

## Sign Up Now For State AFL-CIO Summer School

Local unions and central bodies planning to send one or more members or representatives to the State AFL-CIO Summer School at the University of California Campus at Santa Barbara August 1-6 are urged to get their members registered as soon as possible.

"Part of the school program, as pointed out in the letter sent to all affiliates early last month, is to be determined by the enrollees. We need to get this information from the enrollees as soon as possible in order to prepare appropriate resource materials for use at the school," State AFL-CIO Leader Thos. L. Pitts said.

Registration for the Summer School will open at 4 p.m. Sunday, August 1, with dinner scheduled at 5:30 p.m. and an orientation session at 7:30 p.m.

The five basic subjects to be taken up during the Monday through Friday morning sessions will be: The Economy and Jobs; Taxes and the Needs of Workers; Social Insurance and Family Security; Union Goals and Civil Rights; and the Unorganized.

But the subject matter for five afternoon workshops will be contingent upon the enrollees' responses on their registration.

(Continued on Page 4)

## Write Right Now To Repeal 14 B

# Meet The State AFL-CIO Scholarship Winners

What does it take to win a \$500 scholarship?

Well, if this year's winners of the nine \$500 scholarships awarded by the California Labor Federation are a fair sample, it takes talent, energy, a good scholastic record, a broad range of activities and a more than passing interest in history and current social and economic problems.

That's what's reflected in biographical notes just received from the nine State AFL-CIO scholarship winners, three of whom turned out to be the sons or daughters of union members. And one of these was a member of "the only family in the block" to own its own picket sign!

Parental union membership, however, had no bearing on eligibility for the con-



THOS. L. PITTS  
Executive  
Secretary-Treasurer

## Weekly News Letter

Vol. 7 — No. 27  
July 2, 1965

151

Second Class Postage Paid at San Francisco, California

Published by California Labor Federation, AFL-CIO  
995 Market Street, San Francisco, California 94103  
Subscription: \$3.50 a year

## Federation Wins Key High Court Ruling That Severance Pay Is No Bar To Jobless Benefits

A major victory for the California Labor Federation, AFL-CIO, and for workers throughout the nation was scored this Wednesday when the California Supreme Court ruled in a 6 to 1 landmark decision that dismissal or severance payments do not disqualify workers for unemployment insurance benefits.

State AFL-CIO leader Thos. L. Pitts hailed the decision saying:

"This is one of the most significant legal victories won in behalf of workers' rights in years.

"Dismissal and severance payments were never intended to be regarded as wages. They were — and are — sums accrued by workers as service credits to help them adapt to new conditions and to maintain their living standards while acquiring a new skill or seeking a new job.

"California's jobless pay benefits, which amount to less than half of most workers' wages, are — alone — woefully inadequate to tide workers over periods of joblessness created by

our rapidly changing economy.

"In fact, that's one of the key reasons why dismissal and severance pay provisions are negotiated in union contracts," Pitts said.

"The Court is to be commended," he added, "for separating the wheat from the chaff and coming up with a nearly unanimous decision in this case."

The case was financed and fought from its inception by the California Labor Federation in behalf of the Los Angeles and San Francisco-Oakland Newspaper Guilds.

"But the victory," Pitts pointed out, "is a major one not only for affiliates of the Newspaper Guild throughout

(Continued on Page 4)

test. In fact, it wasn't even known till after the winners were selected.

The competition was open to seniors at all public and private high schools in California and 932 took the exam.

State AFL-CIO leader Thos. L. Pitts, who announced the winners last week,

### Pictures on Pages 2 and 3

said they may apply their awards at any accredited college or university they choose and pursue whatever course of study they like.

The winners will be honored by a representative of the California Labor Federation and the officers of Central labor bodies in their area as soon as arrangements can be completed.

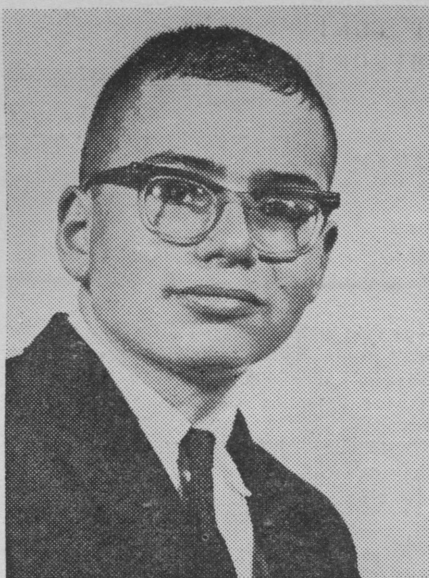
The \$500 awards will be deposited di-

rectly with the schools selected by the winners.

Six of the nine scholarships awarded this year were made available through the direct cooperation of the following affiliates of the State 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 Util-

(Continued on Page 2)



**JAMES E. GRINDLINGER**

ity Employees, Local 724—this award to be known as the "Henry C. Rohrbach Memorial Scholarship."

Three of the winners are from communities in Los Angeles County: Westchester, Inglewood and Northridge. One is from the San Diego County community of Lakeside. The other five are from Bakersfield, Berkeley, Newark, Oakland and Salinas.

But now meet the winners:

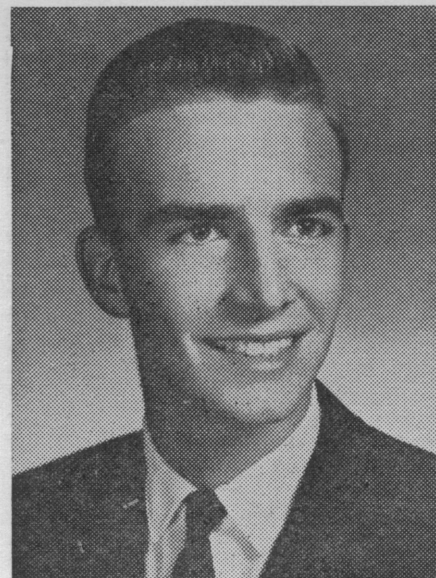
**James E. Grindlinger**, 17, of 8601 MacArthur Blvd., Oakland, has set his sights on a degree in political science and later on a career in law. To judge from his career to date he is steering a pretty steady course. At Oakland's Castlemont High School he served as both senior class and student body president and was named a life member of the Cali-



**ELLEN HAENER**

fornia Scholarship Federation. He was also a member of the International Club of Languages and played violin in the school's orchestra.

**Ellen Haener**, 18, of 5922 LeDoux Rd., Los Angeles, is torn between majoring in history or political science at the University of Southern California next fall. For the record, however, she has chosen history, partly because she is particularly fascinated by labor history. For years she was proud as a princess to be "the only family in the block" to own its own picket sign — one from the 1953 strike at North American Aviation. It was acquired by her father, Al Haener, an international representative of the United Automobile Workers, AFL-CIO. Mr. Haener is a member of UAW Local 887 and also a member of the Los Angeles Newspaper Guild, Local



**ROBERT KHOURY**

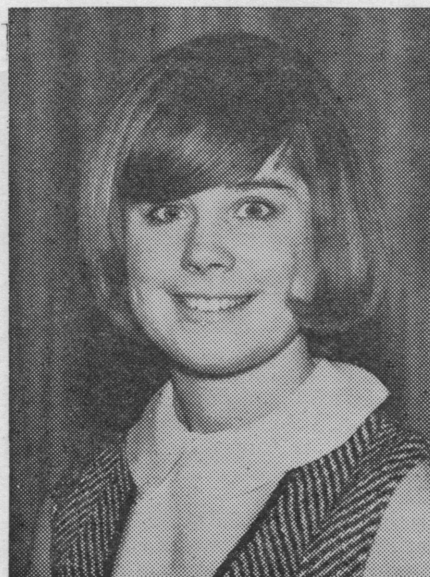
69. As a student at Inglewood High School in Inglewood, Miss Haener won a life membership in the California Scholarship Federation and was a member of the Society for Academic Achievement. She also won trophies for liberal arts and social studies as well as a letter of commendation from the National Merit Scholarship Program. She is especially interested in projects to aid culturally deprived children and hopes to work in government or politics after completing college.

**Robert Paul Khoury**, 18, of 11010 Baird Ave., Northridge, who ranked third in a class of 838 at Granada Hills High School in Los Angeles, cites his principal interests as politics, U. S. history, current affairs and bridge (I "enjoy a friendly game anytime," he says). But

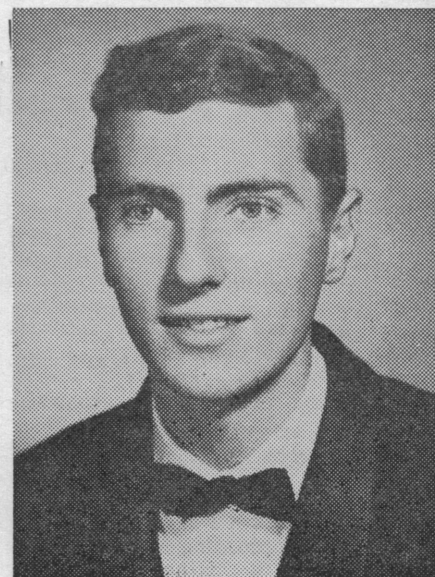
(Continued on Page 3)



**MARY ELLEN LEA**

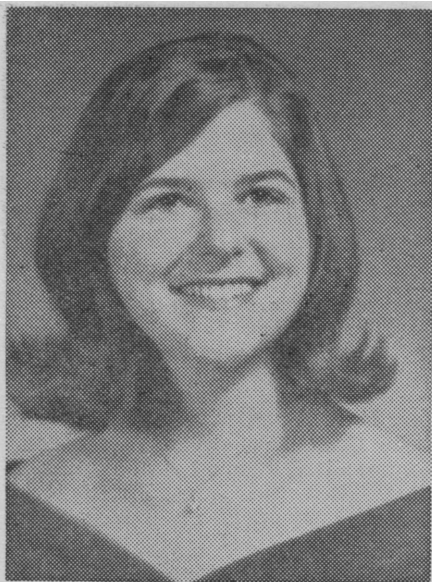


**PAMELA PEARSON**



**JACK ABEOE, JR.**



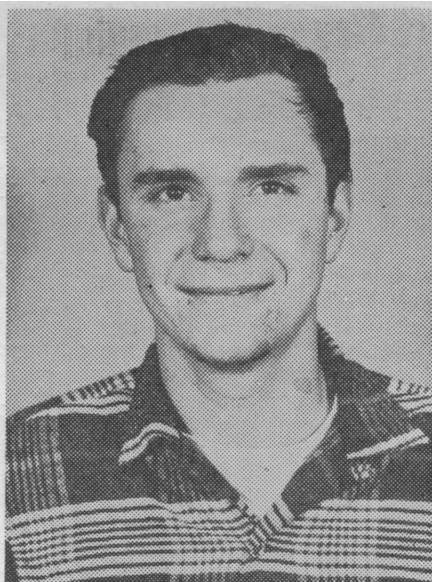


**ROBIN FEUER**

he also indicates more than a passing interest in playwriting, coin and stamp collecting, the German language, community service and fund of knowledge quiz shows. In fact, he was a member of his school's "Knowledge Bowl" team that won the inter-scholastic competition this year. In addition to earning Honors at Entrance to the University of California at Berkeley next fall where he will major either in history or political science, he also won a letter of commendation from the National Merit Scholarship Program and membership in the California Scholarship Federation. Mr. Khoury was also one of just 20 students selected from the San Fernando Valley by the Los Angeles City School System to take part in a seminar on International Relations and Government.

**Mary Ellen Lea**, 18, of 1640 Camino Sierra, Bakersfield, is already such an accomplished violinist that she will be playing in the orchestra of the Kern County Light Opera Association for a production of "The King and I" this summer. Her interest in teaching and in student and national government is reflected by her membership in such clubs as the Junior - Senior Assemblymen, American Foreign Service and Future Teachers of America at East Bakersfield High School. She is also a life member of the California Scholarship Federation and won two merit seals for work in the liberal and fine arts fields. In addition to music Miss Lea enjoys reading, sewing and knitting as hobbies. She plans to attend the California Lutheran College in Thousand Oaks.

**Pamela Pearson**, 18, of 6163 Brittany Ave., Newark, started studying for the Federation's examination with what she frankly dubbed a "rather anti-union" bias. But she became so absorbed in

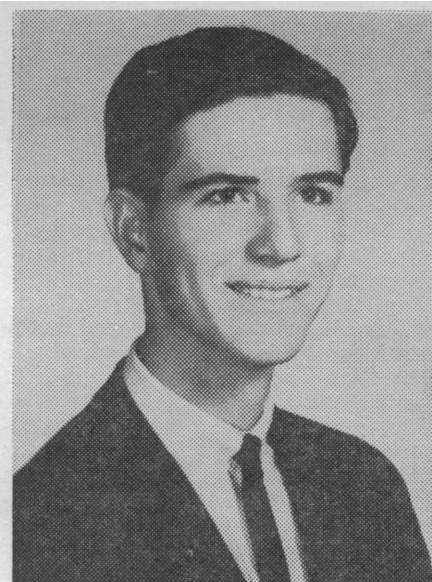


**RONALD NIMMO**

"the history of radicalism in the American labor movement" that she wound up doing a school research paper that was "pro-labor." "The education I gained in preparing for the examination was a reward in itself because it enlightened me to the role of the labor movement in our society," she wrote. Earlier this year, Miss Pearson was chosen "Outstanding Student" at Newark High School and was Newark's representative to the Youth Employment Council in her area. She also won a scholarship from the Newark Community Scholarship Fund as well as one awarded by the Fremont Savings and Loan Foundation. In addition she won a Bank of America award for work in social science. Her present plans are to major in library science at San Jose State College.

**Jack Abeloe, Jr.**, 18, of 40 Nacional Street, Salinas, is headed toward a career in foreign service and his current activity reflects that goal. He is participating in a "Nations' Incorporated Summer Workshop," a three-week course of study in the customs and cultures of newly emerging nations. As a student at Salinas High School, Mr. Abeloe served in the student senate and Model U.N. and as a Boy's State representative. He was also a track star and enjoys long-distance running, skiing, dancing, tennis and surfing. Among scholastic honors, he achieved membership in the California Scholarship Federation, the Principal's Honor Roll and won two other scholarship awards. He is already enrolled at Claremont Men's College for the Fall term.

**Robin Kathryn Feuer**, 18, of 2808 Oak Knoll Terrace, Berkeley, has a keen interest in social problems stimulated in part by the fact that both her father



**THOMAS MILLER**

and grandfather are staunch trade unionists. She intends to join the Peace Corps after graduating from Swarthmore. Eventually she hopes to land a job dealing with current problems. At Berkeley High School she was active in the American Field Service Club, the Young Democrats, the Philosophy Club and Dance Productions. She is also an accomplished pianist. Miss Feuer's father, Lewis S. Feuer, was secretary of the Harvard Teachers Union from 1935 to 1937 and a delegate to the Boston Central Labor Union. Her grandfather, Joseph Feuer, is a life-long member of the International Ladies Garment Workers Union and served on its Executive Board in New York.

**Ronald Nimmo**, 17, of 14440 Willow Rd., P.O. Box 256, Lakeside (San Diego County), has already been accepted for enrollment at the University of California at Davis next Fall where he will major in electrical engineering. He won scholarship awards at El Capitan High School in both 1963 and 1964 and is especially interested in history and current events. On the lighter side, he likes hunting, horseback riding and dancing. He, too, is the son of a union member. His father belongs to the El Cajon local of the Laborers Union.

**Thomas MacKenzie Miller**, 18, of 8238 Billowvista Drive, Playa del Rey, who served as president of his class at Westchester High School in Los Angeles, plans to attend Pomona College in Claremont. While deeply interested in economics and philosophy, he is also an avid sports enthusiast, particularly track, gymnastics and surfing. He is also interested in extemporaneous speaking, social studies and literature. He maintained a 3.95 grade average throughout his high school career.

# Federation Wins Key High Court Ruling That Severance Pay Is No Bar To Jobless Benefits

(Continued from Page 1)

the country but for the United Automobile Workers, Steel Workers, Machinists and virtually all unions having dismissal or severance pay provisions in their contracts."

The decision, culminating a 15-year legal and legislative battle waged by the state AFL-CIO, is expected to contribute substantially toward similar rulings in other states.

Employer interests have long attempted to classify such payments as amounting to "future earnings." Such a label enabled them to argue that workers laid off in economy moves, by mergers, by automation, or loss of government contracts, or for other reasons should be denied jobless benefits for periods equal to the number of days' or weeks' wages covered by their severance or dismissal payments.

The issue first arose in California when attorneys for the Hearst Newspaper chain attempted to deny jobless benefits to employees at the old Oakland Post-Enquirer after it folded in September, 1950. They lost.

But in a 1956 suit known as the Bradshaw Case in which the affected employee had said he regarded the payment as "wages," the State Supreme Court in a 4 to 3 decision had ruled in favor of the employer.

## PAPERS NAMED

This week's decision came in a case involving the dismissal of employees of the Oakland Tribune and the Los Angeles Examiner in December, 1961, and January, 1962.

The cases, dealing with jobless benefit payments owed to the 17 petitioners in the two cases which were consolidated for presentation to the Supreme Court, will involve thousands of dollars in back benefits.

Plaintiffs in the case were Edmund C. Powell et al (ex-employees of the Oakland Tribune) and Wallace R. Byrd et al (ex-employees of the Los Angeles Examiner.) Defendants were the California Department of Employment and the California Unemployment Insurance Appeals Board, et al.

In carrying the case to the state's highest court, the California Labor Federation pointed out that dismissal or severance payments should not be considered "wages" because they are not compensation for services.

In upholding the Federation's view, the Supreme Court cited a Federation-sponsored amendment to the State Unemployment Insurance Code enacted in 1959 that stated:

"Notwithstanding any other provisions of this Division, payments to an

individual under a plan . . . established by an employer . . . for the purpose of supplementing unemployment compensation benefits shall not be construed to be wages . . . and benefits . . . shall not be denied . . . because of the receipt of payments under such . . . plans."

## PURPOSE CITED

The court observed that the purpose of this provision was to "supplement state system unemployment benefits . . . and not to replace or duplicate them."

In its brief, the California Labor Federation also called the court's attention to the fact that dismissal and severance payments are not made with respect to any particular period of time and that the benefits are based on services performed PRIOR to dismissal or severance. Hence they cannot be regarded as future wages.

The Supreme Court's decision noted that since 1956 the Attorney General's office had ruled that "benefits were not wages where there was no vested certainty that a given employee would receive a benefit."

Commenting on employer interests' efforts to distinguish between supplemental employment benefits and severance or dismissal pay, the Court said that to make such a distinction would "afford greater weight to form than to substance" and would be contrary to the state legislature's intent "to broaden the coverage of unemployment insurance benefits."

## LABELS AT ISSUE

The jurists also point out that there would "be no reason why collective bargaining agreements which now provide for severance or dismissal pay could not be modified to give such payments a different label and concededly qualify the discharged employee for his full unemployment insurance benefits without doing violence to the integrity of the Unemployment Insurance Fund or any party involved."

Summing up its decision, the court declared:

"In enacting Section 1265 . . . the legislature intended to exclude dismissal and severance pay as 'wages' within the meaning of that Code . . . Petitioners are entitled to their unemployment compensation benefits without the imposition of any limitation due to their receipt of such pay."

Concurring in the majority opinion, which was written by Justice Peek, were: Justices Traynor, Peters, Tobriner, Burke and Schauer. Justice McComb was the lone dissenter. The consolidated case involved two ex-employees of the Oakland Tribune and 15 from the Los Angeles Examiner.

# Sign Up Now For State AFL-CIO Summer School

(Continued from Page 1)

tration forms. Five of the following 11 subjects will be taken up:

History and Philosophy of the Labor Movement; The Labor Movement Today; Methods of Communication and Local Union Administration; The "How" of New Member Orientation; Labor Education Methods; Union Programs for White Collar, Public and Professional Workers; Developments in Labor Legislation; Structures and Functions of Central Labor Councils; Developments in Fringe Benefits; Principles of Grievance Handling—The Role of the Union; and, Union Participation in Community Relations.

Registration for the School costs \$75, which covers meals, room and instructional materials.

Although open to any union member who desires to attend, the Summer School is particularly designed to provide education and training facilities for smaller national and international unions, district councils or local unions that cannot provide such programs by themselves.

Among the persons on the Summer School faculty are George T. Guernsey, assistant director of education, AFL-CIO; Marvin Friedman, labor economist, AFL-CIO; Don Vial, chairman, Center for Labor Research and Education, Institute of Industrial Relations, University of California, Berkeley; Oliver McMillan and Herb Perry, Coordinators of Labor Programs also at Berkeley; and Arthur Carstens and Jack Blackburn, labor program coordinators, Institute of Industrial Relations, UCLA. Additional faculty members from government departments, from labor union staffs and college faculties will be announced in the near future.

"The important thing right now," Pitts added, "is to encourage immediate enrollment. All affiliates have been furnished with the necessary forms. A call to our office will bring additional forms as needed."

## Profits Pocketed?

American railroads are saving \$115 million a year from mass layoffs of locomotive firemen, but the public is getting no benefit through lower rates or improved service, according to H. E. Gilbert, president of the Locomotive Firemen and Enginemen.