

California Labor's Outlook For 1965

By THOS. L. PITTS

Secretary-Treasurer

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Organized labor in California looks toward the New Year with hope for substantial—possibly even unprecedented—progress in coming to grips realistically with a wide range of critical social and economic problems at both the state and national levels.

Certainly President Johnson's overwhelming landslide victory on Nov. 3, coupled with the election of scores of forward-looking congressmen, provides the national administration with a clear-cut mandate for prompt and decisive action to further implement the war on poverty, combat mass unemployment and adopt a program to provide adequate medical care for the aged under social security.

It also appears possible to pave the way for the improvement of the wages and working conditions of literally millions of workers throughout the nation by repealing Section 14(b) of the Taft-Hartley Act which encourages states to enact so-called "right to work" laws. Such laws have proved to be a severe obstacle to free collective bargaining and have depressed both wages and salaries in virtually all states adopting them.

While these specific action areas are foremost among the labor movement's concerns nationally, there are many other areas in which the promise of

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Time for Action to Cope With Automation Crisis Long Overdue, AFL-CIO Warns

An AFL-CIO spokesman warned a gathering of automation experts not to become "smothered by words and statistics" to the neglect of "policy and action." Nathaniel Goldfinger, Director of the AFL-CIO Dept. of Research, said the United States and other industrialized nations are undergoing "a vast technological revolution" which poses grave social, political and economic problems.

Fed Acts To Aid Flood Victims

In an effort to mobilize and coordinate aid for the tens of thousands left homeless by the devastating Northern California floods, State AFL-CIO leader Thos. L. Pitts, this week dispatched the following self-explanatory wire to all central labor bodies:

"A coordinated statewide program to aid victims of disastrous northern California flood is currently being developed by the California Labor Federation, AFL-CIO, in cooperation with the

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Brown Asked To Reconsider Farm Labor Stand in Light of Grower Tactics

State AFL-CIO leader Thos. L. Pitts this week said Governor Brown and the Labor Department "should immediately reconsider their support for continued importation of braceros via the McCarren-Walter Act (P. L. 414) in view of the growers' flagrantly contemptuous attitude" toward current governmental efforts to place unemployed domestic workers in agricultural jobs.

"On the opening day of the widely advertised federal-state recruitment program, the growers pulled off a cynical maneuver that surely has convinced jobless workers that it is again business-as-usual in this industry," Pitts declared.

"The 400 men who reported for work as early as 4:00 a.m. in Los Angeles on Monday waited nine long hours before any buses showed up and then all but 100 or so were sent home without any work at all.

"Nothing could have been better

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State and U.S. Lawmakers Convene Monday

Both the State Legislature and the First Session of the 89th Congress will convene next Monday to tackle a host of vital public issues ranging, on the federal level, from medicare and the repeal of so-called "right to work" laws to the reform of congressional rules to prevent the bottling up of public interest legislation, and, on the state level, from reapportionment and taxes to long overdue modernization of California's social insurance programs.

President Johnson's State of the Union Message will be beamed to the entire nation via radio and TV at 6:00 p.m. Pacific Time. The President's program to create the "Great Society" he envisioned during the recent campaign will be spelled out in his message.

Governor Brown announced this week that he would not deliver his opening message to the legislature until the second day of the 1965 session on Tuesday to assure that the state's problems would not be eclipsed in news coverage by the President's address.

As a result, the state's lawmakers will convene at noon Monday, elect officers and then adjourn until Tuesday.

The key Democratic leadership posts in both the upper and lower houses of the state legislature will apparently be unchanged from the last regular session with Hugh M. Burns (D-Fresno) slated for reelection as President pro tem of the Senate and Jesse M. Unruh (D-L.A.) unchallenged as Assembly Speaker. Assemblyman Jerome R. Waldie (D-Contra Costa) is

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California Labor's Outlook

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progress also appears to be present.

President Johnson's call to the nation to help build the Great Society—a society in which, as he put it, “every man has a chance to advance his welfare to the limit of his capabilities”—reflects both a recognition of our capacity as a nation to solve the economic and social problems that presently shame us and a determination to use that capacity.

It also reflects recognition of the fact that automation will have a devastating impact upon the nation's economy within the next five to ten years unless bold new imaginative programs are undertaken immediately to cope with it.

An inkling of our accelerating rate of technological change and job displacement is mirrored in the statistics of the growth of computer installations in the United States. In 1956 there were less than 1000, but seven years later in 1963 there were more than 15,000. No informed person is any longer deluded by the myth that in the long run automation still creates jobs. In fact, recent Labor Department estimates indicate that automation is wiping out jobs at a rate ranging somewhere between 1.8 million and 3.7 million a year.

At the same time, our work force is expanding and its rate of expansion is accelerating. Moreover, as a result of other technological changes, the productivity of workers generally is rising, thereby further diminishing job opportunities.

All of these elements are already reflected in a number of collective bargaining agreements of recent years that have provided shorter hours, longer vacations, sabbatical leaves with pay, and provisions for earlier retirement. But to date, progress along these lines, which at best is only part of the solution to the job dilemma, has been far too spotty and far too slow.

In the year ahead, with automation bodies on both the federal and state levels working to educate the business community to the enormity and complexity of our manpower problem, organized labor believes substantial progress may be made not only toward a 35-hour work week and federal standards to improve unemployment compensation programs, but that the time is now at hand when we will start to come to grips in more than token fashion with such long-felt social needs as adequate rapid mass transit facilities, low-cost housing, elimination of our crime-spawning slums, and programs to vastly improve both the educational facilities and the educational opportunities of the nation's children at the primary and secondary levels.

In California, with our unemployment

Brown Asked To Reconsider Farm Labor Stand in Light of Grower Tactics

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calculated to throw cold water upon unemployed workers' momentarily revived hopes that things are going to be significantly better in this industry from now on.

“It is a source of amazement to us that the federal and state governments can proceed under these conditions with any pretence that the growers may still be able to qualify for the ‘new’ bracero. This deliberate and reckless act again brazenly demonstrates that there is precious little prospect of any significant changes taking place in this industry until government makes it absolutely clear that the growers must thoroughly and conscientiously comply with its regulations.

“The growers have used similar run-arounds for more than a decade to create the appearance of a domestic labor shortage in order to qualify for braceros,” Pitts added. The secretary-treasurer of the California Labor Federation, AFL-CIO also observed:

“Further evidence that the growers may go the full route by letting crops rot in the fields as a publicity stunt to reopen their gateways to easily exploitable foreign labor was the disclosure on Tuesday by the State Department of Employment that the growers are rejecting two out of every three workers that apply.”

Observers on the scene reported many experienced former agricultural

rate more than a full percentage point above the national average, any or all of these programs could be beneficial. But there are other areas in the state economy requiring strong leadership by the state administration.

In addition to implementing an effective anti-poverty program in California to ease the plight of our domestic farm workers who are the core of the state's poverty problem, strong leadership will be required both from the Governor's office and legislative leaders to effect long overdue improvements in our unemployment insurance and workmen's compensation programs as well as in a number of other areas in which state action is vital to prepare California to cope with the on-rushing impact of automation.

While the outlook for state action is somewhat complicated by the reapportionment issue facing the state's lawmakers in January, the need for action in the areas mentioned is so critical to the economic health of the state that there is ample ground to hope that effective action will be taken.

In short, organized labor in California sees 1965 as a year of enormous promise for unprecedented progress. And we intend to do our utmost to realize that promise.

workers are being rejected so the growers can strengthen their ridiculous claim that domestic workers are not qualified for this work.

The state AFL-CIO leader said that in view of agribusiness claims that the state's \$3.5 billion agricultural industry “faces catastrophic collapse” next year for the lack of some 60,000 braceros, Pitts asked:

“Isn't it strange that the bracero users appear to be relying solely on the recruitment efforts of four federal-state, eight-man teams—a total of 32 men—whose salaries come out of the general taxpayers' pockets to recruit their labor for them?

“Are no responsible state and federal officials going to demand that a strict, detailed and comprehensive record be kept of the reasons why two out of three farm labor applicants are being turned away?

“To put the farm labor problem in proper perspective, the state's taxpayers must realize that on an eight-hour day, five-day week basis—the basic work-week for the bulk of our state's population—farm workers with no dependents earning \$1.25 an hour would get only \$32.04 and a worker with three dependents only \$37.44 a week after taxes and the \$1.75 a day he is charged for food are deducted.

“But corporate grower spokesmen have declared publicly that they can't afford to pay more than \$1.00 an hour—a net of only \$23.90 for the worker with no dependents and only \$29.30 for the worker with three dependents. That, the growers claim is all the take home pay they can offer for 40 hours of labor a week in a state in which the average weekly wage in other industries is nearly \$120 a week.

“While such wage rates in themselves are incredible, even more incredible has been the almost total lack of protest by taxpayer groups to the enormous social welfare, health and educational costs that the toleration of such wage rates imposes on the general public, not to mention the crime, delinquency and disease hazards they create,” Pitts declared.

The only way to correct this situation, he added, “is to uphold the expressed will of Congress by denying the growers any hope of access to foreign labor and requiring them to compete for U. S. labor on the same basis as other U. S. industries.

“Contrary to the irresponsible claims of the growers, competent economic studies have demonstrated that such a course of action would neither significantly increase the retail price of the produce involved nor result in any significant cutbacks in farm production,” he concluded.

Time for Action to Cope With Automation Crisis Long Overdue, AFL-CIO Warns

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conference that the contention of some participants that the immediate need is for more data is "sheer nonsense."

"The time is long overdue," he stressed, "for an emphasis on positive policies and action—to achieve and sustain job opportunities at decent wages for all who are able and willing to work."

He called for measures "to humanize the rapid rate of technological change, to cushion the blows of the technological revolution on people and communities, to achieve an equitable sharing of the fruits of our increasing productive potential among all groups in our societies."

Goldfinger told the international gathering that "it is shameful that we have sat here for two and one-half days assuming that human beings must be adjusted to a rapid pace of technological change" without considering "the equally important proposition that the pace of technological change must be adjusted to human needs."

The issue, he said, is whether society is a tool of technology or technology a tool of society.

In the U. S., Goldfinger said, "this technological revolution is pushing large numbers of people off the farms, out of the rural areas and into the cities." At the same time, "semi-skilled jobs in industrial and distributive activities are being curtailed, urban unemployment is rising and the growth of the labor force is accelerating."

The solution, the AFL-CIO chief economist declared, is not exclusively in the "indirect and general Keynesian approach" of lifting consumer demand through "general expansionary fiscal and monetary policies."

JOB CREATION VITAL

During the "transition period of the next 10 to 20 years," he stressed, such policies must be supplemented by "job-creating programs to increase the utilization of unskilled and semi-skilled labor, as well as by programs to increase the utilization of materials."

As examples of programs in the public sector which are "both possible and socially needed," Goldfinger cited urban redevelopment, mass transit systems, and expansion of educational, recreational and cultural facilities.

Beyond these, he said, is the need:

- To reduce the amount of working time during a person's life.
- For manpower policies to assist people and communities in the adjustment process.
- For government and collective bar-

gaining policies "that bring a fair share of the fruits of technological advances to workers, the retired, the disabled and families that have no breadwinner."

'IMAGINATIVE' EFFORT ASKED

Goldfinger termed existing government efforts and expenditures for full employment "belated and meager." The need, he said, is for "a tough, imaginative and dedicated commitment to full employment" by government leaders.

He noted "a regressive shift in income distribution" and a lag in real wages," and warned: "Such trends cannot continue for too long without economic, social and perhaps political troubles."

Calling for positive action programs, Goldfinger concluded:

"Surely the human genius that can create computers and nuclear energy is capable of humanizing technology and adjusting to our ability to produce a growing abundance with less and less productive labor."

Shun Standard Oil, OCAW Asks

Despite its attempt to force a sub-standard contract settlement on its employees, the Standard Oil Company of California is making more than an ample profit on its employees' labor, according to figures released recently by the research department of the Oil, Chemical and Atomic Workers International Union.

OCAW, which is appealing to the public not to buy the firm's products because it is attempting to undercut the 4½ per cent wage-and-benefit pact agreed to by all other major oil firms, points out that Standard of Cal's net profit in 1961 was \$294,400,000 and that it netted \$3.33 for each man-hour worked.

That represented an approximate 100 per cent profit over the wage bill for refinery workers and more on the wages of those not represented by a union, the union asserted.

Moreover, Standard of Cal shared in an over-all productivity boost of 8.8 per cent in the oil industry last year when its net profits went up to \$322,000,000 and the increased productivity was far higher than the 3.5 per cent productivity registered in all industry, the union added.

Union spokesmen have also suggested that Standard Oil credit cards be torn up and returned to the company with a note protesting the firm's adamant and arbitrary stand.

Fed Acts To Aid Flood Victims

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Red Cross, at present, the only organization approved by the Federation as a relief agency.

"All union members and central bodies in disaster areas are urged to contact their nearest Red Cross Disaster Relief Center immediately and to check all rumors with such centers before acting on them. Red Cross help is available free, without any strings attached. Therefore the Red Cross requests that 'anyone pretending to dispense 'relief' in the name of the Red Cross who asks for either a monetary or other consideration . . . be reported to the nearest Red Cross Disaster Center."

"An evaluation of the extent of damage and assessment of the quantity and character of the flood victims' needs will be made as soon as the waters recede.

"Union members, local unions and central bodies outside the disaster area desiring to send funds to aid the flood victims should make their checks payable to the California AFL-CIO Flood Relief Fund in care of California Labor Federation, AFL-CIO, 995 Market Street, San Francisco.

"All funds collected will be turned over to the Red Cross for distribution to flood victims. Public announcement of the AFL-CIO Fund Drive will be made after a determination of needs.

"This advance notice of the fund appeal is made in hope of heading off donations to phony, self-serving fund drives. In the interests of a coordinated program to maximize relief for the flood victims, this office will keep you posted as subsequent developments clarify the situation."

"Please advise local organizations in your area."

Thos. L. Pitts,
Secretary-Treasurer.

Pamphlet on Labor's 1965 Goals Yours for the Asking

The AFL-CIO's national legislative program for 1965 as adopted by the Executive Council on November 24, 1964, is now available in pamphlet form.

Orders for the 12-page pamphlet entitled "AFL-CIO Legislative Goals for 1965" should be sent to the Pamphlet Division, AFL-CIO Department of Publications, 815-16th St., N. W., Washington, D.C. 20006. It is available free in reasonable quantities.

High Court Upholds NLRB Ruling in Fibreboard Plant Contracting-Out Case

An employer must bargain with his union before replacing union workers with an independent outside contractor, the U.S. Supreme Court ruled in a recent 8 to 0 decision culminating a five-year fight by the United Steelworkers, AFL-CIO, to protect the rights of 53 union members at the Fibreboard Paper Products plant in Emeryville.

The high court's landmark decision upheld the National Labor Relations Board ruling that the Emeryville firm had acted illegally when it arbitrarily

abolished its maintenance department in 1959 and contracted the work to another firm.

The decision, written by Chief Justice Earl Warren, pointed out that abandonment of the maintenance department did not change the company's basic operation.

"The maintenance work still had to be performed in the plant," the Chief Justice said. "No capital investment was contemplated; the company merely replaced existing employees with those of an independent contractor to do the same work under similar conditions of employment."

The NLRB had ruled that the firm violated the National Labor Relations Act by refusing to bargain with the union on the issue of contracting out the work and ordered the firm to reconstitute its maintenance department, restore the union workers to their former, or equivalent, positions and give them back pay, a sum estimated by the union sometime ago to exceed \$1 million.

DECISION QUOTED

In upholding the Board's decision, which had earlier been affirmed by a lower court, the Supreme Court pointed out that:

"The contracting out of work previously performed by members of an existing bargaining unit is a subject about which the National Labor Relations Act requires employers and the representatives of the employees to bargain collectively."

However, the high court made it clear that its decision did not apply to any and all subcontracting cases but only to cases in which union workers were directly replaced by outside contractors and immediately lost their jobs.

It also emphasized that the employer is required only to agree to bargain on the question, not, necessarily, that the employer yield his position. In other words, the employer could still contract out the work, if after negotiating with the union, no agreement could be reached to change the practices giving rise to the firm's subcontracting decision.

In a separate concurring opinion written by Associate Justice Potter Stewart and joined in by Associate Justices William O. Douglas and John M. Harland, the court emphasized that it had not found "that every managerial decision which necessarily terminates an individual's employment is subject to the duty to bargain" or even that every such decision involving subcon-

Kingsport Press Unions Ask for Consumers' Aid

A drive for one million signatures on petitions supporting 1,200 union members on strike against the Kingsport, Press in Kingsport, Tenn., has just been launched by the AFL-CIO's Union Label and Service Trades Department.

The strike, now in its 21st month, has been prolonged by the firm's recruitment of strikebreakers and use of its supervisory personnel to maintain operations at a reduced pace.

The five unions involved in the strike are the Bookbinders, Pressmen, Stereotypers, Machinists and Typographical Unions which comprise the Allied Kingsport Press Unions.

The petition campaign will seek to gather the one million signatures by January 15. The petition proclaims:

"More than one million of your potential customers will not buy your books unless produced under conditions fair to the people who manufacture them."

The Kingsport Press is one of the nation's largest manufacturers of hard-cover books. Signers of the petition pledge "not to purchase Great Books of the Western World or Britannica, Jr., published by Encyclopedia Britannica, Inc.; the World Book Encyclopedia or the Child Craft Series, published by Field Enterprises Educational Corp.; Book of Knowledge Encyclopedia, Grolier Council Encyclopedia or English Lands and People, published by Grolier, Inc."

Petition signers are also calling on publishers to "take all possible steps to influence settlement of this labor dispute, or to place their printing and binding orders in manufacturing plants maintaining a fair relationship" with their employees.

The Union Label and Service Trades Department is calling on more than 1700 label councils, women's auxiliaries and other union bodies to circulate the petitions. Petitions may be obtained from R. W. Ayers, secretary-treasurer, Allied Kingsport Press Unions, P. O. Box 1097, Kingsport, Tennessee.

The unions and the AFL-CIO have given strong backing to the strikers but the main strength of the labor movement "rests upon the united action of union members, their families and sympathizers in refusing to purchase unfair products," Joseph Lewis, secretary-treasurer of the Union Label Department declared.

tracting carries that duty.

Nonetheless, the ruling upholds the concept that employees working for a firm should be protected from arbitrary and possibly capricious managerial decisions affecting their jobs, a concept that will become increasingly critical as automation advances.

Lawmakers Convene Monday

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also expected to retain his post as Majority Floor Leader.

On the Republican side, Assemblymen Robert Monagan of San Joaquin County and Charles J. Conrad of Los Angeles are in a nip-and-tuck race for Minority Floor Leader. Assemblyman James J. Whetmore (R-Orange) announced this week that he was a candidate for Minority Whip, a post presently held by Assemblyman Carl Britschgi (San Mateo) but Britschgi, who wants a seat on the Assembly Rules Committee, may not contest Whetmore's challenge.

In preparation for the legislative session, Thos. L. Pitts, Secretary Treasurer of the California Labor Federation, AFL-CIO, announced that the Federation is re-establishing its offices in the Hotel Senator in Sacramento to press for the legislative goals spelled out in resolutions adopted by delegates to the Federation's Fifth Biennial Convention in San Francisco last August.

Following a suggestion approved by delegates to the Federation's convention, the state AFL-CIO Executive Council earlier this month approved a compact legislative program to be sought in the months ahead. (See News Letter December 11, 1964).

Prospects for early action on the the Federation's program, however, Pitts said, are dimmed by the lawmaker's preoccupation with reapportionment, the budget and taxes.

As a result of the November 3 general election, the session will open with the Democrats holding a 49 to 31 edge in the Assembly and a 27 to 13 majority in the Senate. Of the three State Senators elected to their first full terms, one is a Democrat and two are Republicans. One of the latter, John G. Schmitz of Orange County is the only acknowledged member of the John Birch Society in the legislature.

In the lower house there are 10 freshmen assemblymen — five Republicans and five Democrats.

Although the Democrats retain their clear two-thirds majority vote in the Senate, they are now five votes shy of the 54 vote two-thirds majority needed to approve the budget in the Assembly.