

California AFL-CIO

CUNIVERSITY OF CA IFORNIA BERKELEY

> January 14, 1966 Vol. 8-No. 2

Executive Secretary-Treasurer

Published by California Labor Federation, AFL-CIO, 995 Market Street, San Francisco, California 94103 — Second Class Postage Paid at San Francisco, California — Subscription: \$3.50 a year

## Injured Workers' Rights Spelled Out



TOM SAUNDERS (at rostrum), Administrative Director of the new Division of Industrial Accidents, explains how AB 2023 improves the services available to California workers hurt on the job at one of two conferences on the new administrative setup in the state's workmen's compensation program held recently in Los Angeles and San Francisco. Tom Pitts (second from left), the Federation's executive officer who chaired both conferences, emphasized that the Federation-backed bill which requires insurance carriers to submit written reports directly to employees on the status of their benefits represents a significant forward step but that the state AFL-CIO would continue to press for improvements in benefits and in the administration of the program. Also on hand to clarify special aspects of the new administrative setup were Ernest B. Webb, director of the State Department of Industrial Relations (at left), and Albert G. Boardman, a commissioner on the Industrial Accident Commission who was formerly education and research director of the State Conference of Operating Engineers. The conferences were jointly sponsored by the California Labor Federation and the I.A.C.

## Interest Hike **Cuts Hope For Building Upturn**

The impact of the recent boost in interest rates and the escalation of the war in Vietnam have apparently shortcircuited earlier high hopes for a significant increase in housing starts in 1966, a survey published by the Wall Street Journal this week disclosed.

Instead of an end to the twoyear decline in jobs available to building tradesmen and workers in related industries, the survey found that home building industry leaders expect housing starts across the

"The obstinacy of Califor-

Commenting on the jobless

figures, State AFL-CIO leader

(Continued on Page 2)

Thos. L. Pitts said:

## State's Jobless Climbed To 411,000 Last Month

Despite a significant increase in employment, unemployment climbed to 411,000 in California between November and December and the state's seasonally adjusted jobless rate rose to 5.7 percent, a full 39 percent higher than the 4.1 percent adjusted jobless rate posted for the nation as a whole.

Even though the state's total civilian employment, at 7,004,-000, rose 55,000 between November and December and was 272,000 or 4 percent higher than in December 1964, 17,000 more Californians were jobless last month than a month earlier.

sonally adjusted jobless rate from 4.2 to 4.1 percent last month-a level nine-tenths of one percent below a year ago and the lowest level since May, 1957 provoked reports this week

U.S. Rate Nears

Interim Goal

The drop in the national sea-

that some of the administra-

(Continued on Page 2)

## LBJ Asks 14b's Repeal To **Equalize Law**

President Lyndon B. Johnson re-emphasized his determination to press for repeal of Section 14(b) of the Taft-Hartley Act, improvements in the nation's unemployment insurance system and expansion of minimum wage benefits in his State of the Union message this week.

He also announced plans to call for legislation "to deal with strikes which threaten irreparable damage to the national interest."

Stressing the unfairness of Section 14(b) — a section that was even opposed by the late Senate conservative leader Robert A. Taft of Ohio-President Johnson said he would call on Congress to repeal it "to make the labor laws in all our states equal to the laws of the 31 states which do not have rightto-work measures."

The repeal measure, the AFL-CIO's top legislative priority before the current second ses-

(Continued on Page 3)

## **Court Upholds** Redistrict Plan

The California Supreme Court this week unanimously approved the state's legislature's plans to reapportion the state's 40 state senate and 80 assembly districts.

The high court's decision handed down Tuesday rejected a challenge to the plan which protested the legislature's plans for at-large elections of state senators in San Francisco and Alameda counties. The challenge maintained that the atlarge elections failed to protect minorities.

But the court observed:

"There is no merit in the contention that the plan denies

(Continued on Page 3)

(Continued on Page 4)

## U. S. Jobless Rate Nears Interim Goal

(Continued from Page 1) tion's advisors are now worrying about a "labor shortage" and possible inflation in the coming year.

This is ironic in view of the fact that the administration itself clearly indicated a couple of years ago that the 4 percent level was simply an interim goal in the continuing effort to achieve a full employment economy.

In other highly industrialized western democracies such as Great Britain, West Germany or the Scandanavian countries a 4 percent jobless rate would be—as it should be here—totally intolerable.

#### NO GENERAL SHORTAGE

Commissioner of Labor Statistics Arthur M. Ross stressed the fact that there is no "general labor shortage but rather a mixture of emerging shortages in a few areas, occupations and industries."

He said the administration is currently trying to determine specific manpower requirements, shortages and surpluses in specific areas and said conferences are planned in the near future with industries and unions to solve these problems.

#### REDESIGN JOBS

Some jobs, he said, "will have to be redesigned so women, older workers, young people and part-time job seekers can perform them.

"Unnecessarily stringent hiring specifications with respect to education, age and experience will have to be relaxed... wages should be more competitive in certain poorly paid yet essential occupations. Needless to say equal employment opportunity is more essential than ever," he emphasized.

At the recent national AFL-CIO convention in San Francisco, UAW President Walter Reuther speaking in behalf of adoption of a resolution dealing with the national economy (No. 214) pointed out that "during the last 11 years we have wasted 34 million manyears of potential economic production because of unemployment."

"During the Eisenhower

# State's Jobless Climbed To 411,000 Last Month

(Continued from Page 1)

nia's jobless problem is due, of course, in no small measure to the state's continuing rapid increase in population which is now in the neighborhood of 600,000 persons a year.

"But this just underscores the necessity for trade unionists and other concerned citizens to select and elect candidates for congressional and state legislative offices this year who understand the complexities of California's economic growth problems and have the courage to fight to implement and expand existing federal - state - local programs to spur job creation in the public as well as the private sectors of our economy."

While the state's jobless rate edged upward one-tenth of one percent from the 5.6 percent posted in November, it was below the 6.1 percent seasonally adjusted rate of December, 1964.

The increasing demands of the war in Vietnam have reversed the two-year downward trend in employment in the state's arms-making industry and resulted in the aerospace complex recouping more than half of the jobs lost during that two-year decline which ended

period, because the Secretary of the Treasury, George Humphrey, was obsessed with balancing the budget, he unbalanced the American economy and we had three recessions in a period of 11 years, and those recessions left behind a large residue of unemployment, and we are just now beginning to nibble into that large residue.

"Because we had idle workers, idle productive capacity, and because we failed to achieve adequate economic growth, we lost in those 11 years more than \$900 billion in our gross national product. Those are the billions of dollars we need to carry out the program of achieving the great society." Reuther declared.

He also warned that the busi-(Continued on Page 4) early in 1965, the state report indicated.

California's total civilian labor force was 7,415,000 in December compared with 7,155,000 in December, 1964.

Nearly half of the jobless workers last month did not have the skills or education required to fill available jobs. Another 20 percent, although skilled, were not living where their skills were needed.

(This points up the need to transform the federal-state employment service into a more comprehensive Federal man-power service agency capable of greater efficiency in matching workers with existing jobs. A resolution (No. 207) urging that just this be done was adopted at the national AFL-CIO convention in San Francisco last month.)

On the national level, Arthur M. Ross, Commissioner on Labor Statistics, predicted that the nation's jobless rate will fall below 4 percent during the first quarter of this year.

As of last month, 3.1 million Americans were jobless. Total civilian employment, at 73,412,-000, was 573,000 higher than a month earlier.

Over the year the rate for married men dropped nearly one-third last month down to just 1.8 percent. In December, 1964 it was 2.6 percent.

On the glum side, the jobless rate for non-whites declined much less sharply from 8.9 to 7.3 percent.

## Farm Workers' "First Step"

"By phasing out the use of braceros, the first long step had been taken toward eliminating the special disadvantages of wage earners in California agriculture. But it is only the first step. Much remains to be done before farm workers will have the same status as those in other industries and before agricultural employers will have built and maintained a reliable and efficient domestic labor supply."—An excerpt from the recommendations of the final report of the California Farm Labor Panel.

## Boardman Named To Appeals Board

Albert G. Boardman of San Mateo and William Kaplan of Tujunga were appointed members of the Workmen's Compensation Appeals Board this week by Governor Edmund G. Brown.

The appointments to the newly created "Appeals Board" resulted from administrative changes brought about by Federation-backed legislation (AB 2023) enacted last June which abolished the IAC and transferred its judicial functions to an appeals board and enlarged and transferred its administrative functions to the newly established Division of Industrial Accidents.

The object of the reorganization was to help assure, as nearly as humanly possible, that injured workers get all workmen's compensation benefits, both medical and monetary, due them under the law.

Boardman, former director of education and research for the State Conference of Operating Engineers and presently a member of the Industrial Accident Commission, is also a member of the San Mateo Building and Construction Trades Council.

In announcing the appointments, the Governor praised Boardman for his service on the IAC.

Kaplan succeeds Thomas Saunders of San Francisco who has been named director of the new Division of Industrial Accidents.

The governor described Kaplan as "a skilled legal authority on workmen's compensation practice" who will bring to the board "a keen insight and comprehensive understanding of this field."

Kaplan, an attorney, was deputy labor commissioner for California from 1940 to 1945 and served as a referee for the Industrial Accident Commission from 1946 to 1965. The governor named Kaplan as acting chairman of the newly reorganized board.

Both appointments require senate confirmation.

## **Johnson Calls For Repeal of 14(b)**

(Continued from Page 1) sion of the 89th Congress, won House approval last July 28th by a 221 to 203 vote but was stymied later in the year in the Senate by a filibuster led by Senate Republican leader Everett M. Dirksen (R-Illinois).

#### IT'S ON CALENDAR

Early action on the repeal bill (HR 77) will be sought. It is already on the senate calendar—the legislative agenda of bills sent to the floor by senate committees.

Just for the record, here is the text of the two paragraphs of the President's message dealing directly with labor:

"For those who labor, I propose to improve unemployment insurance, to expand minimum wage benefits, and—by the repeal of Section 14(b) of the Taft-Hartley Act—to make the labor laws in all of our states equal to the laws of the 31 states which do not have right-towork measures.

And I also intend to ask the Congress to consider measures which, without improperly invading state and local authority, will enable us effectively to deal with strikes which threaten irreparable damage to the national interest."

Johnson also reported that the after-tax income of workers in the past five years has

## Automation Could Cut Industry's Jobs 50 Percent

One out of every two jobs in the gray-iron foundry industry could be eliminated without any reduction in output if the industry were fully automated through existing technological capabilities.

This is the conclusion of a 228 page study just completed by Northeastern University for the U.S. Labor Department. The study found that automation in that industry would affect all job classifications, not just certain classifications to the exclusion of others.

risen 33 percent and last year alone rose eight percent.

On the other hand, he noted that the after-tax earnings of corporations over the past five years has risen "65 percent and more" and last year alone rose 20 percent.

Average farm income, he added, is higher than ever—up 40 percent over the past five years and 22 percent last year.

As a safeguard against inflation he urged both labor and business to exercise price and wage restraint.

#### LAG CITED

During the recent AFL-CIO national convention, however, delegates emphasized that the real compensation per hour of all employees in the private economy rose only 2.3 percent a year between 1956 and 1964, lagging far behind the 3.3 percent annual increase in the private economy's output per man hour.

In view of this, AFL-CIO economist Nate Goldfinger said the AFL-CIO was forced to reject the administration's recommended guideline increase of 3.2 percent because the guidelines "are wrong."

Corporate profits, he said, have climbed twice as fast as wages since 1961.

In the interests of correcting the basic lack of balance between the economy's rapidly rising ability to produce and its lagging increase in consumer buying power Goldfinger said the AFL-CIO was "going to do all we can to raise wages, fringe benefits and increase consumer purchasing power."

#### NO NEW TAXES

At the outset of his State of The Union message, President Johnson said the nation could afford to continue to build the Great Society at home while maintaining our commitments abroad without new taxes but he did call for:

- Reinstitution of the excise taxes on automobiles and telephone calls.
- Action to "improve" the income tax withholding system.
- A speedup in corporate tax collection.

In other areas, he said, he would propose:

• A constitutional amendment to provide a four-year term for members of the House of Representatives, "w h i c h should not begin before 1972."

- Legislation to assure nondiscriminatory jury selection in federal and state courts, including adequate enforcement powers for the attorney general.
- Legislation to ban racial discrimination in the "sale or rental of housing."
- Legislation to strengthen the authority of federal courts to try those who "murder, attack or intimidate either civil rights workers or others exercising their constitutional rights" and to increase penalties to fit the nature of the crime
- Legislation to prevent deception of the unwary American consumer by requiring "all packages to state clearly and truthfully their contents all interest and credit charges to be fully revealed—and keeping harmful drugs and cosmetics away from our stores."

He also called on the House of Representatives to complete action on three programs already approved by the senate—the teacher corps, rent assistance and home rule for the District of Columbia.

#### **URBAN PROBLEM**

In addition, he said he would offer "other proposals to stimulate and reward planning for the growth of entire metropolitan areas."

#### Foreign Farm Labor Cut To 3% in 1965

Only 3 percent of California's total farm labor force in 1965 came from foreign workers compared with 21 percent a year earlier, Governor Edmond G. Brown reported last week in his annual year-end report.

"This meant that large sums of additional money remained in California through wages paid an additional 20,000 domestic farm workers and that further savings resulted in reduced welfare payments," the Governor's report stated.

At the same time, farm income reached a new record high of \$3.7 billion, an increase of 2 percent from 1964, which was also a record year. Total crop production during the year was 37.37 million tons.

In some urban areas, he observed, "we must help rebuild entire sections and neighborhoods containing in some cases as many as 100,000 people."

Initiation of bold new programs in the urban renewal field along with implementation of existing programs could go a long way toward stimulating jobs in the building trades.

# **Court Upholds Redistrict Plan**

(Continued from Page 1) equal protection by providing for the election of two senators at-large both in San Francisco and in the more populous part of Alameda county and for the election of single senators elsewhere

"Although there are substantial racial, ethnic and political minorities in the districts involved, no purpose to minimize or cancel their voting strength appears and it is sheer speculation to assume that dividing the at-large districts into single member districts would substantially affect the voting strength of any of the minorities involved.

"Indeed, even more suspect under the equal protection clause than at-large districting, would be districting that concentrated minority voting strength in a single-member district for the purpose of minimizing such strength elsewhere."

The decision, written by Chief Justice Roger J. Traynor, also pointed out that the atlarge provision was a policy decision, not a constitutional question.

"The wisdom of the policy decision is solely for the legislature to determine," the court said.

When the redistricting bill was approved by the legislature last October 21, legislative leaders said none of the proposed districts deviated more than 15 percent in population and that a majority of the senate would be elected by at least 48.9 percent of the state's population.

Under the existing districting setup only 11 percent of the state's population could elect a majority to the state senate.

# **Building Upturn Hopes Dashed**

(Continued from Page 1) nation to "drop about five percent, to about 1,425,000 units".

In contrast, up until late in November, building industry officials had been predicting that 1966 housing starts would climb by as much as 10 percent from the estimated 1.5 million units begun last year.

Primary blame for the reversal in the industry's 1966 prospects was laid to the Federal Reserve Board's action hiking the discount rate from 4 to 4½ percent early in December. This action made it necessary for many builders to renegotiate their arrangements for 1966 construction funds and slash the number of units they planned to build in 1966 because of the higher interest costs.

A San Francisco Bay Area home builder who asked for anonymity because he still hadn't "nailed down" his financing said that before the interest rate boost he was planning on building "about 10 percent more units in 1966 than in 1965."

After the rates went up, he said, "my money sources said they were unable to commit themselves for that many units."

The only thing "reasonably certain right now," he added, "is that money is going to cost more and I'll be building fewer units this year. How many fewer I don't know, but a good guess would be five percent."

Pointing up the impact of the escalation of the war in Vietnam on job opportunities in the building trades, another builder declared:

"Any time the country takes 300,000 to 400,000 young men, single or married, and sticks them in the military for two years, well, that's a heck of a chunk of the apartment market. They're among our prime prospects."

Since 1963 when housing starts totaled 1,600,000, starts have fallen steadily—to 1,557,000 in 1964 and on down to 1,500,000 last year.

## North Central COPE Units To Air Problems January 25

Political problems stemming from the recent reapportionment of both houses of the state legislature that affect nine AFL-CIO central bodies and COPES in North Central California will be discussed at a meeting at the Senator Hotel in Sacramento on Tuesday, January 25.

Principal focus of the meeting will be on reviewing the local and district COPE structures in the region in view of the newly drawn state senate and assembly districts.

Also to be considered is the formation of a North Central California Council on Political Education to help coordinate political action and endorsement procedures in the region.

Representatives of the following central bodies and COPES have been invited to attend: Butte-Glenn; Stanislaus-Tuolumne; Five Counties; Marysville; Sacramento; San Joaquin; and Solano.

Article XI, Section 2 of the California Labor COPE Constitution specifies that in areas covered by more than one central body COPE organization "it shall be the exclusive right of the area or district political organization" to recommend candidates for endorsement by the convention to the Executive Council of State COPE.

The extent to which the political responsibilities of the seven central bodies involved overlap may be seen from the following breakdown:

Butte and Glenn Counties Central Labor Council encompasses the 2nd and 4th Congressional Districts; the 2nd State Senate District; and the 4th Assembly District.

Stanislaus-Tuolumne Central Labor Council encompasses the 2nd and 15th Congressional Districts; the 3rd State Senate District; and the 30th Assembly District.

Five Counties Central Labor Council encompasses the 2nd Congressional District; 1st, 2nd and 3rd State Senate District; and the 1st Assembly District.

Marysville Central Labor Council encompasses the 4th Congressional District; the 2nd State Senate District; and the 4th and 6th Assembly Districts. Sacramento Central Labor Council encompasses the 2nd, 3rd and 4th Congressional District; the 2nd, 3rd, 5th and 6th State Senate Districts; and the 3rd, 4th, 6th, 8th and 9th Assembly Districts.

San Joaquin and Calaveras Central Labor Council encompasses the 2nd and 15th Congressional District; the 3rd and 6th State Senate Districts and the 12th and 30th Assembly Districts,

Solano County Central Labor Council encompasses the 4th Congressional District; the 2nd and 4th State Senate District; and the 5th Assembly District.

The conference, called by state COPE, is scheduled to get underway at 11:30 a.m. with luncheon scheduled at 12:30 p.m.

Union officials planning to attend are asked to notify John Axtell, secretary-treasurer of the Sacramento Central Labor Council at 1210 "H" Street, Sacramento, who is arranging facilities for the meeting.

### Deadline For Medicare Near

Do you know any senior citizens—your father, mother, aunts or uncles—who have failed to sign up for the voluntary doctor bill insurance available under the new medicare program?

It might be worth checking around to make sure right now because persons 65 and over who fail to sign up by March 31 for the voluntary program may have to wait two years for another chance to qualify and then pay higher premiums.

The voluntary plan is available to all men and women over 65 for just \$3 a month. This is far less than the cost of comparable private insurance.

Information kits and enrollment cards were mailed out last fall to all men and women on the social security and railroad retirement benefit rolls but social security officials feel they may have missed some 600,000 eligible elderly people.

The voluntary or "Part B" program provides coverage for house or office visits by physi-

## U.S. Rate Mears Interim Goal

(Continued from Page 2)
ness community likes "this arrangement when there are
three or four million workers
standing in the lines without a
job in the morning. They think
that gives them an advantage
when we sit at the bargaining

"We have to say to the big business community, and . . . to our friends in Washington, (that) "the American labor movement wil not stop the fight for full employment until every worker able and willing to work has a decent job, a decent wage, under decent working conditions, and we will not tolerate any levels of unemployment," he concluded.

The resolution, subsequently adopted, spelled out actions needed in more than a dozen areas on the national level to sustain the nation's economic growth. Among other things it called for a detailed inventory of present backlogs and growing needs to be prepared by each state and metropolitan area so that the federal government could provide plans and programs to meet specified requirements within specific periods of time.

It also called for a boost in the minimum wage to \$2.00 an hour; additional federal standards extending the duration and boosting benefit levels under the unemployment insurance system; focusing the next general federal income tax cut on low and moderate-income families; and among other things, a 35-hour standard workweek without any cut in weekly earnings.

cians; surgeons' fees; hospital services of anesthesiologists and other specialists; X-rays; lab tests; radiation therapy; artificial limbs and eyes; and for home visits by nurses and therapists.

All eligible citizens need to do to sign up for the Part B coverage is to phone or write their nearest social security office and ask that an enrollment card be sent to them. They have to make sure to mark the signup card "yes" and mail it back.