State's Leaders To Fight To Keep Fair Housing Act

Asserting that "no democracy can survive with racial hatred as part of its constitution," Governor Edmund G. Brown announced the formation of a 23-member statewide committee of distinguished Californians to spearhead opposition to an initiative amendment to prohibit all fair housing legislation.

Members of the committee, the Governor said, "have agreed to dedicate themselves between now and November to helping Californians understand that there is more at stake in the election than mere repeal of the Rumford Act.

"The initiative, sponsored by the California Real Estate Association, would give anyone an absolute right to deny housing to another person because

of his race or religion.

"Its effect would be to deprive hundreds of thousands of Californians of the right to own property," the Governor declared.

The Rumford Act was passed by the (Continued on Page 3)



IVERSITY BERN YOL. 6 — No. 14 April 3, 1964 **News Letter**

THOS, L. PITTS Executive Secretary-Treasurer Published by California Labor Federation, AFL-CIO



Fed Urges Rehabilitation Services and **Boost in Benefits For On-Job Injuries**

Organized labor has appealed to California's special Workmen's Compensation Study Commission created by the Legislature last year for substantial modernization of job injury benefits, stressing particularly the need to provide comprehensive rehabilitation services for injured workers under a fully administered program.

In testimony submitted at a hearing in San Francisco last Thursday on behalf of Thos. L. Pitts, state

(Continued on Page 2)

\$10 BILLION-A-YEAR NEEDED

3-Year Study of U.S. Poverty Suggests LBJ's Proposals To Date Aren't Enough

Although President Lyndon B. Johnson has called on Congress for "a national war on poverty" and declared that the nation's objective must be "total victory," a recently concluded three-year study on "Poverty in America" indicates that the program the Administration has spelled out thus far may prove far too little and far too late.

LBJ To Ask Probe Of Food Price Gap

Why are the producers of certain foods being paid less while the consumers of those same foods are being obliged to pay more to get them?

That's what President Lyndon B. Johnson wants to know.

At a surprise news conference called at his ranch headquarters near Johnson City, Texas, last Saturday, the President said he was preparing to ask congress for legislation to set up a 15-man bi-partisan commission to study the spread in food prices between what producers get and what consumers pay.

"We have some commodities today where the producer is receiving 25 to 30 percent less and we have the housewife who is paying 25 or 30 percent more.

"We want to see why that's happening," the President asserted.

The chief executive said the issue is particularly evident in the meat industry because meat prices have dropped for the farmer but not for the consumer.

The proposed committee would have five members from the Senate, five from the House and five would be appointed by the President.

The study, prepared by the National Policy Committee on Pockets of Poverty, reports that failure to really come "to grips with underlying economic trends" could result in even more serious want by 1980.

As a result, the committee is expected to ask President Johnson to substantially beef up the \$1 billion first-year, anti-poverty program thus far outlined. In fact, the committee is reportedly about to ask the President for a \$10 billion-a-year program for five years.

The study, prepared by Dr. Oscar Ornati, professor of Economics at the New School for Social Research in New York, found that one U.S. family in eight had a cash income below \$2,000 in 1960.

In the case of non-white families, families headed by a woman, families 65 years of age or over, rural farm families, and families whose head has had less than a grade school education, the proportion of under \$2,000 families was one in three, the study disclosed.

Setting the annual income for a

(Continued on Page 3)

S.F. Mayor Shelley To Keynote **COPE** Convention

San Francisco's Mayor John F. Shelley will be keynote speaker at the forthcoming statewide Pre-Primary Endorsement Convention of the California Labor Council on Political Education in San Francisco on Wednesday, April 8, Thos. L. Pitts, the organization's secretarytreasurer announced today.

The convention will be called to order at 10 a.m. at the California Hall at 625 Polk Street.

In accepting the invitation, Shelley, a proud alumnus of the state's labor movement said:

"I am both honored and delighted by the invitation. Nothing could give me greater pleasure than this opportunity to roll up my sleeves—in the company of my best friends-for what promises to be one of the most challenging and crucial election years in the state's history."

Shelley, who resigned as California's Fifth District Congressman after eight terms to run for and win the San Fran-

(Continued on Page 4)

Write Now-For Rights Now

Write today to U. S. Senators Clair Engle and Thomas H. Kuchel to urge them to act to stop the filibuster against the Civil Rights bill and to secure its passage without crippling amendments. Address letters to Senate Office Building, Washington, D. C. 20025. Formal Senate debate on the House-passed measure began Monday. See Kuchel Story, Page 4.

Fed Urges Rehabilitation Services and Boost in Benefits For On-Job Injuries

(Continued from Page 1)

AFL-CIO leader, any possible contention that the general public should bear the cost of restoring industrially injured workers to gainful employment was summarily dismissed:

"Industry, and not the state, should bear the burden of restoring an industrially injured man to his fullest possible wage-earning capacity, no less than it is called upon to bear the cost of restoring the usefulness of a broken piece of machinery. Certainly the human resources which industry calls upon society to furnish deserve at least the consideration that is given an inanimate object," the statement said.

The California Labor Federation, AFL-CIO, of which Pitts is secretary-treasurer, has initiated legislation during each of the past several general sessions of the Legislature to close the rehabilitation gap in the state's program.

Citing a number of earlier state, federal and medical studies advocating the rehabilitation approach, Pitts warned:

"Continued procrastination in coming to grips with the rehabilitation problem, considering existing widespread support for action, would indicate an attitude of callousness and indifference toward the most basic problem that confronts the injured workmen.

"The provision of long overdue rehabilitation benefits as a matter of highest priority in the improvement of California's workmen's compensation program pinpoints the necessity for establishing effective procedures for the efficient and humane administration of the program as a whole under an appropriate state agency," the state AFL-CIO declared.

The statement pointed out that at present California's workmen's compensation program is administered by the Industrial Accident Commission but since the I.A.C. hears only contested cases, "there is no assurance whatsoever that injured employees (in cases that are not contested) are receiving the full scope of benefits they are entitled to... The injured worker in such non-controverted cases is almost completely at the mercy of the insurance carrier for the prompt payment of benefits and the provision of adequate medical care.

"Apart from the limited and completely inadequate authority of the Insurance Commissioner, there is no state agency charged with the responsibility of auditing the promptness and accuracy of benefit payments, or supervising the adequacy of medical care. In general, because of these gross administrative deficiencies, an injured worker frequently finds it necessary to bring his case into controversy out of self-protection."

This, Pitts' statement said, unneces-

sarily inflates the cost of administering the program "to the detriment of both the injured employee and the employer."

The number of "unnecessary, costly and time-consuming cases brought before the I.A.C. would be reduced substantially under a fully administered program," it added.

The state AFL-CIO urged the creation of a new Division of Workmen's Compensation which would supplement—not supplant—the hearings and appeals functions of the I.A.C. Its primary functions would be:

1—Supervising the adequacy of medical care.

2—Auditing the promptness and accuracy of benefit payments both to avoid delays and to make certain that injured workers get the full amounts to which they are entitled.

3—Providing information to victims of work injuries.

In the text of the Federation's 35-page statement, Pitts also called for substantial boosts in the present \$70 maximum temporary disability benefit as well as in the \$52.50 per week maximum permanent disability benefit.

When initially enacted in 1914, the maximum weekly benefit was established at \$20.83 when average weekly earnings were only about \$18, he pointed out.

But today, Pitts said, "the maximum benefit for both temporary and permanent disabilities is far below average earnings in covered employment" largely because employers have succeeded in placing "artificial limits" on the amount of average weekly earnings that may be included in the computation of the weekly benefit amount.

"The present limits on average weekly wages should be substantially raised so that the vast majority of workers may be permitted to receive the stipulated wage-loss compensation amount (65 per cent of average weekly earnings) for injuries they receive while contributing to the productive wealth of our state and nation," Pitts declared.

nation," Pitts declared.

A \$150 maximum would return the

law to its 1914 intent, he added.

Pitts also urged that maintenance benefits, in addition to the regular weekly compensation benefit, be provided for workers training for new jobs under a vocational rehabilitation program.

In addition the state AFL-CIO called

• Payment of dependency benefits at the rate of \$7 per week for the first dependent and \$5 for each additional dependent, with a ceiling of \$37 on total dependency benefits.

• Retroactive payment of benefits after the seventh day of disability in non-hospitalization cases. At present retroactive payment is made only when the disability exceeds 49 days.

Conversion of the state's present

Student Wins Fed Prize With Essay On Handicapped

Waldine Huff, a 17-year-old North Salinas high school student, is the winner of the 16th Annual Essay Contest sponsored by the Governor's Committee for Employment of the Handicapped.

In addition to the \$100 first prize from the Governor's Committee, Miss Huff will receive an all expense paid trip to Washington, D. C. plus \$100 in spending money from the California Labor Federation, AFL-CIO, to take part in the annual meeting of the President's Committee on Employment of the Handicapped.

In her essay, which will compete with winning entries from other states throughout the nation, Miss Huff declared that she was "amazed to discover that the so-called handicapped people actually are not handicapped if they are employed in the right jobs and if they are satisfying their needs of feeling useful and wanted."

The theme for the contest, which is held annually to focus public attention on the problem of jobs for the handicapped and to promote "Hire the Handicapped Week" the first week in October, was "How Handicapped Workers in My Community are Proving that Ability Counts."

National winners will be announced in Washington on April 30.

When informed she was the winner, Miss Huff addressed a letter to "Mr. Pitts . . . and the 1,400,000 men and women of the AFL-CIO in California" which concluded:

"I want you all to know I shall try, to the best of my ability, to be the kind of representative you would want to send to our nation's capitol."

In announcing results of the contest, Lawrence Loban, Chairman of the Governor's Committee, expressed his personal appreciation to the many individuals who helped make the contest a success, including Albin J. Gruhn, President of the California Labor Federation, AFL-CIO, one of the three judges, and Thos. L. Pitts, the Federation's secretary-treasurer.

death benefit formula to a life pension formula to provide benefits to widows until death or remarriage with additional benefits for dependent children.

- Extension of mandatory protection to domestic servants.
- Substantial improvement in life payments for permanent disabilities.
- Full freedom of choice of doctors by the injured worker, instead of as at present, by the employer or the insurance company.

Pitts also expressed concern about the (Continued on Page 4)

State's Leaders To Fight To Keep Fair Housing Act

(Continued from Page 1)

1963 legislature and became effective September 20, 1963. It outlaws discrimination in the sale or rental of most housing in the state.

The CREA initiative to prohibit fair housing laws "would destroy the most fundamental concept of our democratic system, equality before the law," the Governor said.

"I am confident that when Californians understand the sweeping damage this initiative could cause they will vote against it. I am equally confident that this committee will get this message through to California's people," he added.

Labor representatives on the committee include Thos. L. Pitts, secretarytreasurer, California Labor Federation, AFL-CIO, San Francisco, and George E. Mock, Vice President International Brotherhood of Teamsters, Sacramento.

Other committee members are: George H. Atkinson, president, Guy F. Atkinson Company, South San Francisco; Joseph A. Ball, Esq., past president, California State Bar, Long Beach; Rabbi Leonard I. Beerman, past president, Southern California Board of Rabbis, Los Angeles; Victor M. Carter, president, Republic Pictures Corp., Beverly Hills; Ransom Cook, president, Wells Fargo Bank, San Francisco; the Most Reverend Hugh A. Donohoe, Bishop of Stockton, Stockton; Dr. Frank Gigliotti, a Masonic leader and vice chairman, National Association of Evangelicals, Lemon Grove; Bishop Gerald Kennedy, Bishop of Methodist Conference of Southern California-Arizona, Los Angeles; George L. Killion, president, American President Lines, San Fran-

Ralph N. Lewis, past president, Building Contractors Association of California, Inc., Claremont; Floyd Lowe, past president, California Real Estate Association, Palo Alto; Cyril Magnin, member, President's Commission on Equal Opportunity in Housing, San Francisco; Martin Matich, president Matich Corp., Colton; Hal Medon, senior executive vice president, United California Bank, Los Angeles.

The Right Reverend James A. Pike, Bishop of the Episcopal Diocese of California, San Francisco; Rep. Edward R. Roybal, Washington, D. C.; Assemblyman Byron Rumford, Berkeley; the Reverend Carroll Shuster, executive officer, Presbyterian Synod of California, Southern Section, Los Angeles; Emmett G. Solomon, president, Crocker-Citizens National Bank, San Francisco; Dr. Carl Spaeth, past Dean of Stanford Law School, Stanford; and Benjamin H. Swig, chairman of the board, Fairmont Hotel, San Francisco.

3-Year Study of U.S. Poverty Suggests LBJs Proposals to Date Aren't Enough

(Continued from Page 1)

family of four at \$2,500 for minimum subsistence, \$3,500 for minimum adequacy, and \$5,500 for minimum comfort, the analysis found 20 million below subsistence, 46 million below adequacy levels, and 70 million below comfort levels in 1960.

"Thus, one out of every ten Americans exists in a condition of abject poverty; almost one out of four Americans exists below adequate standards with only the bare essentials of life; and more than one out of three Americans lives below the level of minimum comfort," the study reported.

The committee's analysis rejected the Administration's definition of one-fifth of the nation in poverty because this definition is based on "the substandard income level used in 1947—17 years ago."

Labor members on the national committee include Roy Reuther of the United Auto Workers and Joseph Keenan of the International Brotherhood of Electrical Workers.

AFL-CIO President George Meany, while praising President Johnson's determination "to strike at the causes of poverty, not merely the consequences," declared that the proposed Economic Opportunity Act of 1964, which embodies the Administration's anti-poverty program, "cannot by itself achieve his —and the nation's—objectives."

Meany said that "in order to create adequate economic opportunities for the (administration's figure of) 35 million Americans who now live in poverty, much more is required."

What's Needed To Do the Job

For example, he said, any total commitment to fight poverty should include:

- Extension of the accelerated public works program with a \$2 billion appropriation.
- A boost in the federal minimum wage to \$2 an hour.
- Extension of the federal wage-hour law to millions of workers presently excluded.
- Enactment of old age social security hospital insurance.
- Stepped up housing and urban renewal programs as well as aid to mass transit projects to curb the deterioration of urban centers.
- Establishment of federal standards for unemployment compensation to correct the present system "which no longer approaches its stated purpose of tiding over the jobless" and broadening of the food stamp program initiated by the late President Kennedy.

The President's Program

The Administration's present bill, which would create a new Office of Eco-

nomic Opportunity under the President, calls for:

● Formation of a Job Corps to offer training and work experience on conservation and other projects for 100,000 male youths between the ages of 16 and 21. The Job Corps would seek to enroll 40,000 young people the first year and up to 100,000 later. Cost \$190 million.

● Work-training projects administered by the Department of Labor to put 200,000 young men and women to work in their home areas on projects developed by state and local governments and non-profit agencies. It would include work in hospitals, libraries, playgrounds and settlement houses. Up to 90 percent of the funds for the first two years would come from the federal government and up to 75 percent thereafter. Proposed allotment, \$150 million.

• Action to spur cities and towns to develop programs of their own stressing educational services, job and family counseling and health projects for low-income groups. Proposed allotment, \$315 million.

● Creation of the Volunteers for America, sort of a domestic Peace Corps comprised of 3,000 to 5,000 youths working directly under Peace Corps director Sargent Shriver on special anti-poverty assignments at federal, state and local levels. The President indicated he would appoint Shriver as his personal "chief of staff" in the war on poverty. Proposed allocation for the administration of the Office of Economic Opportunity and financing the Volunteers for America program, \$10 million.

● Initiation of experimental projects by the Department of Health, Education and Welfare to encourage state programs of job training for unemployed fathers or other members of families receiving aid to dependent children. Proposed allocation, \$150 million.

Other items included in the first-year total cost of \$962.5 million are a \$72.5 million program to underwrite part-time jobs for youth from low-income families trying to work their way through college; a \$50 million program to provide direct loans of up to \$1,500 to low-income rural families if such aid may help them permanently boost their income levels, and to help non-profit corporations acquire land to be developed into family farms; and \$25 million to guarantee loans to businesses expanding their job rosters.

Last week Seymour L. Wolfbein, director of the U. S. Labor Department's Office of Manpower, Automation and Training, reported that current studies showed that "most poverty is 'hereditary'." Seventy percent of those who fail the armed forces induction tests had fathers who weren't educated beyond elementary school, he reported.

"That is the vicious treadmill we have to break," he declared.

Fed Raps Insurance Firms 'Free Ride' At Injured Workers' Expense at Hearing

(Continued from Page 2)

cost of workmen's compensation to employers.

The state AFL-CIO leader explained that "year after year, after a liberaliza-

Kuchel Attacks 'Falsehoods' Used By Rights Bill Foes

The need to demonstrate substantial grass roots support for the civil rights bill was indicated Wednesday by Senator Thomas H. Kuchel who disclosed that much of the anti-civil rights mail he is receiving reflects an awful lot of misinformation about the bill.

Kuchel attributed this to what he called "cruelly false propaganda" embodied in full-page advertisements published recently in metropolitan papers throughout the country.

The ads, sponsored by a group known as the Coordinating Committee for Fundamental American Freedoms, Inc., amounted to "far more than a vicious distortion of fact," Kuchel declared.

"Its text consists of a series of downright falsehoods," the Senator asserted.

Secretary of the so-called Coordinating Committee for Fundamental American Freedoms is John C. Satterfield, the lawyer who represented Mississippi's Governor Ross Barnett in the latter's efforts to bar the admission of a Negro student to Mississippi University in 1962.

Satterfield has also served as president and trustee of an organization called Circuit Riders, Inc., which is composed of an ultra-conservative group of Methodist laymen. Publications produced by this organization have attacked the National Council of Churches, writers of the revised standard version of the Bible, and scores of educators, editors, writers and newscasters.

A number of the Circuit Riders' publications are listed as approved references by the John Birch Society, and the Birch Society magazine, American

tion bill is secured through the legislature, the Insurance Commissioner automatically allows a 38.35 per cent expense loading factor in adjusting premiums. This has the effect of denying workers justified increases in workmen's compensation in order to give insurance carriers a free ride on the backs of the injured workers," Pitts explained.

"On its face, we would say there is something wrong with a minimum rate setting procedure which automatically costs employers, for example, \$10 million in premium increases for every \$6,165,000 of benefit increases granted by the Legislature, even if such increases involve nothing more than writing a larger figure on a benefit checks," Pitts declared.

Members of the Study Commission were urged to focus their attention on the workmen's compensation rate setting procedures if they are truly concerned about employer costs.

Opinion, has carried advertising for Circuit Riders, Inc.

A slogan reportedly started by the propaganda activities of the Coordinating Committee for Fundamental American Freedoms pops up frequently in the congressional anti-civil rights mail. The slogan—that the proposed civil rights bill "is 10 percent civil rights and 90 percent extension of federal power"—is, perhaps, one of the "downright false-hoods" Senator Kuchel decried.

By far the biggest single contributor to the Coordinating Committee is the Mississippi State Sovereignty Commission. A New Orleans journalist writing from Jackson, Mississippi, said the Sovereignty Commission "has sunk over \$160,000 of state funds since June, 1960, in the White Citizen's Council's television and radio series."

Advertisements and pamphlets, many bearing Satterfield's name as a past president of the American Bar Association, have been found all over the country and have evidently resulted in a deluge of anti-civil rights letters to congressmen from misguided citizens.

That's why your letters supporting the bill are needed now!

Drug's Side Affects Omitted in Report, Firm Tells Court

Another stirring chapter in corporate responsibility was written this week when a drug manufacturer pleaded no contest to charges that it did not reveal that its anti-clotting drug caused eye cataracts, impotence and loss of hair in laboratory tests.

Some 400,000 persons are believed to have suffered from the three side affects of a drug called "Mer 99" and "Triparanol," a United Press International report said.

Attorneys for the firm, Richardson-Merrill, Inc., reportedly told the Federal District Court judge hearing the case that the firm's personnel omitted reporting the side affects of the drug to the Food and Drug Administration because they did not believe they should "load down" the report with test results affecting "less than one percent of the studies."

The firm's plea will prevent its admissions from being used as evidence by hundreds of persons who have filed damage suits for injuries they claim resulted from use of the drug, the press report said.

Shelley Keynoter For COPE Confab

(Continued from Page 1)

cisco mayorality last November, is a past president of the California State Federation of Labor (1947-50) as well as a past president (1937-48) and secretary (1948-50) of the San Francisco Labor Council.

More than 500 delegates from local unions and central labor bodies throughout the state are expected at the convention. Convention headquarters will be at the Del Webb TowneHouse.

The delegates will act on endorsements involving one U. S. Senate seat, 38 Congressional seats, 20 seats in the State Senate and 80 Assembly seats.

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