

Henning Tells Builders Job Bias Must End Now

John F. Henning, U.S. Under Secretary of Labor, spelled out in facts and figures the costs of discrimination to the nation in an address to the Washington Building Congress saying:

"The fight for equal opportunity by our Negro citizens and members of other minority groups cannot be taken lightly. This problem must be resolved, not so that we can improve our international image, but because discrimination of race is immoral, unjust, and economically wasteful."

Asserting that discrimination of race on federally sponsored construction projects must end "not sometime in the distant future but immediately" Henning ticked off the following facts:

"The Negro rate of unemployment is consistently twice the overall average. In calendar year 1962, the jobless rate among Negroes was 11 percent as against a national figure of 5.6%."

"The Negro rate of unemployment will increase as our changing technology requires more skills—unless Negroes are given the opportunity to receive training for

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Rumford Fair Housing Bill Clears Legislature in Closing Hour

The Rumford Fair Housing bill—hailed as a "strong" bill despite its compromise form—triumphed in the California Legislature during the closing hour of the 1963 session.

Governor Edmund G. Brown immediately congratulated Rumford and hailed passage of the Fair Housing law (AB 1240) as "an historic step towards giving every Californian the right to live where he pleases."

He commended the Legislature "for producing one of the most important civil rights measures in the history of this state."

In final form, it is estimated that the bill forbids discrimination against renters and buyers in about 70 percent of all housing in California. Virtually all new dwellings are included within the ban on discrimination by incorporating in AB 1240 the provisions of the Unruh civil rights act as they apply to housing. Administrative enforcement is provided by the Fair Employment Practices Commission, enlarged from five to seven members.

The final passage touched off a



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1963 General Session of Legislature Adjourns; Major Social Insurance Measures Go Down Drain

A divided and confused state legislature—often beleaguered by an army of special interests—wound up its 1963 general session at midnight last Friday after scuttling Governor Brown's labor-supported tax acceleration program and forcing the adoption of a "skeleton" state budget that denies funds for many new programs vital to California's growth and prosperity.

Topping a six month's record of inaction in the broad field of labor legislation, the solons adjourned without making any substantial improvements in social insurance programs, marking the session as one of the most unproductive in recent years and comparable to the 1953 session.

The major achievement in the field of socio-economic legislation was the 11th hour enactment of a "compromise," but strong version

of the Rumford Fair Housing Bill covering an estimated 70 percent of existing housing, virtually all new dwellings, and providing for effective enforcement of the housing discrimination ban by an expanded Fair Employment Practices Commission.

The Federation, in the closing hours, blocked a renewed effort to undermine the women's eight hour law by defeating legislation to reinstitute the so-called defense production act; sent to the Governor the major consumer bill of the session, AB481 (Foran) prohibiting "deficiency judgments" on repossessed household goods, and another Foran bill, AB482, requiring advance notice of wage attach-

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Executive Council to Meet July 9-10

A regular meeting of the Executive Council of the California Labor Federation has been scheduled for July 9-10, 1963, in Long Beach.

The 36-member executive body of the state AFL-CIO will meet in the Edgewater Inn Marina Hotel.

Among major items on the Council's agenda will be a preliminary report by Secretary-Treasurer Thos. L. Pitts on the fate of Labor's legislative program in the 1963 general session of the California Legislature, which adjourned last Friday.

The preliminary report, as in the past, will be carried in the News Letter and followed later by a final printed report on the Legislature in the "Sacramento Story—1963."

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1963 General Session of Legislature Adjourns

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ments; and secured passage of other legislation, AB419 (Knox) to regulate the abuses and false advertising of private trade schools.

SOCIAL INSURANCE

Much of the responsibility for defeat of major social insurance legislation rests with the leadership of the Assembly which held up key measures in Finance and Insurance subcommittees in the lower house until late in the session, leaving virtually no time for either Assembly or Senate consideration because of the log jam of bills that traditionally characterizes the closing days of the legislature.

As a result, legislation affecting the three basic social insurance programs in workmen's compensation, unemployment insurance, and unemployment disability insurance got hung up behind the budget-tax fight, and, with few exceptions, went down the drain.

But apart from the Assembly delay, legislation passed on to the Senate moved both forward and backward at the same time, thus adding to the burdens of the Federation in its efforts to develop an acceptable program of improvements out of a situation bordering on chaos.

JOBLESS BENEFITS

In unemployment insurance, the Assembly approved and sent to the Senate, AB 1518 (Mills) which provided more immediate benefits for employers than jobless workers. The measure would have improved the benefit structure of unemployment insurance by about \$37 million a year while handing out some \$46 million to employers to avoid an automatic federal tax boost for the repayment of temporary unemployment compensation benefits provided by Congress in the recession year of 1958.

On the benefit side, for jobless workers, AB 1518 provided for an increase in the minimum weekly benefit from \$10 to \$25 and the maximum from \$55 to \$60 a week within a revised benefit schedule based on high quarter earnings steps of \$27 instead of \$28. It would have also repealed the exclusion of the "lag quarter earnings" which currently renders about 19,000 claimants ineligible for benefits.

Benefiting employers, AB 1518 would have transferred \$34 million

in trust funds needed for jobless benefit improvements to help defer repayment of Federal TUC obligations of employers. Another \$9 million would have been transferred from the state's general fund to the benefit of employers, and the Department of Employment contingent fund would have been used in the amount of \$3 million to pay administrative costs for the 1958 federal TUC program.

In the Senate, the Mills measure cleared the conservative-controlled Insurance and Financial Institutions Committee, which rejected amendments submitted by the Federation to another pending bill, AB 660, to provide a \$50 million boost in unemployment insurance benefits in a form acceptable to organized labor, but the Mills bill got lost in the log-jam of legislation.

The same upper house committee dumped another major unemployment insurance bill, AB 547 (Burton), extending unemployment insurance to farm workers.

D.I. ASSAULT

The major assault against the unemployment disability insurance program was defeated in the Assembly on the final day of the session. The measure involved was SB 784 (Rees), which would have overturned Department of Employment regulations implementing 1961 legislation and requiring voluntary plans of private insurance companies to carry their fair share of so-called "adverse risks." The Department's regulations were upheld by the State Supreme Court in the case of Pitts vs. Perluss, initiated by the Federation.

Under the Rees bill, "cream skimming" of risks by the carriers would have cost workers from \$1 to \$4 million a year, according to the actuary of the Department of Employment, who had testified that the measure would have jeopardized the solvency of the state disability fund. Ten years of Federation effort, culminating in 1961 legislation that prohibited the selection of preferred risks adverse to the state fund, would have gone down the drain with the passage of AB 784.

The Rees bill sailed through the Senate, and was "greased" for lower house passage as it breezed through the Assembly committees

on Finance and Insurance and Ways and Means.

Only an allout effort by the Federation, assisted by Central Labor Councils and other affiliates, made it possible to defeat the Rees bill on the floor of the Assembly. SB 784 was refused passage by a vote of 22 Ayes to 48 Noes.

WORKMEN'S COMPENSATION

On the workmen's compensation front, the log jam on the Senate side also made it impossible to correct the deficiencies of the Assembly-approved Zenovich bill, AB 2019.

Again, the Zenovich bill was pushed through the Assembly by holding it up until the very last minutes for consideration of Assembly bills in the lower house in order to defeat liberalization amendments offered by the Federation.

Thus, as Zenovich's AB 2019 was passed on to the Senate, it robbed permanently disabled workers in order to help offset a small increase in temporary disability benefits. The benefit improvements in the bill increased the minimum for temporary disabilities from \$25 to \$30 a week, and the maximum from \$70 to \$80 a week. This would have resulted in benefit increases of an estimated \$3.1 million a year. The net increase, however, would have been reduced to \$1.6 million by cutting back on benefits for permanent disability ratings below 10 percent.

Before the Senate Insurance and Financial Institutions Committee, the Federation secured amendments to another workmen's compensation bill, AB 429 (Rumford), which would have provided the temporary disability benefit increases without the cutback on permanent disability ratings. Both the amended Rumford bill and the Zenovich bill were taken under submission by the Senate Policy Committee, but only the Zenovich measure found its way to the upper house Finance unit.

Final efforts by the Federation to remove the permanent disability restrictions from the Zenovich bill were made before Finance Committee and failed.

The amended Rumford bill died in Policy Committee and the Zenovich bill failed to survive the chaos

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American Legion Urged To Support JFK's Rights Program

Thos. L. Pitts, state AFL-CIO secretary-treasurer, this Friday urged the California Department of the American Legion to join with labor in support of President John F. Kennedy's program on civil rights.

Addressing the California Department convention in San Bernardino, Pitts said that the American Legion and the labor movement shared a common purpose in the preservation of freedom against totalitarian philosophies, and warned "that the superiority of our own system will find its real defense through positive action which demonstrates what a free society can accomplish."

The struggle for a better life throughout the world, the state AFL-CIO leader pointed out, cannot be divorced from those in our society "who are still fighting for their rights as first class citizens." Pitts said specifically that his reference was to the field of civil rights, and "the struggle that was going on across the nation with repercussions throughout the world."

"It is perhaps here," Pitts said, "that our institutions of freedom face their most severe test."

Pitts cautioned the Legionnaires: "We can all take pride in the considerable progress that has been made in the field of civil rights during recent years. But we would be disloyal to our democratic ideals, and grossly ignorant of the reality of America's political and social development, if we did not also understand that this progress has been taking place too slowly for this late date in history."

Quoting AFL-CIO President George Meany, Pitts said "this is no time for half measures . . . we can no longer expect Negro Americans to be content with a little liberty. They are entitled to full liberty, full citizenship, full standing in the community, not next year, but now."

Driving his points home, Pitts concluded:

"President Kennedy has challenged all of us to accept our responsibilities and to help America eliminate the blight of discrimination that degrades us as human beings and threatens our leadership

Rumford Fair Housing Bill Clears Legis.

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The race with the clock started as the Rumford bill took its place on a supplemental floor file for consideration as Item No. 401. Opponents employed every stalling trick known in hopes that the gavels would fall before the bill could be taken up.

Senator Clark Bradley of Santa Clara County, exercising a senatorial privilege, withheld consent on all non-controversial bills on the so-called Senate Consent calendar. The effect of the Bradley move was to require debate on all measures on the crowded Senate agenda, thus dooming AB 1240 to almost certain defeat.

Senator Edwin J. Regan of Trinity County, who handled the bill on the Senate floor for Assemblyman Rumford, immediately moved into action and sought agreement from Senator Hugh M. Burns to take up AB 1240 out of order. The President pro tempore and majority leader of the Senate, however, heatedly denied Regan's request, using strong language that echoed through the Senate gallery. Burns promised Regan the fight of his life if he tried to take the measure up out of order.

Undaunted, Regan took to the microphone as the minutes ticked away. He moved that the bill be set for special debate at 11 p.m., again over Burns' opposition. On roll call, the Regan motion carried by a vote of 20 to 16, and the stage was set for final Senate consideration of the Rumford bill.

Arguing that "there is no room

in the free world's struggle against Communism and other forms of totalitarianism. No American with a generation's exposure to the basic ideals of our Constitution, Declaration of Independence and Bill of Rights, will today passively accept second class citizenship. Nor can organized labor, along with all the other groups that champion freedom, tolerate the continued denial to anyone of the basic rights we have come to regard as the birth-right of all our people.

"Needless to say, finger-pointing at the South does not relieve the rest of the nation of its responsibilities. Every citizen in America—no matter where he lives—is entitled to exactly the same rights as any

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in California for two classes of citizens," Regan pressed for an "aye" vote. AB 1240 was passed 22 to 13—all 22 "aye" votes being Democrats, the dissenters numbering 11 Republicans and 2 Democrats.

The bill was rushed back to the lower house for concurrence in Senate amendments. At 11:35 p.m. Rumford moved into action, explaining the provisions of the compromise bill and embracing it as a "strong measure."

The Senate amendments were approved by a roll call vote of 62 to 9, sending AB 1240 to the Governor's desk just ten minutes before midnight and mandatory adjournment.

The Rumford Fair Housing law becomes effective in September. The California Committee for Fair Practices — coordinating body of civil rights, labor and religious groups which pressed for the passage of AB 1240—is currently preparing an analysis of the measure for circulation along with the story of its passage and the voting records of legislators.

Copies of this material may be ordered by writing William Becker, Secretary of the California Committee for Fair Practices, 2940 16th Street, San Francisco, Calif.

Henning Tells Builders

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higher skilled jobs. Only six percent of Negroes in blue colored jobs are skilled.

"Negroes too often face discrimination in apprenticeship programs. This kind of discrimination denies the Negro a skilled labor future and tends to regulate him to low-paid, menial jobs."

Among significant steps taken by the Labor Department to combat the problem, Henning said, were:

- Appointment of a National Advisory Committee on Equal Opportunity in Apprenticeship and Training, which has already held its first meeting and made preliminary recommendations.

- A 50-city survey of minority participation in apprenticeship on contract construction jobs being conducted by the President's Committee on Equal Employment Opportunity in association with the Bureau of Apprenticeship and Training.

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that engulfed the closing of the session in the Senate.

Two social insurance bills on the Governor's desk—AB 1492 and AB 1493 (Burton)—increase the minimum benefit for both unemployment insurance and unemployment disability insurance from \$10 to \$25 a week. The current condition of the State Disability Fund, however would appear to require rejection of AB 1493 because it is without adequate financing provisions.

SPECIAL SESSION

Governor Brown responded to the defeat of his tax program and and the budget fiasco with the announcement that he would call the legislature into special session on Monday, July 8.

Rights Program

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other citizen. He is entitled to be treated with the dignity due a human being. He must be fully as free as every other citizen or none of us is free at all.

"This, after all, is what you as veterans, and we in the American labor movement have long recognized in championing the freedom of the individual against totalitarian philosophies. In an increasingly troubled world we are challenged daily to be true to our ideals.

"It has been said over and over again that we as a nation, in our leadership role in the free world, reflect abroad what we are at home. The image of America has been tarnished abroad. It is our mutual responsibility, along with all freedom-loving Americans to correct that image. This is the true course to peace, because only a strong America, true to its ideals, will be able to keep the peace."

The Governor blamed his Administration's fiscal setback on "the action of a Republican minority in the Senate," charging that they "sabotaged" his tax program and budget "at the request of a few corporate interests which did not want to be taxed on the same basis as individual taxpayers."

"I doubt that the citizens of California — particularly parents of school children — will soon forget the way a stubborn Republican-led minority in the Senate catered to a few corporate interests to block the majority on tax policies," Brown asserted.

The sequence of events leading to the defeat of the tax program and adoption of the "skeleton" budget followed action earlier in the week by Senate committees clearing the whole tax acceleration program, including the proposed income tax withholding plan, with apparent ease.

On the floor of the Upper House, however, the bill to accelerate the payment of bank and corporation taxes and eliminate installment payments was taken up first because it required two-thirds approval by the Senate (27 votes). This measure alone (AB 1946) involved some \$83 million, more than half of Brown's revenue collection speed-up program.

On two separate occasions the measure fell short of passage. The final defeat was on a 22 to 15 vote with Senate Majority Leader Hugh M. Burns joining Republican minority leader John F. McCarthy to head up the opposition.

Following the defeat of AB 1946, the balance of the tax acceleration proposals were dropped. Accordingly, without the prospect of additional funds, the Senate-Assembly free conference committee on the budget found itself in a dilemma and slashed the general spending program to the bone. Likewise, pro-

posals to increase state school aid from \$55 to \$101 million a year, which were also in free conference committee, went down the drain along with a \$30 million state employees salary increase.

The budget eliminations forced a cutback on appropriations for all new or "enriched" state programs approved by the legislature. This included the elimination of the following:

- \$50,000 to launch the state's Commission on Manpower, Automation and Technology created by the legislature.

- \$6 million cutback for state hospitals, outpatient clinics and community programs of the Department of Mental Hygiene, including the loss of \$2 million for the liberalized Short-Doyle program of aid to local mental hygiene clinics.

- A reduction of \$2.8 million in local assistance to aid crippled children.

- A trimming of \$1.5 million from social welfare local assistance.

- A \$1 million slash in public health local aid.

Among other budget eliminations were: \$1.5 million for capital outlay in the Department of Parks and Recreation; \$1.2 million for state colleges; almost a half million dollars for new state scholarships; \$1.6 million for mental hygiene department expansions; \$300,000 for a pilot youth conservation program; and \$100,000 for a Department of Tourism.

Governor Brown has indicated that he is in a fighting mood as he prepares to call the legislature into special session.

"The chief business of that session," Brown declared, "will be to decide whether a handful of special interests in California dictates the fiscal policies of the largest state in the union, or whether these policies are dictated by the requirements of good government."

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