

Brown Signs Bill To Guard Fringe Benefits

"This bill corrects a long-standing deficiency that has unfairly penalized labor unions and employee groups," Governor Edmund G. Brown declared last week when he signed AB 1274 which extends lien rights to trust funds to protect workers' fringe benefits.

"While wage funds in trusts established by collective bargaining agreements have been subject to lien provisions, lien rights have not applied to such fringe benefits as medical coverage, hospitalization and pensions," the Governor pointed out.

"But these benefits are, in effect, part of the wage package that should have the same protection as wages. The bill

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thus provides a means of recovering employee benefits which otherwise might be lost," he added.

State AFL-CIO leader Thos. L. Pitts who was on hand when the Governor signed the bill, explained that:

"The need for the measure is particularly acute in the building trades in California because on a number of occasions contractors for large subdivisions who may have overextended themselves financially have defaulted on the payments owed to trust funds set up under collective bargaining agreements to distribute fringe benefits.

"This new law gives such union trust

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Nine Win \$500 Fed College Scholarships

Winners of the nine \$500 college scholarship awards offered in the 15th Annual High School Scholarship competition sponsored by the California Labor Federation, AFL-CIO, have just been announced. Chosen from a field of 932 high school seniors competing in the examinations, they are:

LBJ Signs \$4.6 Billion Tax Cut

A \$4.6 billion excise tax cut bill designed to cut prices and stimulate buying on scores of items ranging from automobiles to toiletries was signed into law by President Johnson on Monday.

The measure, which won Senate passage on an 84-3 vote last week and had received House approval on June 2 by a vote of 401 to 6, is intended to reduce the prices of appliances, air condition-

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Executive
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IWC OKs \$1.30 for Farm Women But Cuts Hours and Overtime Section Out of Order

The minimum wage for women in agriculture will be \$1.30 an hour after September 15, 1965, the California Industrial Welfare Commission decided yesterday.

The IWC's action, reflecting in part some of the objections raised by the California Labor Federation, AFL-CIO, to the order as initially proposed by the Commission last May 20, also resulted in a revision that boosts the reporting time pay provision from two to four hours pay at not less than the minimum hourly rate.

State AFL-CIO leader Thos. L. Pitts had submitted a 17-page statement to the Commission on June 7 spelling out the Federation's objections.

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AMA'S Actions Bare Attitudes On Public Issues

The American Medical Association, which has succeeded in blocking passage of Administration efforts to provide adequate medical care for the nation's aged for years, again demonstrated its concept of public responsibility this week when it refused to endorse the U. S. Surgeon General's 1964

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Local Bans on Strikebreakers Void, State Says

An opinion issued by the State Attorney General's office this week maintains that ordinances recently enacted by six northern California cities to ban professional strikebreakers are invalid because the field is preempted by state law.

The opinion, written by Deputy Attorney General Jan Stevens, said that there are already state laws on the books covering referral or solicitation of workers by employers whose regular workers are engaged in a labor dispute.

These laws, he said, prohibit certain employment agencies from sending part-time or temporary workers to firms involved in labor disputes and prohibit others from sending workers to such firms without telling them of the dispute.

Stevens said that the state laws and

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IWC OKs \$1.30 for Farm Women But Cuts Hours and Overtime Section Out of Order

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jections to the proposed Order on a point by point basis and warning that if the five-cent differential between this order and the Commission's other orders were adopted it would "brand California's farm workers as second class citizens." In addition, a federation spokesman testified at a hearing the Commission held on the proposed order in Los Angeles on June 16.

Initially, the Commission had proposed that the hourly minimum wage, presently \$1.00 for both women and minors, be boosted only to \$1.25 for women until June 1, 1967, when it would have gone up to \$1.30.

The effect of the Commission's action was to bring Order 14's minimum hourly

wage terms into line with the \$1.30 minimum that has prevailed in the 13 other industries covered by the Commission's Wage Orders since last fall.

The new Wage Order, however, will establish a differential in wages between women and minors that did not exist in the original order.

As adopted by the Commission yesterday, the minimum wage for minors will be only \$1.10 or fifteen cents less than the federal minimum wage.

In addition, the Commission deleted the entire hours section from the proposed order so that the order now applies only to wages and working conditions instead of to wages, hours and working conditions. The deletion of this section eliminates all the provisions for overtime pay and curbs on excessive hours that had been proposed by the Wage Board and included in the revisions the Commission initially proposed.

The Commission did, however, amend the meal period provision to call for a 30-minute meal period after five instead of six hours work unless a work period of not more than six hours will complete the day's work.

It also broadened the applicability of 10-minute rest periods every four hours to cover all workers rather than merely those working on or at a machine. The first Wage Order covering women and minors in agricultural occupations, which was adopted in 1961, had not included any rest period provision. The new rest period provision also stipulates that rest periods shall be counted as hours worked.

The order also spells out somewhat more specifically the toilet and washing facilities employers must provide, but employers still are not required to provide separate toilet facilities for women and young male workers.

The lifting provisions were amended to prohibit female employees from being required to lift any object weighing more than 25 instead of 35 pounds to make it conform with the Commission's orders in other industries.

Reynoso Gets FEPC Post

Cruz Reynoso, an El Centro attorney, has been named Assistant Chief of the Division of Fair Employment Practices to succeed Aileen C. Hernandez who was named to President Johnson's Commission on Equal Employment Opportunity.

Reynoso, 34, is a graduate of the University of California School of Law at Berkeley.

Local Bans On Strikebreakers Void, State Says

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past court cases indicate "an attempt to deal with the subject" of the anti-strikebreaker ordinances and that, therefore, "the field has been completely occupied" by the state.

The six northern California communities that have enacted anti-strikebreaker ordinances in recent months are: San Francisco, San Jose, Pittsburg, Albany, Berkeley and Fresno.

The ordinances in question would prevent the employment of "any person who customarily and repeatedly offers himself for employment in place of an employee involved in a labor dispute."

The opinion, requested by Assemblyman Jerome Waldie (D-Contra Costa), said the state, having enacted various Labor Code sections that were cited in the opinion, has shown an intention to preempt the field. It cited specifically the cases of Stephenson versus Palm Spring and Chavez versus Sargent.

The City Attorney of San Francisco, Thomas O'Connor, challenged the opinion and maintained that San Francisco's ordinance "is valid unless and until federal and state laws take over. . . . The subject is not covered by state or federal law," he asserted.

The impact of the opinion, however, may dampen current drives to enact similar ordinances in other cities. It may also provoke a court test of the issue.

The Birchers and 14(b)

The John Birch Society has urged its members to try to block repeal of Section 14(b) of the Taft-Hartley Act which has permitted states to enact so-called right-to-work laws that prevent employers and employees from adopting union shop contracts. Help fight the Birchers, the "free loaders" and the right-to-workers all in one blow by writing your Congressman and Senators today to urge them to vote for repeal of Section 14(b).

85% Get Benefits

If you are over 65, check at the social security office. Eighty-five percent of the American people over 65 are eligible for monthly checks.

LBJ Signs \$4.6 Billion Excise Tax Cut Bill

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ers, TV and radio sets, handbags, jewelry, watches, furs, cameras, pens, pencils, musical instruments, luggage and many other items. In most cases the current excise tax amounts to 10 percent of the purchase price.

The reduction in the tax on autos, however, is in stages with the first stage cut set at three percent at the factory level. This is expected to result in about a 2.3 percent saving to buyers at the retail level.

In signing the measure, President Johnson observed:

"This excise tax bill will make its maximum contribution to our economic health only if businesses pass along to consumers the full amount of the reduction in the tax. And today I urge every manufacturer and every retailer in this country to do just that."

The President also indicated that he is currently considering a further tax cut for those in the lowest income groups. He said:

"When there is again opportunity for tax revision, we hope, in particular, to provide further tax relief for those in our nation who need it most—those taxpayers who now live in the shadow of poverty."

The tax cuts took effect the day after the President signed the bill.

AMA's Actions Bare Attitudes On Public Issues

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Report that declared that smoking causes several kinds of cancer and probably contributes to other diseases.

And in another area of public interest, the AMA refused to move against racial discrimination when it declined to change its constitution to provide for direct membership of doctors who are excluded from state and county medical societies. Instead it merely reaffirmed a year-old policy statement that only gives lip service to efforts to end such discrimination.

On the smoking issue, an AMA Reference Committee announced a year ago that it "recognizes the contribution" that the Surgeon General's Report made but "did not see fit to endorse it fully" then.

In the interim, the AMA has been spending some \$10 million in funds put up by tobacco companies to continue research on the relationship between smoking and health. Hence Association approval of the Surgeon General's Report now would apparently conflict with the research it is engaging in in behalf of the tobacco firms.

As a result, the AMA committee declared this week that "after mature consideration there is no reason for further comment" on the report. And the AMA's policy-making House of Delegates approved the committee's findings without a dissent.

A Clearing House To Curb Frauds?

A national clearing house to help fight consumer frauds was proposed this week by Paul Rand Dixon, chairman of the Federal Trade Commission.

Dixon pointed out that the addition of just one more lawyer to the staff of the Federal Trade Commission's General Counsel could save American consumers millions of dollars annually in losses to fraudulent schemes.

The FTC chief said he hopes to start a nationwide campaign against such rackets early this fall in cooperation with Attorneys General in all 50 states. His clearing house would work as follows:

If a complaint were received from California, for example, the FTC would furnish details to Attorneys General in all other states to alert them to the scheme.

A Plea for "Equal Time"

NLRB Asked to Guarantee Unions Rebuttal Time in Organizing Drives

The AFL-CIO has urged the National Labor Relations Board to assure workers the chance to make "a free and reasoned choice" in representation elections by guaranteeing unions the right to address lists of employees and "equal time" to respond to "captive audience" speeches by managerial personnel.

In a brief filed with the board, the national federation emphasized that NLRB rules aimed merely at "equality of access" to employees may not be enough to insure a fair election, and the goal should be "an election where the individual employee can enter the voting booth after a thorough exposure to meaningful persuasion, without having been subjected to undue influence from any source."

The federation brief was filed in connection with an NLRB hearing involving four cases in which unions which lost elections objected to employer conduct in pre-election campaigning.

The companies and the unions involved are the Auto Workers and McCulloch Corp. of Los Angeles; the Electrical, Radio & Machine workers and General Electric Co.; the Clothing Workers and Excelsior Underwear, Inc., and Saluda Knitting, Inc., of Saluda, S.C., and the Operating Engineers and K. L. Kellogg & Sons of Long Beach, Calif.

The brief based its arguments on the experience of the federation's organizing staff in 780 representation elections during 1964 and on "a cross-section" of the views of leading sociologists, social psychologists, and other experts regarding factors influencing voters' minds and the effectiveness of various campaign techniques.

From these sources, the brief developed "two cardinal principles" which it said "must govern all realistic thinking" on the problem of fair representation elections.

1. Any employer starts an election campaign "with certain built-in advantages over the union" flowing from his employees' awareness of "the crucial job control" he exercises and from his position as a paternal figure. These advantages are frequently reinforced by community attitudes as expressed in the local newspaper, by civic leaders and sometimes even by churches.

2. Personal contacts are "the single most important source of influence in determining the way most persons make up their minds in a representation election or a political campaign."

The federation cited a number of

studies of NLRB elections showing the effectiveness of company "captive audience" speeches attacking union organization efforts and the significance attached to management's presentations by the workers involved.

"A fair and free election cannot be held" where an employer makes such a speech and a union has no chance to reply, the brief declared. It urged the NLRB to adopt a rule that "an employer making a captive audience speech to a unit of any size at any time after a petition has been filed . . . should be required to grant the union equal time to reply."

On the question of address lists, the AFL-CIO noted that in this respect, too, the employer starts a campaign with "the enormous advantage" of having a complete, up-to-date list covering every employee, whereas union organizers must devote "an inordinate amount of their time to what is only a partially successful effort to track down the names and addresses" through their own efforts and through in-plant committees.

"This imbalance can be redressed," the brief asserted, "only by compelling the employer to supply the union on request with a complete list, preferably when the board's regional director accepts the union's showing of interest . . ."

Cabinet-Level Housing Dept. OK'd

An AFL-CIO backed bill to create a cabinet-level Department of Housing and Urban Development, HR 6927, won House approval last week by a vote of 217 to 184.

California Congressmen who voted against this labor-backed bill were:

Baldwin; Bell; Clawson; Gubser; Hosmer; Lipscomb; Mailliard; Reincke; Smith; Talcott; Teague; Wilson; and Younger. Not voting but paired against the bill were Representatives Clausen and Utt. All are Republicans.

The new department, which would be headed by a secretary appointed by the President, would acquire all of the functions, powers and duties of the Housing and Home Finance Agency, the Federal Housing Administration, the Public Housing Administration and the Federal National Mortgage Administration.

It is sought to accelerate efforts to eliminate urban blight and decay, inadequate housing, suburban sprawl and attendant problems such as traffic jams.

Nine Win \$500 Fed College Scholarships

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Jack Abeloe, Jr., 40 Nacional St., Salinas, Salinas High School, Salinas; Robin Feuer, 2808 Oak Knoll Terrace, Berkeley, Berkeley High School, Berkeley; Ronald Nimmo, 14440 Willow Rd., Lakeside, El Capitan High School, Lakeside (San Diego County); and Thomas Miller, 8238 Billow Vista Drive, Playa del Rey, Westchester High School, Los Angeles.

Thos. L. Pitts, secretary-treasurer of the state labor federation who announced the winners, explained that they may apply the \$500 awards at any accredited college or university of their choice. No restrictions whatever are placed on the future course of study undertaken by the winners, he added.

Pitts said the scholarship winners were selected on the basis of a two-hour examination held on April 23 with the cooperation of the high schools of the competing students.

The examination was designed to explore and evaluate the students' knowledge and understanding of labor and industrial problems and their ability to convey this knowledge. Demonstration of an understanding of past and present social and economic conditions that have affected labor-management relations was another important consideration used in grading the tests.

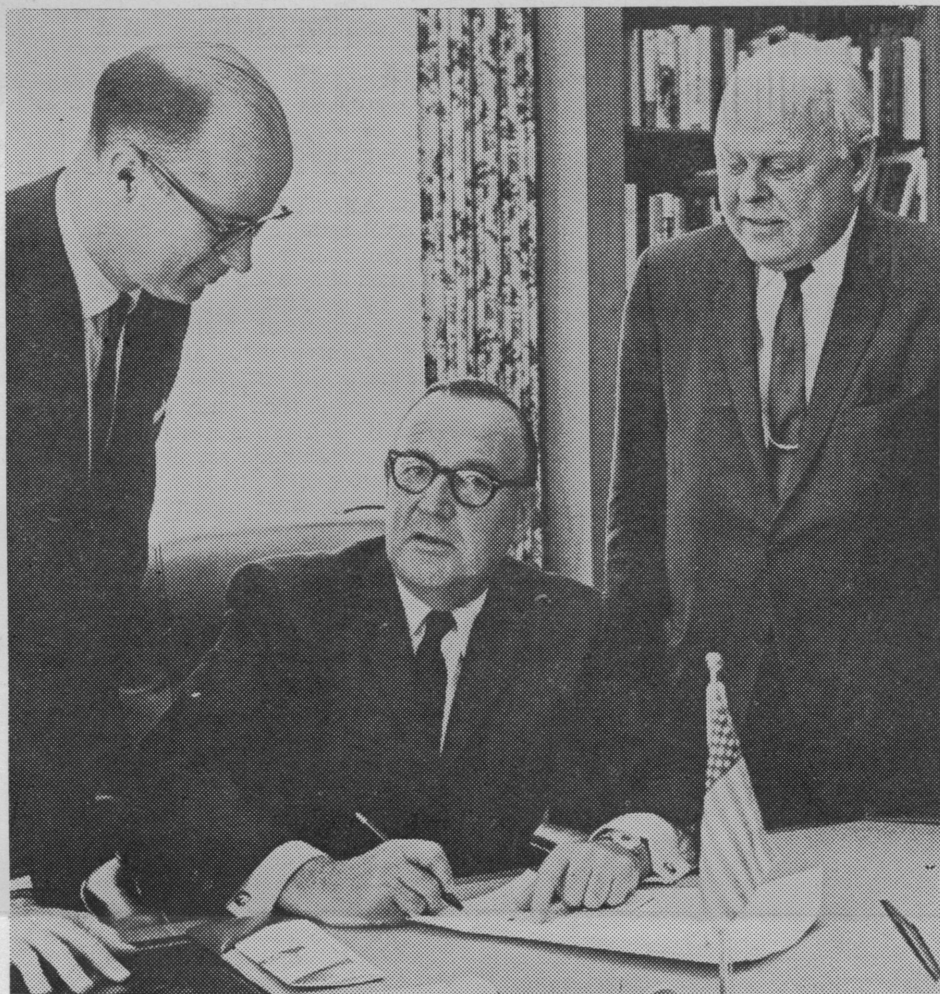
The examination papers were graded by competent university personnel who had no knowledge of the students' identities.

Serving on the judges committee for this year's scholarship examination were:

Frederick A. Breier, Ph.D., Professor of Economics, University of San Francisco; Leon F. Lee, Ph. D., Associate Professor, Department of Industrial Relations, San Jose State College, San Jose; Dr. Paul Prasow, Associate Director, Institute of Industrial Relations, University of California at Los Angeles, who substituted for Benjamin Aaron, L.L.B., the Institute's Director; and Don Vial, Chairman, Center for Labor Research and Education, Institute of Industrial Relations, University of California at Berkeley.

The contest was open to all graduating seniors in all California high schools, both public and private. As of the application deadline on March 22, a record number of more than 1,325 students had qualified to enter the competition from 369 schools.

Of the nine scholarships awarded this year, six were made available



PROTECTING FRINGE BENEFITS — A new law to give workers' fringe benefits the same legal protection their wages enjoy is signed into law by Governor Edmund G. Brown as Secretary-Treasurer Thos. L. Pitts of the California Labor Federation, AFL-CIO, who fought for the bill (at right) and Assemblyman James R. Mills (D-San Diego) who introduced it and worked for its passage, beam their approval. The measure, AB 1274 a bill sponsored by the State Labor Federation, extends lien rights to trust funds such as those in the building trades. This gives such funds the right to have an employer's property attached or sold if the employer fails to make payments to health, pension, vacation or other funds he is supposed to make under collective bargaining agreements.

through the direct cooperation of the following affiliates of the Federation:

California Legislative Board of the Brotherhood of Railroad Trainmen; California State Council of Carpenters; Carpenters Ladies Auxiliary, California State Council—this award to be known as the "Beulah McKay Memorial Scholarship"; California State Council of Culinary Workers, Bartenders and Hotel and Motel Service Employees; California State Council of Lathers—this award to be known as the "Lloyd A. Mashburn Memorial Scholarship"; and Studio Utility Employees, Local 724—this award to be known as the "Henry C. Rohrbach Memorial Scholarship."

Local central labor bodies, unions and school officials throughout the state cooperated with the Federation to encourage participation in the scholarship competition.

Brown Signs Bill To Guard Benefits

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funds the same legal recourse for recovering the fringe benefit payments due that have properly been available for years for recovering wages due. Over the years it will result in the recovery of thousands of dollars by these funds which heretofore have often been lost to the detriment of the workers' fringe benefit funds," Pitts, secretary-treasurer of the California Labor Federation, AFL-CIO, explained.

The measure, part of the Federation's 1965 legislative program, was authored by Assemblyman James R. Mills (D-San Diego) who did a commendable job in helping to steer the bill through the legislature.