



California AFL-CIO News

THOS. L. PITTS 151
Executive Secretary-Treasurer

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Senate Oks Tax Bill to Hit Consumers

The U.S. Senate this week approved a \$4.8 billion war-financing tax bill which has the effect of placing the bulk of the burden of the increase on the lowly consumer.

The bill, which now goes to a House-Senate Conference Committee, would reimpose the pre-January excise rates on automobiles and long-distance and commercial phone calls;

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Bishop Buddy Dies at 78

The Most Reverend Charles F. Buddy, Roman Catholic Bishop of San Diego and a forthright opponent of the so-called "right-to-work" proposition in 1958 died Sunday in Banning at the age of 78.

The Bishop, a stalwart champion of the rights of working men and women throughout his service, spelled out the moral objections to right-to-work laws from the Catholic viewpoint in a pamphlet published by the California Labor Federation eight years ago. (See page 4).

Voicing the labor movements sense of "great loss" at the Bishop's passing, Thomas L. Pitts, secretary-treasurer of the California Labor Federation called on Federation Vice-President Max Osslo of San Diego to serve as the official representative of the Federation at the Bishop's funeral services.

Write Now To Win OK for FLSA, Jobless Pay Bills

A Lesson In The Lozenge Crackdown?

Once again the need for adequately staffed federal and state regulatory agencies with adequate budgets was demonstrated this week when the Food and Drug Administration cracked down on the sale of hundreds of non-prescription antibiotic lozenges because the FDA found they have no medical value in treating sore throats and, in fact, are a threat to safety.

The unprecedented action, effective immediately, affects as many as 200 different preparations sold by drug stores under 500 brand names for an estimated \$25,000,000 a year.

It was taken, the FDA said, due to "the lack of any substantial medical evidence of effectiveness, despite up to 15 years' experience with antibiotics."

Dr. James L. Goddard, who was just sworn in as FDA Commissioner last January 10 and has already earned the nickname of "Go Go Goddard," said the agency "is continuing to review the efficacy data" on other antibiotic ointments, deodorants, sprays and other preparations. Unless evidence indicates

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Emphasizing that both the nation's Fair Labor Standards Act and its unemployment insurance program have failed to keep pace with the times, State AFL-CIO leader Thomas L. Pitts called on California's 38-man Congressional delegation to support significant improvements in both programs in the interest of waging "a meaningful 'war on poverty'."

In letters sent to each Congressman, Pitts asked specifically for their active support for an increase in the Federal minimum wage to at least \$1.60 in September, 1967 and to \$1.75 the following year along with extension of FLSA coverage to 7.9 million more workers.

The fact that, even with these improvements, some 10 million U.S. workers would still be denied FLSA coverage indicates that the proposed increases "are indeed modest," he said.

NEED SELF-EVIDENT

The need for improvements in the nations unemployment insurance system is self-evident from the "tremendous variations (that) exist in State unemployment insurance programs," Pitts, secretary-treasurer of the California Labor Federation, AFL-CIO, said.

"These variations result in competition between the States to see which can provide the most inadequate benefits. The real losers are the unemployed workers—the group for which the unem-

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State and U.S. Jobless Rates Drop Sharply

Unemployment dropped to a 13-year low nationally—its lowest since the Korean War—and to a nearly six year low in California last month, with a seasonally adjusted rate of 3.7 percent posted for the nation and 5.1 percent for the state. In announcing the achievement, President Johnson described it as "a tribute to the public and private policies" that made it possible but called for "appropriate caution" in proceeding toward the nation's declared objective of full employment as spelled out in the 1946 Full Employment Act.

"To conclude that we must proceed cautiously," however the President emphasized, "does not mean that we should slam on the brakes or throw the economy into reverse."

Despite the 13-year low in joblessness nationally, 2.8 million people couldn't find jobs last month. Particular sore points in the jobless picture

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Public Workers' Political Rights Limited, Not Barred

Why do newspaper stories as well as the radio and TV communications media almost invariably refer to the Hatch Act as a measure that "prevents," "bars," "forbids," or "prohibits"

federal employees from "engaging in partisan political activity"?

It doesn't, you know! At least, not totally.

The Act's overall effect is to

"limit," not totally prohibit, partisan political activity by federal employees.

But the implication that it bans federal employees from all types of political activity was

raised again last week when a California paper reported that U.S. Senator George Murphy had proposed amending the Economic Opportunity Act to

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A Lesson In The Lozenge Crackdown?

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they are effective, they, too, will be withdrawn from the market, he said.

The lozenges, promoted for pain associated with sore throats and colds, generally contain a local anesthetic such as benzocaine and a small amount of such antibiotics as penicillin, streptomycin, chlor-tetracycline, chloramphenicol, and bacitracin or their derivatives.

Goddard explained that the action was taken not only because there was no substantial evidence that they are not worthless but because questions of safety are involved.

For example, he said, some lozenges contain penicillin to which an estimated 10 percent of the population is allergic or sensitive.

Articles in the American Medical Association's Journal have reported on hundreds of cases in which use of the lozenges had permitted serious infections to take hold.

Ironically, in another move to step up its policing of quackery and fraudulent advertising, the FDA charged that a five-page ad in the AMA Journal was false and misleading and that the labeling of the drug involved contained claims that the agency never approved.

The action on the lozenges stems in part from the Kefauver-Harris drug amendments of 1962 which required that all antibiotic products for human use have FDA approval for both safety and efficacy and be subject to certification of each batch—amendments which were accepted by the drug industries lobbyists only after other amendments dealing with drug patent rights that would have helped ease drug prices for consumers had been killed.

In short the action represents a black eye for some 70 drug manufacturers and indicates that, but for the FDA, the public might have gone on spending good money for bad medicine indefinitely.

It's just one more chapter in the growing bulk of evidence indicating the need for legislation to protect the consumer in

Write Now To Win OK for FLSA and Jobless Pay Bills

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ployment program was intended," he pointed out.

The fact that jobless workers are compensated for only one out of every five dollars lost because of unemployment contradicts the two original goals of the unemployment system, he said.

The program was designed to protect wage earners and their families from the privations resulting from unemployment and to stabilize the economy by replacing a major portion of the purchasing power lost through unemployment by unemployment insurance, he explained.

In a separate letter to all affiliates, Pitts called attention to the fact that "the Administration apparently is supporting efforts to hold down necessary increases in the minimum wage" and that both measures have recently been attacked by special interest groups.

In view of this, he declared: "It is extremely important for the California Labor movement to show strong support for these two crucial legislative goals." And he urged individual union members and friends of the labor movement to urge their Congressmen to support both measures.

FARM WORKERS

The measures are particularly important for California, he said, because HR 8282 would extend unemployment insurance coverage "to probably the most forgotten workers in the nation—those who labor on the farms" and HR 10518 would provide minimum wage law coverage for farm workers.

Spelling out some of the specific reasons why the FLSA improvements are needed, Pitts observed that:

- Nationally only about half of all women workers and less than half of all non-white workers are covered by minimum wage protections.

- The experience with previous boosts in the minimum wage emphatically repudiates

a number of areas such as is proposed in the truth-in-lending and truth-in-packaging legislation currently before Congress.

the contention of special-interest groups that increase in the minimum wage reduce job opportunities. The 1961 amendments which boosted the earnings of nearly four million workers, are credited with creating at least 100,000 new jobs by increasing purchasing power enough to generate more demand for goods and services.

- Similarly the contention that minimum wage increases cause inflation has proved to be erroneous since, although the minimum wage has been raised twice in the last five years, the overall Consumer Price Index has been relatively stable.

- The present \$1.25 an hour minimum amounts to annual earnings of \$2,600 if, and only if, a worker is employed full time year-around. An increase to \$1.40 an hour for presently covered workers will raise total wages and salary payments in 1966 by only one-half of one percent and the impact in succeeding years would be similar if the minimum were gradually increased.

Major provisions of the measure to bolster the nation's unemployment insurance system (HR 8282) include:

- Establishment of federal benefits standards at a maximum of two-thirds of each state's average weekly wage with the individual's benefit set at one-half of his weekly wage up to the state maximum.

- Establishment of eligibility and disqualification standards to eliminate interstate competition at the expense of jobless workers.

- An increase in the federal taxable wage base to finance benefit improvements. The fact that the taxable wage base has not been raised for nearly 30 years is indicative of the long overdue need for improvements in the system.

- Establishment of a federal extended duration benefit program of up to 26 weeks' additional benefits for long-term unemployed.

- Provision of matching

Court Upholds Union's Stand On KXTU Boycott

The right of unions to conduct a consumer boycott of merchants who advertised on a struck Sacramento television station has been upheld by the 9th U.S. Circuit Court of Appeals.

Nearly six years after the National Association of Broadcast Employees and Technicians and the American Federation of Television & Radio Artists struck Station KXTV in a contract dispute, the appellate Court in San Francisco concluded that a broadcasting station is in effect a producer of the goods it advertises.

Therefore unions may lawfully picket advertisers and handbill their places of business under the publicity provision of the Landrum-Griffin Act, it declared.

An attorney for AFTRA called the decision a "significant victory" for free speech.

During the legal battle over their boycott rights, however, the two unions lost their bargaining rights at the struck station, owned by John Hay "Jock" Whitney and others. Whitney is publisher of the New York Herald Tribune.

The appellate court reversed its own previous ruling to conform with a Supreme Court decision in a parallel case.

Reviewing the facts in the case, the judges decided that the Supreme Court's ruling in the "Servette" case makes mandatory a new conclusion—that a broadcasting station is in effect a "producer" of the goods it advertises.

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grants to states in years when the amount of unemployment insurance compensation paid exceeds 2 percent of total wages in covered employment.

The House Ways and Means Committee is expected to take up HR 8282 on March 15.

Pitts warned that the opposition to these measures that is being generated by special interest groups can be "counteracted only by informed letters to local Congressmen from union officials, members, and friends in the general public."

Public Workers' Political Rights Are Limited, But Not Barred

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place "certain employees of the poverty program — and VISTA volunteers" under the Hatch Act.

The proposed amendment would place employees of the anti-poverty war's Community Action Programs who receive the principal part of their salary from federal funds under the Hatch Act.

The California daily paper reported that this would "prevent" such employees from "engaging in partisan political activity." Again, it won't; at least, not totally.

But stories such as this tend to intimidate all public employees from exercising even the limited rights they have.

Could it be that some newspaper publishers just don't object to such intimidation so long as it serves their own political interests? Or, more likely, are the reporters simply ignorant of the law's overall effect?

HATCH ACT QUOTED

The Hatch Act, enacted in 1939, makes it unlawful for federal employees to "take any active part in political management or in political campaigns" but specifically states that "all such persons shall retain the right to vote as they may choose and to express their opinions on all political subjects and candidates."

While the Hatch Act bars federal employees from using their official authority or influence in election campaigns, it does not prevent them from:

1—Expressing their opinions on political subjects and candidates.

2—Participating in non-partisan voter registration drives.

3—Engaging in COPE political education efforts on their own time.

In fact a pamphlet published by the U. S. Civil Service Commission entitled "Political Acti-

vity of Federal Officers and Employees" states that:

"Active participation in the activities of a labor union by employees subject to the Hatch Act is not prohibited, where the organization is non-partisan in character and has as its primary object improvements in the conditions of labor."

In terms of expressing opinions, a case in point occurred during the 1964 campaign against Proposition 13 when U.S. Attorney Cecil Pool was accused of violating the Hatch Act by speaking in opposition to the proposition before the San Francisco Board of Education.

At the time, Poole said that the Hatch Act only forbids "taking an active part in political management of a partisan campaign" and declared that he intended to "keep right on advocating defeat of the initiative amendment."

He did. And no charges were pressed against him.

At its last biennial convention, the California Labor Federation, AFL-CIO adopted a resolution calling for repeal of the "unjust provisions in the Hatch Act" that restrict the political activities of federal employees on grounds that the provisions are "oppressive" and deny such employees their "constitutional guarantees under the Bill of Rights."

VICTORY IN 1964

Non-federal public employees in California won a significant victory toward achieving first class political citizenship in June, 1964 when the California Supreme Court ruled that an Alameda County charter provision barring civil servants from political activity was unconstitutional.

While the unanimous decision indicated that public employees cannot engage in political activity while on the job or use their offices to solicit contributions or votes, it made it clear that non-federal civil servants may run for office on their own time or take an active or leading role in a political campaign for someone else.

The court's ruling came in cases involving Dr. Joel Fort, an Alameda County employee who worked for the re-election of Governor Edmund G. Brown in 1962, and a San Francisco

case involving a deputy sheriff who was fired in 1959 after he ran for election against Sheriff Matthew C. Carberry.

In both cases, the court ruled, the provisions at issue imposed "broad and vague" restrictions on employees' political activities which could substantially affect their constitutional rights."

"The freedom of the individual," the court declared, "to participate in political activity is a fundamental principle of a democratic society and is the premise upon which our form of government is based."

BILL ENACTED

In 1963 the California legislature enacted AB 2947 (Danielson) which established uniform restrictions on participation of county and municipal employees in local elections. The measure also repealed all of the more restrictive legislation that had previously applied.

The restrictions spelled out in AB 2947 are as follows:

1—Officers and employees of their local agency are prohibited from receiving or soliciting political contributions from other officers or employees of that agency.

2—The solicitation or receipt of political contributions on agency property is prohibited and employees shall prohibit the entry of such solicitors except in auditoriums, etc. that are used for public or political rallies.

3—Candidates for offices of an agency are prohibited from promising employment or other benefits to others and from threatening reprisals based on the influence or authority of the offices they seek.

4—No officer or employee not exempt from the civil service or merit system of an agency may take an active part in a campaign for or against a candidate, except himself, for an office of that agency or for or against ballot measures relating to recall of an officer of that agency.

5—Officers or employees of a local agency are prohibited from participating in political activities of any kind while in uniform.

Except for these limitations, the Danielson measure explicitly states that "the limitations set forth in this

article shall be the only restrictions on the political activities of state employees."

While this measure applies to political activities of public employees in city, county or state agencies, it does not apply to school district employees who are covered by the Education Code.

The pertinent section of the Education Code (Section 13004) reads as follows:

"Political Activities. Neither any local legislative body nor any school district governing board shall enact or enforce any ordinance or promulgate or enforce any rule or regulation which limits, during their off-duty hours, the participation of school employees in political activities not prohibited by this Code."

5% of Workers 'Moonlighting' Survey Finds

Five percent of U.S. workers—one out of every twenty, or a total of about 3.7 million engaged in moonlighting in the 12-month period ending May 1965, according to the U.S. Labor Department's monthly "Labor Review."

The bulk of the moonlighting, the article said, was done on a part-time basis with most workers boosting their regular salary by an average of 13 hours of extra outside work a week.

Government workers, particularly postal employees, made up the largest proportion of secondary jobholders, the report said, but high rates of moonlighting were also found in agriculture, educational services, construction and engineering.

The survey also found that married men did nearly twice as much moonlighting as bachelors, and that some 43 percent of those engaged in moonlighting were self-employed on one of their jobs.

Accidental Deaths

Six out of seven of the record 107,000 accidental deaths in the United States last year occurred off the job, U.S. Secretary of Labor W. Willard Wirtz has reported. Half the total, he said, were "associated with the expanding engulfing traffic problem—with playing Detroit roulette."

Jobless Rates Dip But 2.8 Million Still Looking

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were the 10.9 percent jobless rate for teenagers and the 7.0 percent rate for non-whites.

Although there was no over-the-month change in the non-white jobless rate, it was 2.2 percentage points below the 9.2 percent posted a year earlier. The teenage rate was 1.1 percentage points better than a month earlier and 3.6 percentage points lower than a year earlier.

Apparently with some of these factors in mind, the President called for further action to break down discrimination barriers, encourage fuller use of trained women power, and broaden on-the-job training and union apprenticeship programs.

Urging bold "new approaches" to match unemployed persons to available jobs, the President ordered that Manpower Development and Training Act programs be designed to meet prospective shortages and called for the upgrading of the Labor Department's manpower administrator to be a full Assistant Secretary of Labor to direct an extensive program to head off any manpower shortages that may develop.

In this connection the President directed Arthur M. Ross, Commissioner of Labor Statistics, to begin reporting "the fullest possible information on existing and threatening labor shortage situations."

Ross, formerly director of the Institute of Industrial Relations at the University of California at Berkeley, said the government had originally hoped to get the jobless rate down to 3.5 percent by the end of this year. But the prospect now, he added, is for a continued drop as construction and farm work pick up in the spring. The goal might be reached much earlier, he said.

On a seasonally adjusted basis, the nation's civilian labor force totalled 76,355,000 last month compared to 76,754,000 a month earlier. Total civilian employment, at 73,521,000 was 194,000 less than the previous month. Total unemployment on a seasonally adjusted basis was 2,834,000 last month compared to 3,039,000 in January 1966.

Although the California rate of 5.1 percent was still well

above the national average, Governor Brown hailed the decline as "an extraordinary demonstration of the continuing surge of our economy," noting that it was 6 percentage points less than a year earlier.

The national rate was 1.3 percentage points less than a year earlier.

The Governor reported that civilian employment last month was 301,000 higher than a year earlier, placing total employment of 6,888,000. The 4.6 percent increase in employment since last February is one of the "largest gains in recent years," the Governor said.

The State's jobless total of 451,000 was 4,000 less than in January and 37,000 less than February, 1965.

Los Angeles — Total employment in Los Angeles County was 2,833,300 last month, a net over-the-month increase of 3,100 jobs, and the county's jobless rate dropped from 5.1 per-

cent in January to 4.7 last month compared to 5.6 percent a year earlier. Although joblessness usually rises in February, it dropped from 161,700 in January to 155,400 last month, 23,800 below a year earlier. This was the first time since February 1960 that the jobless rate has been under 5 percent. Employment in manufacturing accounted for nearly 40 percent of the 108,000 workers added to area payrolls since February 1965.

San Francisco Bay Area—The Bay Area jobless rate dropped from 4.7 percent in January to 4.4 percent last month, six-tenths of a percentage point below the 5.0 percent posted in February, 1965. The rate reflected unemployment totaling 66,800 in February, 1,200 less than a month earlier and 6,900 less than February, 1965. Total employment at 1,228,600 was 41,900 or 3.4 percent higher than a year earlier.

Bishop Buddy's Warning On RTW

Eight years ago, at the outset of the fight to defeat the infamous so-called "right-to-work" Proposition 18, the Most Reverend Charles F. Buddy, Bishop of San Diego who died last Sunday, was one of the first clergymen to speak out firmly against it. Here is what he said.

"There is obviously abroad in the land a clever campaign designed to weaken organized labor by setting the public against unions. The spearhead of the drive is an attack on the 'union-shop' behind the smoke screen of the 'right-to-work' and other misleading slogans. The object is the establishment of the compulsory open shop which would deny the individual worker the very strength of organization necessary to maintain and improve his working conditions.

"Such legislation can produce nothing but industrial strife between two classes of society, capital and labor. This is abhorrent.

"Further, such legislation is an insult to the individual worker who knows from experience that unions are necessary in modern industry to protect the economic interests of workers.

This is the point often overlooked in the heated polemic over organized labor. In themselves, labor unions are good and necessary.

"A careful survey of the history of labor during the last 100 years will show with abundant clearness that no entire grade or class of laborers has secured any important economic advantage except by its own organized resistance and aggressiveness."

"Now, what is actually the record of the open-shop? It has been given a fair trial and, for the most part, has proven a failure. The majority of responsible business men, who respect the rights of labor, and who have had a wide experience with both the open shop and the union shop, prefer the latter, and have expressed that preference by their opposition to immoral and misnamed 'right-to-work' laws. The union shop is a well established American institution resting on solid legal and moral bases.

"Finally, the 'right-to-work' advocates would have Government severely limit the contractual freedom of labor organizations. This could well lead to dangerous state dominance of industrial relations."

Senate Ok's Tax Bill to Hit Consumers

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speed up corporate tax collections; establish a graduated withholding system on income taxes and call for quarterly payments of social security taxes by the self-employed.

Senator Albert Gore (D-Tennessee) had proposed substituting repeal of the seven percent investment tax credit on plant and equipment investment for the excise tax increase but the administration opposed his proposal.

"Every economist worthy of the name has been pointing to inflationary pressures (and) recommending repeal of the investment credit," Gore said.

California Senator George Murphy voted for the bill. Senator Thomas H. Kuchel, who is hospitalized following a gallbladder operation, was not recorded.

Union's Boycott Stand Upheld

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vertises and unions may picket it under the publicity provision of the labor law.

In *Servette*, the high court ruled that a person engaged in the wholesale distribution of tangible articles made by another person or company is himself a producer of such products.

The 9th Circuit reasoned from this ruling that one engaged in advertising tangible articles manufactured by another is likewise a producer of such products within the meaning of the publicity proviso.

That was the point made by the two unions when a National Labor Relations Board trial examiner ruled in 1961 that AFTRA and NABET Local 55 had engaged in an illegal secondary boycott by conducting a "do not patronize" campaign against advertisers on Whitney's station.

The ruling led the NLRB regional director to ask for an injunction against the boycott and a U.S. District Court Judge issued a restraining order, later removed.