

Send Foreign Farm Workers Home, Says Fed

Pointing out that there is presently a "surplus of domestic farm workers in California," state AFL-CIO leader Thos. L. Pitts asked the Labor Department this week to replace some 700 Japanese and Filipinos still working in the state.

In a letter dispatched Tuesday to U.S. Secretary of Labor W. Willard Wirtz, Pitts said:

"The presence of these workers hampers grower recognition that a cheap and abundant supply of foreign farm workers will no longer be available to them."

Moreover it has "an adverse effect" on domestic farm workers who are still looking for jobs, the Secretary-Treasurer of the California Labor Federation, AFL-CIO, said.

"Does the U. S. Department of Labor countenance the continued employment of these foreign nationals when there are more than enough domestic farm workers to do the job?" he asked.

Pitts also noted that domestic farm employment is more than 35,000 above the same period last year and that welfare costs have been reduced in farm communities since the demise of Public Law 78 on December 31, 1964.

Senate Unit OK's Hatch Act Study

A U.S. Senate Bill (S. 1474) calling for creation of a bi-partisan commission to review the Hatch Act, which imposes curbs on the political activity of federal employees, has won approval of the Senate Rules Committee.

The measure, sponsored by Senator Daniel Brewster (D-Maryland) would set up a 12-member commission to study laws regulating political activity by federal workers and to submit a report on its findings and recommendations to President Johnson within a year of its creation.

Spokesmen for the American Federation of Government Employees, AFL-CIO, testified in favor of the study and urged that federal employee union representatives be included among the non-government members of the Commission.

The Commission would be composed of two members each from the Executive Branch, the House and the Senate and six public members. The President, the House Speaker and the President of the Senate would each appoint four commission members, with each appointing two members from private life and two

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Secretary-Treasurer

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Pitts Issues Preliminary Review of 1965 General Legislative Session

It is not an easy task to pass judgment on the 1965 general session, because it is doubtful if any general session of the California Legislature has been held under more trying circumstances in the history of our state than the session just ended.

It was less than a month before the Legislature was to convene that a special three judge federal district court, on December 3, 1965, ordered the California Legislature to reapportion the Senate as a "first order of business" but "in no event later than July 1, 1965."

The court order preoccupied and dominated the thinking of all state senators as well as most Assemblymen.

Most of our state senators believed support of the Dirksen amendment to the federal constitution was the only solution to their dilemma. Consequently, many senators spent much time away from Sacramento in an effort to gain support for the Dirksen amendment during the early days of the session.

In capsule, because of the court order, the 1965 general session left too many essential needs unmet. But in fairness, it must be added that the general session of 1965 was not a "do nothing" legislature. Many state programs necessary to the "good and welfare" of the people of California, have been provided for.

Many years ago, Governor Al Smith of New York used to say, "Let's look at the record." That is what this Sacramento report proposes to do.

The 1965 general session of the legislature reviewed all three social insurance programs, but only in the final hours of the session did they really come to grips with proposed changes in workmen's compensation, unemployment insurance and unemployment disability insurance.

For far too many years, the Industrial Accident Commission has found itself with an insufficient staff and an inadequate budget to perform the administrative functions necessary to the successful operation of our state's workmen's compensation program. The 1963 general

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'Some Needs Met in Most Trying Session In State's History'

In terms of setting up new programs or improving old ones, the 1965 legislative session "fell short" but it "was not a 'do nothing' legislature," state AFL-CIO leader Thos. L. Pitts said this week in a preliminary report to the Executive Council of the California Labor Federation, AFL-CIO, at a two-day meeting at the Ambassador Hotel in Los Angeles that ended yesterday.

Noting that due to the reapportionment issue "it is doubtful if any general

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Floor Vote on 14(b) Likely Next Week

The House floor vote on repeal of Section 14(b) of the Taft-Hartley Act, which lets states pass so-called "right to work" laws that promote interstate competition to see which state can pay its workers the least, is now expected to be taken next Monday or Tuesday.

Letters or wires urging its repeal should be sent to your congressman immediately.

On the Senate side, a Senate subcommittee has complete hearings on a companion measure but no floor vote is yet scheduled.

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session of the legislature authorized a Study Commission to review workmen's compensation in California. The Governor's so-called "Blue Ribbon Study Commission" has been meeting between sessions and in April reported its findings and recommendations to the Governor and to the Legislature.

Because the report came late in the session, it soon became clear to all that legislative action appeared out of the question in 1965.

However, through the efforts of the California Labor Federation in cooperation with the other organizations, a substantial proportion of the administrative features of the Governor's Blue Ribbon Study Commission were incorporated into AB 2023. I am pleased to report the Governor has signed the bill.

This legislation will effect many important changes which the California Labor Federation has sought for many years. For example, it creates a division within the Department of Industrial Relations to see that injured workers receive, promptly and fully, the benefits entitled to them under the law. Thousands of injured workers will benefit from the establishment of a Division of Industrial Accidents.

On the other hand, the legislature, I regret to report, failed to improve the benefit schedule.

The legislature, while providing adequate financing for disability insurance for the immediate future, enacted amendments which seriously weaken the program.

On the other hand the California Labor Federation has pressed for monthly instead of quarterly submission by employers of workers' contributions to the Department of Employment. AB 241 includes this Federation goal.

The legislature also extended disability insurance coverage to additional hospital employees, another Federation goal.

This will extend disability insurance to approximately 80,000 hospital workers and provide them about \$4 million in benefits during disability.

The legislature increased the maximum benefit amount of the Unemployment Insurance Program from \$55 to \$65 per week. At the same time, however, the legislature adversely modified the basic principle of the schedule of benefits in that all persons qualifying for a benefit amount greater than \$60 a week will have less than 50 percent of their wage loss replaced. In addition, the legislature drastically and unjustly increased the disqualification penalty for "misconduct" and for "voluntarily leaving employment."

Thus it can be seen that, when labor is asked how it fared at the general

session of 1965, it is not easy to formulate an answer.

For example, if you asked how labor fared in securing protection of health and welfare trust funds by including fringe benefit earnings under coverage of the Mechanics Lien law, it was an excellent year. But if you ask how labor fared in obtaining lawful protection to organize hospital workers or utility workers without employer use of tactics long outlawed by the National Labor Relations Act, it was not.

Equally it was an excellent year in that the legislature repealed what has long been to the labor movement an obnoxious piece of legislation—the "Hot Cargo Act." The California Labor Federation had waged for almost a quarter of a century an unsuccessful struggle to repeal this act. The elimination from the statutes of such an undesirable piece of legislation was indeed most gratifying.

On the other hand, legislation to assist our insurance employees, our public employees and our teachers to secure just protection during periods of organization or during labor disputes, after hearing, were sent to interim committee for study or were denied a "do pass" by the committee to which the legislation had been referred.

Equally, "truth-in-lending" for consumer protection and extension of the time allowed for voter registration failed of passage.

So it can be seen that it was in the measure of needed reform in setting up new programs or improving established programs that the 1965 general session fell short in its performance.

The appropriations to meet the state's needs in social welfare, education, conservation, recreation and health, on the whole, represent a conscientious effort to do the right thing.

Although we believe that the salaries of state employees and the faculties of our institutions of higher learning should have been increased more than they were, the fact does remain that the legislature did increase their salaries.

Balancing the budget called for a special session which skirted the basic problem of raising additional revenue through taxes by advancing payments of the sales tax by the business community. The basic problem of additional revenue to pay for new services or expanding present services remains, however, unsolved. Long overdue tax reform has been left on the desks of legislators for another day.

It should also be remembered that our enemies, too, have favored legislation. Some bills and many amendments which we believe to be inimicable to the welfare of our members and our affiliates have been defeated.

It is on the basis of this record that labor feels when it looks back upon the

session that the scales were tipped to essential needs left unmet, rather than to essential needs fulfilled.

Sacramento is not a one-man show. On Monday night of each week during the session the California Labor Federation met with the many representatives of our affiliates and other labor organizations in order that we should gain additional strength to win approval of labor's programs.

I am grateful for the cooperation and support of our legislative program by Jim Lee of the State Building Trades Council; Victor LaChapelle of the State Council of Carpenters; Ken Larson, Ken Severitt and Carl Stanfield of the Fire Fighters; George Mulkey and Mervin Walters of the IBEW; George Ballard of the Brotherhood of Railroad Trainmen and James Evans of the Brotherhood of Locomotive Enginemen and Firemen; Al Boardmen of the Operating Engineers; William Green and Bud Aronson of the Building Service Employees Council; Al Holt of the Barbers; William Plosser of the Teachers; Herman Glasco of the AFSC&ME; Matilda Whetstone and John Hawk of the Seafarers International Union. Tom Harris of the State Teamsters Conference was invited and participated in some of the Monday night meetings. Of course, I am most grateful for the cooperation of our President, Al Gruhn, our Executive Vice President Manuel Dias, who was assigned to head up the operations of the legislative office, Vice President Harry Finks, and Clinton Fair, director of Social Insurance, who was responsible for handling social insurance legislation.

Always, in the labor movement, we dedicate ourselves to winning goals not yet achieved in order that the prosperity and human dignity of our members shall be advanced.

UNEMPLOYMENT INSURANCE

Unemployment insurance is the largest of our social insurance programs at the state level. It is the first bulwark against depression. It contributes the most to the unfortunate unemployed in this state.

Our home mortgage debt, our consumers debt, and our personal debt in California stand today at the staggering figure of \$52.76 billion, an increase of approximately \$17 billion in the past five years. Unless there is a continuous flow of dollars into the hands of workers to pay the interest and principal on these debts, our economy could, as it did 35 years ago, go into a tailspin. Therefore, the legislative objective in 1965 should have been to shore up our unemployment insurance law so that it would protect us against a depression, while at the same time insuring the unfortunate unemployed in this state a benefit

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amount equal to at least 50 percent of their average weekly wage.

Unfortunately, AB 518, the only major unemployment insurance bill to pass the legislature, fails to cover farm workers and fails to prepare our unemployment insurance program to meet the responsibilities it may be asked to assume.

AB 518 contains the following features:

I—Financing:

(a) Increased the taxable wage base from \$3800 to \$4100 for the calendar year 1966, but when total revenues were equal to or exceeded total disbursements in any 12 month period, the taxable wage base would revert to \$3800.

(1) Fixed the tax rate for the balancing account at one percent (1%) for 1966 through 1968.

(2) Experience rating—Provided that when the unemployment insurance fund falls to less than five percent of wages in employment subject to this Act paid during the 12 months ending upon the computation date immediately preceding such December 31, the contribution rate depending upon the experience of the individual employer shall range from 0.8 of one percent of wages covered to 2.7 percent. And when the fund is more than five percent of wages in employment paid during the 12 months ending upon the computation date immediately preceding such December 31, the experience rating schedule ranges from 0 to 2.7 percent.

Impact: As of April 1965 the unemployment insurance fund balance was less than one year's benefit payments—it was \$561,188,904. Our fund balance in cash is the lowest it has been since 1950. It is as a ratio to the five year moving average of benefit expenditures, the lowest in our state's history. The proposed legislation, AB 518, not only fails to provide an increase in reserves, but will in fact decrease the reserves.

II—Benefits:

Increased the maximum weekly benefit amount from \$55 to \$65 per week. Provided that the present steps in the high quarter earnings, presently fixed at \$28 of earnings for each \$1 in the weekly benefit amount be augmented as follows: \$30 steps for each \$1 of benefits between \$55 and \$60; and \$40 steps for each \$1 of benefits between \$61 and \$65.

Impact: (1) Provides increased weekly benefit payments to 40 percent of all claimants and increases total benefit payments to eligible unemployed including extended duration benefits by \$43.8 million.

(2) Those workers whose benefit amount is between \$61 and \$65 within the schedule will be provided a benefit amount less than 50 percent of their

average weekly wage, as will all workers earning more than \$130 per week. Since the unemployment benefits will fail to place one-half the unemployed worker's average weekly wage, the legislature, by increasing the steps in the schedule, is in fact saying: "Your unemployment insurance will not pay for your food, clothing, shelter and health. We are sorry, but you will have to go into debt or on relief."

III—Eligibility:

(a) Increases minimum earnings from \$600 to \$720, but eliminates the 75 percent rule.

Impact: Benefit payments reduced by \$5 million.

(b) Permits earnings from any type of employment to clear lag quarter test.

Impact: Increases benefit payments to about 6000 claimants by \$3 million.

IV—Disqualification:

Provides that persons who voluntarily leave their employment without good cause or are discharged for misconduct, shall for each such disqualification be ineligible to receive benefits until they have earned five times their weekly benefit amount. This replaces the present disqualification for five consecutive weeks.

Impact: 60,000 beneficiaries are affected—their benefit payments are reduced by \$26.5 million.

The requirement that all persons disqualified must for each disqualification earn five times their weekly benefit amount is more harsh when opportunities for employment are unavailable than when employment opportunities are available; more harsh upon youth and persons over 45 than upon other workers; more unjust upon minorities than among the community as a whole. It creates an unequal punishment, and is therefore indefensible.

V—Extended Benefits:

(1) Increases the eligibility requirements for extended duration benefits to provide that in some years benefit payments to extended duration claimants would be cut between \$16 to \$20 million.

VI—Summary:

When all items are put together, AB 518 increases total benefit payments by approximately \$13.3 million, **provided** that unemployment does not exceed approximately six percent (6%). Moreover, total benefit payments could in certain years be actually less than at present.

(2) For 1966 increases employer contributions by \$13 million;

(3) Total regular and extended benefit payments in a year like 1965 would amount to \$583.3 million;

(4) Total revenue from employer contributions would amount to \$533 million;

(5) Total interest earnings would amount to \$22.7 million; and

(6) Our inadequate and unsafe Insurance Fund Balance decreased by \$24.6 million.

We believe the \$10 a week increase in the benefit amount was a short step in the right direction. We believe the inadequacies of financing, the introduction of harsh and cruel disqualification provisions and reducing benefit payments within the schedule benefit amounts to less than 50 percent of the weekly wage were regressive. We fear that AB 518 will be interpreted by the press and by the public as a forward step when, in fact, it ill-prepares us to protect adequately the unfortunate unemployed in California.

We endorse the goals for unemployment insurance adopted by the legislature of California when the program was founded. Section 100 of the Act reads in part as follows:

"Experience has shown that large numbers of the population of California **do not enjoy permanent employment by reason of which their purchasing power is unstable. This is detrimental to the interests of the people of California as a whole.**

"The benefit to all persons resulting from public and private enterprise is realized in the final consumption of goods and services. It is contrary to public policy to permit the supply of consumption goods and services at prices which do not provide against that harm to the population consequent upon periods of unemployment of those who contribute to the production and distribution of such goods and services.

"Experience has shown that if the State awaits the coming of excessive unemployment it can neither create immediately the organization necessary to orderly, economical and effective relief nor bear the financial burden of relief without disrupting its whole system of ordinary revenues and without jeopardizing its credit."

The California Labor Federation by opposing the crippling amendments to the benefit schedule and to the disqualification penalties for voluntarily leaving employment and misconduct, and by urging adequate financing before the respective committees of both the Senate and the Assembly tried to guide the legislators back to the stated objectives of unemployment insurance when it was established in this State.

WORKMEN'S COMPENSATION

The legislature in 1963 established a Workmen's Compensation Study Commission. The legislature in broad terms set forth the purposes and duties of the Commission and provided that it should advise the Governor and the Legislature

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tions, including recommendations in re- of its "findings, conclusions and sugges- gard to proposed constitutional and statutory changes, . . ."

In April of this year the report of the Workmen's Compensation Study Com- mission was presented to the legislature and to the Governor.

On April 23, 1965, Assemblymen Zeno- vich and Mills, appointees of the Assem- bly to meet with the Study Commission and Assemblyman Beilenson, Chairman of the Workmen's Compensation Sub- committee of the Assembly Finance and Insurance Committee, introduced AB 3261 to effect the Commission's Report.

Hearings were held in May, but it soon became clear that AB 3261 would not be enacted during this general ses- sion, since it carried both administra- tive and substantive changes to our workmen's compensation system.

Therefore, late in May, the California Labor Federation in conjunction with other organizations, submitted amend- ments incorporating administrative changes to the workmen's compensation law. These changes were embodied in Assembly Bill 2023 introduced by the members of the Subcommittee on Work- men's Compensation of the Assembly Committee on Finance and Insurance; Assemblymen Beilenson, Ashcraft, Flournoy, Knox and Zenovich.

AB 2023 embodies many of the recom- mendations of the Governor's Study Commissions, as well as administrative changes long recommended and sup- ported by the California Labor Federa- tion.

The Federation's program was in- troduced by Assemblyman Foran on February 16, 1965. AB 1227 incorporated the recommendations adopted by the Federation at its Fifth Convention in San Francisco in August, 1964. The bill dealt, therefore, with both substantive and administrative changes.

In regard to administrative recom- mendations a comparison of AB 2023 and AB 1227 is most illuminating:

AB 1227, the Federation Bill, estab- lishes a Division of Workmen's Com- pensation in the Department of Indus- trial Relations. AB 2023 establishes a Division of Industrial Accidents in the Department of Industrial Relations. The functions assigned to the "Division" in both bills although not identical are certainly similar.

AB 1227 establishes an administrator as the executive officer of the division. AB 2023 establishes an administrative director as the executive officer of the Division of Industrial Accidents. Both bills provide a single head appointed by the Governor.

AB 1227 retains the name Industrial Accident Commission to handle the hearings and appeals functions. AB 2023

establishes a Workmen's Compensation Appeals Board to handle the hearings and appeals functions. The difference is more in name than in duties.

AB 1227 provides that the administra- tor may audit the promptness and ac- curacy of benefit payments to injured workers and their dependents. AB 2023 provides that in order to make certain that injured workmen and their de- pendents shall receive promptly and ac- curately their full measure of benefits, the Insurance Commissioner shall audit insurance carriers and that the Director of Industrial Relations shall audit self- insured employers.

AB 2023 further provides that the ad- ministrative director shall prescribe reasonable rules and regulations for the serving on the employee of reports deal- ing with the payment or non-payment of benefits, with copies to the adminis- trative director and prescribe reason- able rules and regulations for termina- tion of benefits, together with a state- ment to the employee and a copy to the administrative director.

In these, as in other respects, many of the Federation's administrative rec- ommendations have become law through AB 2023.

(The report included a diagram of the channels of responsibility for the new Division of Industrial Accidents which placed the rehabilitation unit under the Division's Medical Bureau.)

DISABILITY INSURANCE

When the Legislature convened in January, the Disability Insurance Fund was in financial trouble. The Governor proposed a sound financing program which passed the Assembly with one change.

AB 241—Assembly Passed

1. Increased tax rate from 1% to 1.1%, April 1, 1965 through De- cember 31, 1965.
2. Increased tax base from \$5600 to \$7500, April 1, 1965.
3. Continued maximum benefit amount escalation.

Formula:

Average weekly wage covered em- ployment 2nd Quarter

January 1, (following year) two thirds of the average weekly wage in covered employment.

4. Tax base escalated to \$7500.
Formula for increase: Tax base shall equal 4 times the amount of wages earned in highest quarter necessary to qualify for the maximum benefit amount.

5. Monthly remittance by employers of tax collected—except those em- ployers whose workers' contribu- tions were less than \$50 a month.
6. Extended through 1967 the author- ity of the Director to borrow money.

AB 241—Senate Passed Version

1. Froze or capped the maximum weekly benefit amount at \$80 per week through June 30, 1967.
2. Limited total weekly payments to 50% of base period earnings. The legislature 12 years ago had abol- ished this same provision.
3. Determined the weekly benefit amount of each claimant on the basis of the average of his earnings in the two highest quarters of the base period rather than his earn- ings in the highest quarter in the base period.
4. Increased wage base to \$6900.
5. Held tax rate to 1.0%.

Impact of Senate Version AB 241:

Maximum payment not to exceed 50% of wage base earnings.

Average of two highest quarters for determining weekly benefit amounts.

TABLE I

Amount of Benefit Reduction

| Amt. of Benefit Reduction | Number of Claimants Reduced |
|---------------------------------|-----------------------------------|
| Total, All Claimants | 221,000 |
| Less than \$25 | 96,800 |
| \$ 25 to \$ 99 | 77,300 |
| 100 to 199 | 23,500 |
| 200 or over | 23,500 |

Impact of capping or freezing the maximum benefit amount at \$80 per year, 1966.

About 138,000 claimants would be ex- pected to get weekly benefits of more than \$80.00 during 1966, but would not under Senate adopted amendments.

488,000 Total claimants in a year 1965.

221,000 Would receive a smaller weekly benefit.

138,000 Claimants will be denied the automatic benefit in- crease because the max- imum is capped.

In a year like 1965 three out of four claimants re- ceive a lesser benefit amount.

AB 241 As Signed by Governor Follow- ing Conference Committee Agreement:

Taxable wage base \$7,400.00—no es- calator.

Maximum benefit amount—\$80.00 per week—escalator repealed.

Total payments for each disability benefit period limited to the lesser of 26 times weekly benefit amount—or—50% of base period earnings. (Eliminated 12 years ago.)

Contribution rate 1.1%—August 1, 1965 through December 31, 1965; 1% thereafter.

Authority to borrow.

Impact:

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1. Repeal of Escalator
 - (a) 138,000 claimants will be denied the automatic benefit increase during 1966, and
 - (b) The number and percentage of such claimants will increase annually.
2. Operation of the 50% base period earnings limitation will have the following impact.

YEAR LIKE CALENDAR YEAR
1965

Claimants Who Will Receive Less
in Total Basic Payments

| Weekly Benefit Amount | Number of Claimants |
|-----------------------------------|------------------------|
| Total, All Claims | 18,200 |
| \$25 - \$29 | 7,800 |
| 30 - 34 | 2,100 |
| 35 - 39 | 2,200 |
| 40 - 44 | 1,500 |
| 45 - 49 | 1,100 |
| 50 - 54 | 600 |
| 55 - 59 | 700 |
| 60 - 64 | 600 |
| 65 - 69 | 200 |
| 70 - 74 | 800 |
| 75 and over | 600 |
| Escalation Wage Base—Not Gained. | |
| Escalation Maximum Benefit Amount | |
| —Lost. | |

"HOT CARGO"

There is a long story to "Hot Cargo." At the general session of 1941 the California State Legislature added as a national emergency measure the Hot Cargo and Secondary Boycott provisions to our Labor Code, and on November 3, 1942, the people of California approved the Act. In 1947 the Supreme Court of California declared the Act unconstitutional.

The California Labor Federation opposed its enactment and has, for almost a quarter of a century, sought its repeal because it violated basic constitutional rights. Management groups, in spite of the Supreme Court's decision, had vigorously and, I might add, successfully blocked our efforts to repeal the Act until this session of the legislature.

As in past sessions, the Federation again this year sought repeal. Senator McAteer, (D-San Francisco) on February 17 introduced SB 551 to repeal the hot cargo and secondary boycott provisions from the Labor Code and on April 12 Assemblyman Thomas, (D-Los Angeles) introduced the Federation's bill AB 2355 on the Assembly side. Hearings were held in the respective Houses. The Federation supported both bills.

On May 20 the Senate Committee on Labor gave SB 551 a "do pass" to the Senate. And on May 25 Senator McAteer's SB 551 fell just one vote shy of

winning Senate approval. Immediately the Senator served notice that he would seek reconsideration at a later date. The bill had received 20 votes for passage (21 votes being necessary); 17 votes were cast against the measure. But it was not until May 28 that we and Senator McAteer had garnered sufficient votes for reconsideration and passage in the Senate.

In the same week, the Assembly Committee on Industrial Relations, Assemblymen Dymally, Burton, Davis, Powers and Elliott voting "AYE" and Assemblymen Badham, Cusanovich, R. Johnson and Veysey voting "NAY" reported the Hot Cargo measure to the Assembly floor by a 5 to 4 vote.

On June 2 AB 2355 passed the Assembly.

On June 14 the Assembly Committee on Industrial Relations by a 5 to 2 vote reported SB 551 to the Assembly. And on June 16, two days before adjournment, the Senate bill passed the Assembly as it had passed the Senate and the measure was on its way to enrollment and to the Governor.

On July 12 the Governor's signature struck the Hot Cargo and Secondary Boycott provisions from the Labor Code.

Senator McAteer had successfully guided the measure through the Upper House; and Assemblyman Vincent Thomas (D-Los Angeles) had ably guided the bill through the Assembly where crippling amendments by a vote of 42 to 28 were successfully repulsed.

The signing of SB 551 brought to a successful conclusion a 25-year battle of the California Labor Federation.

REGISTRATION

AB 1050: Voter participation in the U. S. falls far short of voter participation in other western democracies. Voter registration, an important key to voter participation, is part of the problem studied by the Commission on Registration and Voter Participation established by the late President Kennedy. The Commission recommended that voter registration lists be kept open until four weeks prior to election day.

The California Labor Federation, with full support of all of its affiliates, asked Assemblyman Danielson to introduce legislation to extend the time for registration of electors. On February 9 Assemblymen Danielson and Warren introduced AB 1050 to open registration at all times except the last 29 days before an election.

Hearings were held and after amendments the Committee on Elections and Reapportionment reported AB 1050 favorably to the Assembly. On April 15, again after amendment, the Assembly approved the bill and sent it to the

Senate. In the meantime, however, during debate in the committee and on the Assembly floor, Assemblyman Danielson successfully beat off a number of crippling amendments. Even then in order to secure passage by the Assembly its author had accepted amendments to close registration 44 days before an election rather than the 29 days originally proposed by the Federation.

In the Senate the bill was referred to the Committee on Elections. Hearings were held and amendments affecting the mechanics of the overall election procedure were added in the Senate committee. On May 31 the subject matter was referred to the Committee on Rules for assignment to interim study.

HOSPITAL WORKERS

Hospital workers need legislation to enjoy collective bargaining rights. The California Labor Federation, AFL-CIO, believes that the exclusion of hospital workers from full collective bargaining rights is unjust and discriminatory. Legislation was prepared and Assemblyman Dymally was asked to introduce AB 865 and AB 866 on behalf of the Federation.

AB 865 applied to private hospitals, profit and non-profit, but it did not apply to a state, city or county hospital. Hospitals and nursing homes, or other health care facilities of less than 10 workers were excluded from the Act, as was any Christian Science institution; as in most such acts the supervisory personnel of any hospital or institution were also excluded.

AB 865 set up a peaceful method for finding out the desires of the majority of employees, concerning employee representation, when an employer refused to recognize a representative of his employees.

AB 865 provided that when a labor organization demonstrates that it does represent a majority of the employees in a proper bargaining unit, the employer would be obligated to bargain concerning wages, hours and working conditions and if an agreement was reached, to sign a written contract.

AB 866 would have established collective bargaining rights for employees of local (governmental) hospital districts. The bill provides that since these districts perform a proprietary function their employees are entitled to protection in exercising their collective bargaining rights. The proposal followed the California pattern which now prevails in the various California Transit Authority Acts.

The two bills, introduced by Assemblymen Dymally and Burton, were referred to the Committee on Industrial Relations. Hearings were held on both

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bills and meetings with the individual members of the Committee were arranged. At all times it was apparent that one vote was lacking to report the bills favorably to the Assembly. On May 27 the Committee on Industrial Relations, recognizing that the bills would not be favorably recommended to the Assembly, accepted a motion to send the subject matter to the Rules Committee for interim study.

The California Labor Federation and the representatives of the Building Service Employees Union, working closely together, spent many hours attempting to gain the additional necessary vote to report the bills favorably to the Assembly.

LIEN RIGHTS LAW

In signing AB 1274 Governor Brown said, "While wage funds and 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, "these benefits are, in effect, part of the wage package and they should have the same protection as wages. The bill thus provides a means of recovering employees' benefits which might otherwise be lost."

At the request of the Federation, Assemblyman Mills introduced 1274 on February 17 and it was referred to the Committee on Judiciary. Hearings were held, and on April 13 the bill received favorable consideration in the Committee on Judiciary and was referred to the Assembly. It passed the Assembly on April 21 and on the same day was referred to the Committee on Judiciary of the Senate where there was vigorous opposition to the measure. The bill, unamended, passed the Senate on June 7 and on the 10th of June was enrolled and sent to the Governor.

The cooperative efforts of the California Labor Federation and other affiliated organizations, working closely with Assemblyman Mills, brought the needed legislation through the Assembly. Senator Rattigan capably managed the bill in the Senate.

BARGAINING RIGHTS

AB 1016 granted collective bargaining rights to employees of Public Utility Districts, Municipal Utility Districts and publicly owned water and electric utilities set up under state statutes.

It required such agencies to enter into contracts concerning working conditions with representatives of a majority of their employees.

When the late President John F. Kennedy issued Executive Order 10988 en-

couraging federal employees to join unions and to bargain collectively with their agencies, he acted not only in the public interest but in harmony with the nation's philosophy toward labor-management relations. AB 1016 was an extension of the Kennedy philosophy to public utilities publicly owned in California.

AB 1016 was urged by our IBEW locals and actively advocated by the Federation with able assistance from Mervin Walters and George Mulkey of the IBEW.

Assemblyman Alquist, on behalf of the Federation, introduced the bill on February 9. It was referred to the Committee on Industrial Relations. Hearings were held before the Committee on Industrial Relations and on April 8 it was amended and reported to the Assembly.

On April 12 the bill was again amended and at the time of the second reading re-referred to the Committee on Ways and Means. Because of the opposition which developed, the bill was again amended on April 19 in the Committee on Ways and Means. No further action was taken.

PUBLIC EMPLOYEES

AB 1376 reduces the workweek for state employees from 40 to 35 hours. AB 1381 provides that a holiday which falls on Saturday shall be observed on the preceding Friday or the following Monday, as determined by the Governor. Both bills cleared the Committee on Civil Service and State Personnel and were referred to the Committee on Ways and Means where they were retained in Committee but the subject matter was referred to the Rules Committee for assignment to the proper interim committee for study.

AB 1380 requires that all ordered overtime or overtime in times of critical emergency for state employees shall be compensated at time and one-half the regular rate of pay. AB 1689 requires the State to pay the full cost of health benefit plans for state employees. After hearings, both bills remained with the Committee on Civil Service and State Personnel until June 18 when they were reported from the Committee to the Assembly without further action.

AB 2053 improves retirement benefits for state miscellaneous members and for local miscellaneous members whose agencies have agreed.

AB 2053, introduced by Assemblyman Kennick, was held after hearing in the Committee on Civil Service and State Personnel until June 18 when it was reported to the Assembly without further action.

INSURANCE AGENTS

AB 1063, by Assemblyman McMillan, provided for a grace period on life policies of insurance companies where premiums are collected by agents of the company during a period of a strike and for a reasonable time thereafter. After hearing, a motion to report the bill favorably to the Assembly failed to obtain a majority in the Committee.

LABOR CODE AMENDMENTS

AB 1154, introduced by Assemblyman Rumford, the Federation's \$2 an hour minimum wage bill, after hearing remained with the Committee on Industrial Relations until June 18 when it was referred to the Assembly without further action.

AB 854, introduced by Assemblyman Henson, authorized the Labor Commissioner to require the posting of wage bonds by employers who had previously failed to meet their payroll or had been previously declared bankrupt. The bill also permitted the Labor Commissioner to look at the books and records of an employer when a wage claim had been filed. Authority was also extended to a labor organization to process claims for its members. After amendment, the bill remained with the Committee until June 18 when it was reported to the Assembly without further action.

AB 842, introduced by Assemblyman Elliott, repeals the Jurisdictional Strike Act of 1947. The bill remained with the Committee on Industrial Relations.

AB 1364, introduced by Assemblyman Foran, requires employers of the culinary industry to have on hand or on deposit with a bank or trust company either cash or readily saleable securities sufficient to pay the wages for a pay-day period. It also permits the employer in the culinary industry the alternative to deposit with the Labor Commissioner a bond to cover wages found due by the Commissioner. After hearing, AB 1364 was retained with the Committee and on May 6 the subject matter was referred to the Rules Committee for assignment to the proper interim committee for study.

CONCLUSION

It should be pointed out that much bad legislation was killed; it should be pointed out that some good legislation was passed. It was a Legislature whose attention to the problems and needs of our State were diverted by the uncertainty of each member's place in the future in the political arena of the State. As a result, much needed legislation has not been passed.

'Some Needs Met in Most Trying Session in State's History': Pitts

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session . . . has been held under more trying circumstances," Pitts told the 36-member state AFL-CIO body that while "the 1965 general session left too many essential needs unmet" at the same time it did act on many programs "necessary to the 'good and welfare' of the people of California."

Among the successes racked up by the Federation during the session he said, were;

- Extension of lien rights to health and welfare trust funds set up under collective bargaining agreements which will enable unions to collect thousands of dollars heretofore lost.

- Repeal of the state Hot Cargo and Secondary Boycott Act which, although held unconstitutional in 1947, compromised the right of union men to refuse to handle goods from struck plants.

- Liberalization of the state's workmen's compensation program through the establishment of a Division of Industrial Accidents in the State Department of Industrial Relations to see that workers hurt on the job get all the benefits they are entitled to, including rehabilitation services to maximize their future employability.

- Extension of disability insurance coverage to 80,000 hospital workers, which will result in such workers receiving about \$4 million in benefits, and adoption of a temporary solution of the solvency of the disability insurance fund.

- A \$10 boost in maximum weekly benefits for workers covered by the state's unemployment program. This will increase benefit payments to 40 percent of all claimants or some 380,000 workers and hike total benefit payments by \$43.8 million.

On the other hand, Pitts, the Federation's secretary-treasurer, said, the fact that the legislature's "attention to the problems and needs of our state was diverted by the uncertainty of each member's place in the future" of the state resulted in a failure to pass "much needed legislation." Included in this category were:

- Organizational rights for employees in public and private hospitals and certain public utility districts.

- Extension of the voter registration period.

- Protections for workers in the insurance, teaching and public employment fields.

In addition, some of labor's gains, particularly in the social insurance field, were coupled to provisions that "adversely modified" the programs, he reported.

For example, he said, the \$10 a week increase in maximum benefits under the state's unemployment compensation program was tied to legislation that "drastically and unjustly increased the disqualification penalty for misconduct and for voluntarily leaving employment."

This measure (AB 518) also contains provisions that will decrease Unemployment Insurance Fund reserves which are already at their lowest level in the state's history and compromise the benefit schedule so that workers entitled to near-top benefits (\$61 to \$65 a week) will receive less than 50 percent of their average weekly wage — which is less than the minimum called for by sound social insurance standards, Pitts explained.

On balance, he added, AB 518 will result in a net increase in total benefit payments of only about \$13.3 million and "fails to prepare our unemployment insurance program to meet the responsibilities" that a depression might impose on it.

Similarly the state's disability insurance program, which provides benefits for workers suffering off-the-job illnesses or injuries, although including extension of coverage to hospital workers, imposes a freeze on the escalation of maximum benefits and, among other things, limits total weekly payments to 50 percent of base period earnings, a provision the legislature abolished 12 years ago, he pointed out.

In other actions, the Executive Council:

- Elected Ray Mendoza of Hod Carriers and General Laborers Local 652 of Santa Ana to the Executive Council as Vice President from District 2(b), a new district created in Orange County by action taken at the Federation's last convention in August, 1964.

- Placed the Coffee Tree, a roadside restaurant on Highway 40 near Vacaville, and the McMillan Ring-Free Oil Company of Southern California on the state AFL-CIO's "We Don't Patronize" list. The Coffee Tree is owned by the same interests that run "The Nut Tree" which is also on the Federation's "We Don't Patronize" list.

Senate OK's Hatch Act Study

(Continued from Page 1)

members from the Executive Branch, the Senate and the House.

In urging authorization of the study, the AFGE did not spell out specific recommendations for changes in the laws but indicated that it would submit specific proposals to the commission once it is established.

Price Yardstick For Consumers

"In general, prices this year for fruits and vegetables have not risen or fluctuated any more for crops which braceros used to pick than they have for other food prices.

"I suggest this as a guide to the purchasers of fruits and vegetables:

"The cost of bringing seasonal agricultural wages up to the \$1.25 to \$1.40 an hour level is equal to, in very rough terms, about one cent per unit for most vegetables and fruits—per pound or per dozen or per head or whatever the ordinary unit may be.

"If retail prices go up more than that and if the increase is blamed on rising labor costs in the field, the American housewife is being denied her rights to have the truth."— U.S. Secretary of Labor W. Willard Wirtz.

Bartalini Named To College Board

Chester R. Bartalini, President of the California State Council of Carpenters was named to the Board of Trustees of the California State College System this week by Governor Edmund G. Brown.

State AFL-CIO leader Thos. L. Pitts who resigned the post because the press of union business "made it impossible for me to give as much time to the State College Board as I felt necessary," lauded the Governor's selection of Bartalini as his successor saying:

"I know he will do a great job for the people of California on this board."

In announcing the appointment, the Governor said:

"I regret the loss of Tom Pitts from this important Board very much. He served with great distinction and his good judgment and creativity will be missed."

The Governor said that Bartalini "has shown great administrative talent" and that he was "very happy" to have his services.

"As a union leader, he has learned to appreciate the need to keep alive and strengthen California's system of tuition-free higher education," the Governor said.

Bartalini, a native of Michigan, has lived here since 1936. He has been executive secretary of the Bay Counties District of Carpenters since 1950 and president of the California State Council of Carpenters since 1958.

\$7.3 Billion Omnibus Housing Bill Calling For 240,000 More Units Nears Final OK

A \$7.3 billion, four-year omnibus housing bill containing a rent subsidy plan to help provide decent homes for some eight million American families now living in slums won final Senate approval last Friday by a vote of 54 to 30 and was sent to conference to be reconciled with a slightly different House version approved on June 30.

Don't Buy Boss Gloves, Union Asks

California shoppers can join the war on poverty and strike a blow for economic justice by refusing to buy "Boss" gloves, according to a handbill published by the Amalgamated Clothing Workers of America, AFL-CIO.

More than 600 workers are on strike at the Boss Manufacturing Company's three plants at Kewanee, Ill., Chilli-cothe, Missouri; and Oneida, Tenn. Many are striking because they aren't even earning enough to be able to afford an insurance plan offered by the company.

Take the case of Bill Wade, married with three children, who earns only \$1.30 an hour at the Boss Glove Company. He says:

"I make a \$1.30 an hour and I can't afford the insurance the Boss Company offers. It would cost over \$18.00 and this money must be used to feed my family. "My children are the most important thing in my life, this is why I decided to go along with the union. They requested a paid health and insurance plan. I am hoping for a better way of life through my union."

Unfair labor practice charges have been filed with the National Labor Relations Board against the firm at each of its three plants.

Boss gloves are sold at some W. T. Grant and J. C. Penney stores in California.

California shoppers who heed the appeal of these striking workers by refusing to buy Boss gloves can "influence how much longer the . . . stores support the shameful low wage conditions" that create poverty in our nation, the handbill points out.

An Inaccurate Title

"The so-called right-to-work law in the State of Utah continues to be a source of difficulty and unrest in our state. In my opinion, the right-to-work law bears an inaccurate title and is simply an impediment to the right of labor to collectively bargain in establishments where a majority of employees wish to affiliate with a union."— U.S. Senator Frank E. Moss of Utah.

Both the Senate and House versions include the rent subsidy program which is designed to expand housing available to low income families and calls for the provision of 240,000 more low-rent public housing units.

Under the rent subsidy program, the government would pay the difference between 25 percent of a person's income and the fair market rental. Only those whose incomes would qualify them for public housing will be eligible for the rent subsidies.

Senate Republican efforts to kill the rent subsidy program were defeated 47 to 40.

Both of California's Senators, Thomas H. Kuchel and George Murphy, voted with their party on the rent subsidy issue. But in the vote on final approval of the housing bill, Kuchel voted for the bill and Murphy against it.

Maximum expenditure under the rent subsidy plan would be about \$350 million over the next four years. Originally the bill had called for a \$500 million authorization but it was cut back to \$350 million at the Administration's request.

The bill also calls for \$2.9 billion for urban renewal grant funds to continue the program of slum clearance and community development over the next four years.

Of the 60,000 new low-rent units authorized each year an estimated 35,000 are to be new construction and the balance, rehabilitated from existing housing or leased from private owners.

In addition, the omnibus housing measure:

- Limits the interest on direct housing loans for the elderly, the handicapped and for displaced families to 3 percent instead of the present 4 percent.

- Authorizes up to \$700 million over a four-year period to provide matching grants to cities and towns for water and sewer facilities.

- Provides grants to impoverished home owners to help them rehabilitate their properties so they can continue to live in them. Grants of up to \$1500 could be paid to persons with incomes of \$3,000 a year or less under this provision of the bill.

Senator John J. Sparkman (D-Alabama) pointed out that the program

Fire Fighters Fight Yorty's Proposal On Lie Detectors

Opposition mounted this week to an ordinance proposed by Mayor Samuel Yorty of Los Angeles to require city employees to submit to so-called lie detector (polygraph) tests.

In a letter dispatched to city officials, the executive board of Local 748 of the International Association of Fire Fighters, AFL-CIO, declared:

"We are deeply concerned over the increasing reliance on 'lie detector' tests.

"There is no 'lie detector' neither machine nor human; but people have been deceived by a myth that a metal box in the hands of an investigator can detect truth or falsehood."

Urging the Los Angeles City Council's Committee on Governmental Efficiency to reject the Mayor's proposal, the board said:

"The City of Los Angeles as an employer with its thousands of employees should not instigate controversial personnel investigative policies. Studies are too inconclusive to permit Los Angeles to adopt such an ordinance."

The union also objected to any proposal to make such tests "voluntary" and cited a recent congressional report which pointed out:

"As long as a notation is made in any official file that an individual refuses to take a polygraph test, the examination is in no way 'voluntary.' The refusal too often is taken as a presumption of guilt; the file notation, which follows an individual throughout his career, often casts a dark shadow on his future."

Not The Answer

"These ('right to work') laws, whether national or state, are not the answer because they deny to workers the same organizational right exercised by stockholders. Management and its policies are the result of majority votes by stockholders and minority stockholders must accept the will of the majority or sell out. In the American economy and political system, workers must have these same rights of organization." — George Romney, Governor of Michigan."

provides a big role for private enterprise in building the apartments and estimated that the rent subsidies would average \$40 a month per family compared with \$58 a month for a unit in a low-rent public housing project.