Labor, Room 5007, 11 a.m.

***SB 811 (Holmdahl)** Labor organization representation.
Good

AB 81 (Hinckley) Relating to apprenticeship.
Watch

AB 546 (Gaffney) Maritime industrial safety.
Watch

AB 1098 (Ashcraft) Purchasing agents.
Watch

Revenue and Taxation, Room 4040, 1:15 p.m.

AB 825 (Rumford) Exemption of medicine from sales and use taxes.
Watch

SB 1035 (Grunsky) Taxation of real estate investment trusts.
Bad

Tuesday, May 14

Agriculture, Room 3191, 1 p.m.

SB 1051 (Stiern) Eggs. Watch

Insurance and Financial Institutions,
Room 4040, 1:45 p.m.

***SB 782 (McAteer)** Workmen's compensation: heart trouble. Good

SB 1122 (Rattigan) Disability insurance.
Bad

SB 1155 (Holmdahl) Workmen's compensation: state employees. Good

IWC Wage Order Changes Aim to Aid Women and Minors but Some Fall Short

(Continued from Page 1)

wage orders are not likely to be available much before July 1, 1963.

Notable changes included extensions of coverage of certain orders to additional occupations, a 1-hour increase in the time that must elapse between shifts, and double time pay instead of time and one-half for more than 12 hours work in any one day or in excess of eight on the seventh day in all orders except 3, 8, 12 and 13.

In addition, employers may no longer dock or demand refunds from employees for cash shortages or breakages unless they can prove "gross" instead of "culpable" negligence.

Among the backward steps taken by the Commission were approval of a provision to permit twice as many minors (20 percent instead of 10 percent) to work at the learner or minor minimal rate of only \$1 per hour under orders 8-57 and 13-61 (industries handling products after harvest and industries handling products after harvest on the farm). This encourages the exploitation of child labor by permitting more children to work for less money. The change also increased the gap between the basic minimum wage and the sub-minimal wage for minors from 15 to 25 cents. The Commission also failed to recognize the 40 instead of the 48-hour week as the only equitable hours standard for women and minors in the state.

Moreover the Commission's approval of a 25% increase in the value that employers are permitted to charge for meals and lodging diminishes the net improvement in standards for those who work for the minimum wage. In addition, Section 9, dealing with uniforms and equipment was weakened by granting employers permission to require a "reasonable deposit" on items furnished by the employer.

The California Labor Federation, AFL-CIO, had submitted a 32-page brief to the commission last January which thoroughly documented the justification for a minimum wage of at least \$1.50 and called "for adoption of no more than a 40-hour work week as the standard to be used in determining an appropriate minimum wage level."

Here are the specifics of the changes approved.

IMPROVEMENTS

COVERAGE—Order 2 dealing with the personal services industry was extended to include beauty schools that offer beauty care to the public for a fee.

Order 4, dealing with professional, technical, clerical and similar occupations, was extended to mechanical occupations such as bailers, bundlers, copyholders, linotype operators, teletype setters and women bus drivers.

Order 5, public housekeeping, was extended to include firms that contract to develop, maintain or clean the grounds, facilities or quarters of commercial or living units.

Order 6, laundry and linen supply, dry cleaning and dyeing, was extended to self-service dry cleaning establishments.

The Commission also clarified the definition of establishments covered by Order 13 to include specifically packing sheds and moving packing plant operations on the farm. This action squelched efforts by employer groups to have such operations fall under the weaker provisions

of Wage Order 14-61, covering harvest workers.

EXECUTIVE STATUS—A woman employee classified as an executive, and therefore exempt from the wage and hours provisions of the orders, must receive a minimum salary of \$400 a month instead of the present \$350. This salary test is one of several qualifications used by the wage boards to determine positions that may be exempted from the wage and hour provisions.

HOURS—Where overtime is not prohibited by the 8-hour law, employees shall receive double their regular rate of pay for all hours in excess of 12 in any one day and in excess of 8 on the seventh day. The existing orders have only called for time and one-half for all hours in excess of 8 and time and one-half on the 7th day. Excluded from this improvement, however, were wage orders 3 (Canning, Freezing and Preserving), 8 (After Harvest), 12 (Motion Pictures), and 13 (After Harvest on the Farm).

Orders 3, 8 and 13 already had the double time provisions. They were amended to require that employees who work seven consecutive days must receive time and one-half for the first eight hours of the seventh day and double time for any additional hours as well as for every day thereafter until the employee is allowed a 24-hour break.

The Federation's brief had recommended double time pay for the eleventh hour and all subsequent hours, time and one-half on the sixth day with double time beyond 48-hours a week, and triple time for the seventh day.

The span of time within which eight hours of employment must be performed was reduced one hour from 13 to 12 hours (the Federation had proposed it be 10 hours) and the period of time that must elapse between the end of one work day and the beginning of the next was increased one hour from 11 to 12 hours in keeping with the Federation's recommendation on that point.

The commission also decided that:

—Unless the employee is relieved of all duties during a 30-minute meal period, the meal period shall be considered as an "on-duty" meal period and counted as time worked. An "on-duty" meal period shall be permitted only when the nature of the work prevents an employee from being relieved of all duty.

—A couch must be provided when more than 10 instead of 20 women are employed at one time.

—Portable chemical toilets may be substituted for water pressure toilets if the latter cannot be provided when fewer than 15 women are employed in industries handling products after harvest and industries handling products after harvest on the farm (Orders 8 and 13). This is a significant step toward alleviating some of the unnecessary hardship encountered by farm workers in the fields.

—A competent first aid attendant must be on hand when more than 50 women or minors are employed on any one shift in the canning, freezing and preserving industry (Order 3). This is a significant improvement and sets a precedent for the improvement of other wage orders. The existing section of Order 3 had simply

(Continued on Page 5)

Legislative Notes

(Continued from Page 1)

contracts in terms of simple annual interest along with other hidden credit charges.

Interest charges of 25 and 30 percent and even higher would be made known to consumers who are frequently unaware of the real price they are paying for credit on many installment purchases. Needless to say, the opposition to the Warren bill is heavy.

The financial interests opposing AB 2288 would have legislators believe that informing consumers as to the interest they pay would constitute a death blow to the free enterprise system. Organized labor and consumer interest groups maintain that the bill would restore "consumer sovereignty" at the market place, as the essential base of a prosperous private enterprise economy.

Ways and Means Clearance

The Assembly Ways and Means Committee cleared for lower house approval this week AB 1 (Unruh), establishing a California Arts Commission. The bill, which is strongly backed by AFL-CIO unions in the entertainment field, directs the proposed Commission to: survey institutions engaged in artistic and cultural activities; assess art and cultural needs of California citizens; assist communities in organizing and creating their own artistic and cultural programs; and report to the Legislature annually its recommendations to promote art and cultural activities. Assembly passage is assured.

The Ways and Means Committee also reported out AB 110 (Belotti), which directs the establishment of "information centers" on apprenticeship training opportunities in various areas of the state. The centers would be patterned after apprenticeship "clearing houses" that have been operating on a pilot basis in Fresno and Los Angeles. The bill calls for a co-operative effort on the part of the Division of Apprenticeship Standards in the Department of Industrial Relations and the Departments of Education and Employment. One of its aims is to increase opportunities for persons from minority groups, but its overall objective is to expand apprenticeship training efforts.

Lie Detector Tests

Legislation designed to curb the use of lie detector tests in employment relations (AB 927—Knox) has received a "do pass" recommendation

(Continued on Page 4)

Bill Prohibiting "Deficiency Judgments" on Repossessed Goods Cleared for Floor Vote

(Continued from Page 1)

suing for the unpaid balance—they could not have it both ways.

The scope of the legislation extends to credit sales under the Unruh Act, but not the so-called Rees-Levering Act governing automobile conditional sales contracts. The repossession of furniture, freezers, TV sets and other household appliances are among the many items that would be covered by the ban on "deficiency judgments."

In addition to the California Labor Federation, Assemblyman Foran drew support for *AB 481 from the Office of State Consumer Counsel, the Attorney General's Consumer Fraud's section, The Association of California Consumers, and others. Chief witness in support of the Foran bill was Andrew J. Eyman, presiding judge of the San Francisco Municipal Court.

Eyman cited case after case where the item sold on credit, such as a TV set, is over-priced in the first instance and loaded with usurious interest and other charges in the time-sales contract, without any down payment. Upon repossession, he pointed out, the goods are frequently sold at a fraction of their actual value with the victimized consumer being forced to pay the "deficiency judgment" reflecting the difference between the amount owed on the time-sales contract and the resale price of the repossessed goods, plus attorney's fees incurred by the creditor on repossession. The typical procedure then involves attachment of wages for the resulting deficiency judgment, in probable dismissal from employment or forcing the individual into bankruptcy to avoid dismissal for wage attachment.

Foran argued that at present the consumer is not protected by law "from repossession for profit."

"Unless the deficiency judgment is forbidden," Foran said, "the uninformed will continue to be victimized through aggressive sales and repossession practices. The obvious result of these practices is that people are getting involved financially beyond their means to meet their obligations."

In pressing for the approval for his bill, Foran emphasized that "the buyer has little or no opportunity to see that a fair price is obtained for the property at forced sale." The deficiency judgment, he added, "en-

courages dealers to sell goods expeditiously rather than fairly."

Foran concluded, that "the reclaiming of the property by the seller is a sufficient penalty on the purchaser."

*AB 481 was sent to the Assembly floor on what appeared to be a unanimous vote after defeat of a motion by Assemblyman Jack T. Casey, on a rollcall vote, to kill the bill by sending it to Interim Committee for study. Assemblymen Ashcraft and Casey were the only two members of the Finance and Insurance Committee who voted for the Interim Committee study. Those voting against it included: Bane, Beilenson, Burton, Fournoy, Foran, Hinckley, Knox, Rumford, Stevens, Veneman, Waite, Willson, and Zenovich.

In a related action this Tuesday, the lower house Finance and Insurance unit put off for two weeks consideration of another Foran bill supported by labor, *AB 482, which would prohibit wage attachments or garnishments. The move to defer consideration was made by Assemblyman Phillip Burton to save the bill from possible defeat after failure of both a motion to send it to subcommittee to work out some problem areas and a motion to kill the bill by sending it to Interim Committee.

The Interim Committee motion on *AB 482 lost by the following vote: AYES — Ashcraft, Bane, Fournoy, Knox, Stevens, Veneman—6. NOES — Beilenson, Burton, Foran, Hinckley, Rumford, Waite, Waldie, Willson and Zenovich—9.

Cross-Filing Bill Defeated in Senate

(Continued from Page 1)

to bring in the absentee members. The California Labor Federation fought vigorously to defeat the Schrade bill.

The final roll call vote was as follows:

VOTING FOR CROSS-FILING RESTORATION—Senators Backstrand, Bradley, Burns, Christensen, Cobey, Dolwig, Donnelly, Gibson, Grunsky, Lagomarsino, McCarthy, Murdy, Pittman, Schrade, Sedgwick, Sturgeon, Symons, Teale, and Way—19.

VOTING AGAINST RESTORATION—Senators Arnold, Begovich, Cameron, Collier, Farr, Geddes, Holmdahl, Miller, Nisbet, O'Sullivan, Peterson, Quick, Rattigan, Rees, Regan, Rodda, Short, Stiern, Weingand, and Williams—20.

ABSENT—McAteer.

Legislative Notes

(Continued from Page 3)

tion from the Assembly Criminal Procedures Committee and is on the Assembly floor. It would prohibit an employer from "demanding" or "requiring" an applicant for employment or an employee to submit to a polygraph, lie detector or similar test as a condition of employment or continued employment. The bill, however, has been severely weakened by an amendment that would sanction employer "requests" for submission to such tests. In many employment situations refusal of an employer's "request" would be at the risk of losing one's job or not being hired.

Legislation is also pending in both the Assembly Governmental Efficiency and Economy and Civil Service and State Personnel Committees which would provide for the licensing of polygraph examiners and otherwise establish the qualifications of those who administer the lie detector tests. The bills are AB 1827 (Bagley) and AB 1584 (Meyers). Organized labor is opposed to both bills, based on the findings of eminent psychologists that lie detector tests themselves lack validity.

Voting Hours

AB 1537 (Danielson), a measure that would provide for the opening of polling places for an additional hour—from 7 a.m. to 8 p.m. instead of 7 a.m. to 7 p.m.—has been approved by the Assembly and sent to the Senate. It would apply to counties with a population of 300,000 or more.

Rehabilitation Department

Legislation that would centralize vocational rehabilitation functions in a new Department of Rehabilitation under the state's Health and Welfare Agency won approval of the Senate Governmental Efficiency Committee this Wednesday. The bill, SB 1023 by Senator Rattigan, is part of the Governor's government reorganization program. It is considered vital to the expansion of rehab programs currently scattered throughout state government.

Employer Contributions

The Assembly has passed and sent to the Senate AB 1749 (Warren), which would require employers to furnish their employees with annual statements indicating whether or not they have made payments into health and welfare funds, vacation plans, pension funds, etc., when they have agreed to make such payments under collective bargaining contracts or other agreements.

IWC Wage Order Changes Aim to Aid Women and Minors but Some Fall Short

(Continued from Page 3)

required that adequate first aid supplies be provided and kept clean and sanitary in a dustproof container. —The premium pay for employees required to work a split shift was increased from \$1 to \$1.25.

BACKWARD STEPS

While expanding the exploitability of child labor by doubling the number permitted to work for only \$1 per hour, the commission also allowed minors only a 15 cent increase in wages from \$.85 to \$1.

The commission's decision to waive its own emergency requirements and to permit women bank employees who earn more than \$300 per month to work up to two hours overtime daily, providing their total work week does not exceed 48-hours and that they receive time and one-half their regular rate of pay for such work, constitutes a serious breach in the standard 8-hour day for women.

This is the first instance under Order 4-57 (professional, technical, clerical and similar occupations) in which the commission has weakened the hours of work limitation designed to protect the health and welfare of women and minors.

Ironically, pressure for this lowering of standards was generated largely by women bank employees already in executive positions who wanted to be able to work their subordinate employees on overtime as they saw fit. They argued that the curbs on overtime for women currently enforced by the commission prevented women from qualifying for so-called executive positions.

The fact of the matter is, however, that the wage orders provisions simply prevented employers from establishing a host of pseudo-executive jobs (which are exempt from the wage, hours and a number of other provisions of the wage order) in order to get more work out of them for less money.

Women bank employees not in executive status who were taken in by their superior's arguments were apparently unaware that Order 4 spelled out several qualifications that must exist for a job to be classified as that of an executive. Among these is the qualification that such employees receive at least \$350 per month. This "salary test" figure is raised to \$400 per month when the commission's revisions go into effect next September but bank employers will no longer be required to raise the salaries of employees to an executive status level to work such employees overtime.

In short the commission's waiver of its own emergency requirements means that women have lost a provision that was designed to assure that they receive pay commensurate with the responsibilities of the job they performed. Now, instead of this, they may expect only token wage increases to accompany the fancier titles employers may bestow on them.

Another breach in the 8-hour day was affected by the commission's approval of a change in Order 5 (public housekeeping) which permits employers to work organized camp counsellors for 54-hours in a six day week. Since overtime at the rate of one and one-half times the regular rate of pay is not payable except for hours worked in excess of 54, this

puts such camp counsellors on a 9-hour day, six day week, hardly a step toward improving the working conditions for women and minors.

Finally, the change in Section 11 of the wage orders to permit meal periods to be waived on shifts of six hours or less by mutual consent of the employer and employee does nothing to improve and may work to the detriment of the health and safety of the employees. The change in Section 26 to permit employees or their representatives, as well as employers, to request exemptions from working condition requirements represents another loophole through which the wage orders may be weakened.

Fair Housing Fight Shifts to Senate

(Continued from Page 1)

Lassen, Modoc and Plumas Counties; Begovich, El Dorado and Amador Counties; Collier, Del Norte and Siskiyou Counties; Dolwig, San Mateo County; Lagomarsino, Santa Barbara County; McAtter, San Francisco; McCarthy, Marin; Regan, Shasta and Trinity Counties; and Teale, Tuolumne, Mariposa and Calaveras Counties.

All individuals and organizations are being urged by the California Fair Practices Committee, coordinating body of labor and civil rights forces, to communicate their support of AB 1240 to members of the Committee and the Senate as a whole.

The rollcall vote by which the Assembly approved the Rumford fair housing measure was as follows:

AYES: Alquist, Bagley, Bane, Bee, Beilenson, Booth, Burton, Carrell, Casey, Crown, Danielson, Dills, Dymally, Elliott, Ferrell, Foran, Frew, Gaffney, Garrigus, Gonsalves, Greene, Henson, Johnson, Kennick, Knox, Marks, McMillan, Meyers, Mills, Moreno, Pattee, Petris, Powers, Quimby, Rumford, Song, Soto, Stanton, Thomas, Waite, Waldie, Warren, Williamson, Young, Z'berg, Zenovich, and Unruh—47.

NOES: Ashcraft, Badham, Barnes, Belotti, Britschgi, Burgener, Chapel, Collier, Cologne, Conrad, Cusanovich, Deukmejian, Donovan, Flournoy, Hinchley, Holmes, Lanterman, Milias, Monagan, Mulford, Stevens, Thelin, Veneman, Veysey, and Whetmore—25.
ABSENT OR NOT VOTING: Allen, Dannemeyer, Davis, Lunardi, Porter, Ryan, Willson and Winton—8.

(Ryan and Winton were out of Sacramento when the vote was taken. In a letter to speaker Unruh, Ryan said he would have voted for AB 1240 had he been present. Winton voted for the measure in Ways and Means Committee.)

Carley V. Porter Wins COPE Nod For 23rd Dist. Seat

Carley V. Porter, a veteran legislator with 14 years service in the Assembly, won the endorsement of the California Labor Council on Political Education this week for the 23rd Congressional District seat vacated by the death of Rep. Clyde Doyle last March.

Porter will run against seven other candidates — four other Democrats and three Republicans—in the special election to be held Tuesday, June 11, 1963. His principal opponent is Del M. Clawson, a Republican who ran unsuccessfully against the late Rep. Doyle last November. But Porter also faces opposition from another Democrat named Armand R. Porter, who reportedly is running primarily to try to split Carley V. Porter's vote.

The winner will be the candidate who receives a plurality of the votes. There will be no run-off.

California Labor COPE's action concurred in the action taken by the Los Angeles County COPE on April 24, 1963, when local COPE delegates voted to endorse Carley V. Porter.

Since both the deadlines for candidates to file and for voters to register for the special election have already passed, the COPE efforts within the district is concentrating on informing voters about the special election and making preparations to get-out-the-vote.

The 23rd Congressional District is comprised of the 38th and 52nd Assembly Districts. According to figures compiled by the Secretary of State's Office, 184,963 residents were registered and eligible to vote in the November, 1962, general election but some 55,194 — nearly 30 percent — failed to go to the polls.

As of January 1963 the total registration in the district was 139,194, consisting principally of 88,981 Democrats and 47,232 Republicans.

Since Carley Porter's principal opponent benefits from the publicity derived from the November general election, and since Porter must compete against six other candidates as well, he appears to face an uphill fight and his campaign will require every ounce of energy COPE volunteers can throw into it.

Truth in Lending Proposal Given Chance for Passage in Congress

Chances for passage of the "Truth-in-Lending" bill in the 88th Congress have brightened, although an effective measure is still some distance in the future.

The bill, now designated S-750, was blocked in committee in the 87th Congress. Congressional committee changes have revived the bill's chances.

The "Truth-in-Lending" measure would require full disclosure of the costs of credit. It would require the seller or lender to disclose the cash price, the credit price, the amount to be credited as a down-payment, the actual amount of the purchase price to be financed, a listing of all charges not directly resulting from an extension of credit, the total amount of cost to be financed, the finance costs in dollars and cents, and the finance costs expressed as a simple annual interest rate.

The true interest rate is usually far higher than that published. If a bank lends money at six percent and requires monthly repayments, the true rate is about 12 percent.

The easy credit companies, small loan firms, and other lenders have fought the bill on the grounds that it will require too much work on their part to comply. Actually, these groups seek to conceal the true costs of credit because they are so high. The "Truth-in-Lending" bill would give consumers a chance to shop around, and an opportunity to protect themselves from unscrupulous practices.

A recent study of the Bureau of Economic Research confirmed suspicions concerning the true costs of credit from various kinds of lenders. It showed that credit unions are the least expensive place to borrow, and that they charge an average annual interest rate of 9.13 percent. Commercial banks had a true interest charge of 10.4 percent; sales finance companies charged 16.95 percent on the average; and the average cost of

consumer credit at small loan firms was 24.04 percent.

Because of election results, the GOP lost one seat on the Senate Banking Subcommittee, headed by Sen. Paul Douglas (D., Ill.). Sen. Douglas, sponsor of Truth-in-Lending, lost his battle in the subcommittee in the past because Sen. Willis Robertson (D., Va.) joined with the GOP members to block the measure. There is now at least an even chance that the bill will be reported out of subcommittee.

The bill previously had no chance in the House because of opposition from former Rep. Brent Spence (D., Ky.), who was chairman of the House Banking Committee. Spence, who retired, has been replaced by Rep. Wright Patman (D., Tex.), a longtime foe of tight money and high interest.

Aid to Medical Schools Bill OK'd by House

President Kennedy's \$250 million aid to medical education bill has been approved by the House of Representatives by a vote of 288 to 122 despite strenuous opposition to some of its provisions by the American Medical Association.

The measure authorizes a three-year program of matching grants to construct and expand medical, dental and other health profession schools. A provision to provide low-cost, long term loans to medical and dental students, which was opposed by the AMA, was retained in the bill but a provision to "forgive" up to half of the amount owed by a medical student who, after graduation, practiced in an area of doctor shortages, was dropped.

The student loan provision of the bill, now awaiting senate action, would permit needy students to bor-

Retail Clerks Ask Boycott of J. C. Penney's

The Retail Clerks and Salesman's Union Local No. 1364 in Redding, with the backing of the State Council of Retail Clerks, is appealing to all California unions and labor councils to "blow the whistle on J. C. Penney's anti-union attitudes."

Calling attention to the year-long strike at Penney's in Red Bluff, H. L. Weingartner, the union's financial secretary, explained in a letter addressed to unions and councils throughout the state that several of his union's members were fired for union activity.

The National Labor Relations Board, he said, found the dismissals to be so flagrant that it took the unusual step of ordering the firm to bargain with the union "without even the formality of an election."

But the firm's bargaining has consisted of insisting on "a 'right-to-work' open shop and refused any grievance procedure that doesn't give the store manager the final say," he said.

"The company's actions make it plain that it wants a weak union or . . . no union at all," Weingartner declared.

He urged union members and their families to withdraw their patronage until J. C. Penney's demonstrates its good faith.

row up to \$8,000 for a four-year course. The loan would be repaid over a 10-year period, starting three years after graduation.

Organized labor has strongly supported the program and had urged that students going into doctor shortage areas as well as into public service be granted "100 percent forgiveness" of the loans. Such a provision would have made the loans equivalent to scholarships linked to incentives to enhance the general health of the nation.

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

RETURN REQUESTED

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

NON-PROFIT
ORGANIZATION
U. S. POSTAGE
PAID
Sacramento, Cal.
Permit No. 235