



California AFL-CIO News

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THOS. L. PITTS Vol. 9—No. 39

Clerks Win 16-Store Union Shop Pact in S.F.

Two AFL-CIO Retail Clerks local unions have won their first union shop contracts with the 16-store San Francisco Retailers Council, attaining a 30-year objective.

Identical agreements were ratified this week by the members of Department Store Employees Union Local 1100 and Retail Shoe and Textile Salesmen's Union Local 410. They were negotiated after both unions had empowered their officers to call a strike if necessary.

The five-year contracts cover more than 4,000 employees of major San Francisco stores.

They include a three-year, 25-cent per hour wage increase package, with provision for re-opening pay negotiations after the third year, increased pensions, longer vacations, additional health and welfare protection and increased holiday and night pay.

The union shop clause is a
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50% Error in Gov. Reagan's Medi-Cal Debt

An independent actuarial study of Medi-Cal program indicated this week that the Reagan administration overestimated the deficit in the program for the current fiscal year by nearly 50 percent.

The study, sponsored by the California Hospital Association, found that the deficit for the current fiscal year would be \$68 million instead of \$130 million.

This indicates that the Reagan administration had overestimated the deficit by \$62 million and confirms the charge

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IWC Ups Pay Floor to \$1.65

Official Takes \$1.30 an Hour Job to Test Wage Adequacy

The conference room in the State Office Building in Los Angeles was barely half filled last Tuesday when the five-member State Industrial Welfare Commission met to announce its decision on issues directly affecting the wages and working conditions of millions of California workers.

Some of the reporters had already left after hearing the only Reagan appointee on the board, Theodore J. Todd, a rancher-grower of Corona, denounce the commission's decision to boost the state's minimum wage from \$1.30 to \$1.65 as "capricious, arbitrary and despotic" when Mrs. Dorothy Colton, the board's only public member, began to read her statement.

"... In order to get a better personal understanding of what it costs to have a minimum standard of living," she announced, "I took a job as a telephone reservation clerk

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State Fed Backs CRLA's Efforts to Protect Poor

Strong support for the fight being waged in behalf of millions of California's impoverished citizens by the California Rural Legal Assistance was voiced by State AFL-CIO leader Thos. L. Pitts this week in the wake of attacks levied at the organization by some California congressmen and growers because of its efforts to protect domestic farm workers.

Denial of Bid for Braceros Lauded

Calling attention to the fact that the real shortage in California's fields has always been "a wage shortage, not a labor shortage," Thos. L. Pitts, Secretary-Treasurer of the California Labor Federation, AFL-CIO, commended U.S. Secretary of Labor W. Willard Wirtz this week for protecting the in-

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In a letter sent to War on Poverty Director Sargent Shriver, Pitts said:

"The California labor movement strongly supports the many efforts of the CRLA to insure that the statement etched on the nation's Supreme Court Building — 'Equal Justice Under Law' — is given meaning. Too often as a nation we spout cliches regarding free-

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Farm Workers Win Pay Parity as Board Adopts 40-Hr. Week

"The Industrial Welfare Commission's final decision to boost the state's minimum wage from \$1.30 to \$1.65 an hour, wipe out the inequity of a lower minimum for farm workers, and cut the maximum straight-time workweek from 48 to 40 hours is without doubt the most meaningful step taken in recent years to improve the lot of millions of low-income workers in California but it still leaves much to be desired," State AFL-CIO leader Thos. L. Pitts said this week.

Commenting on the IWC's decision, which was announced in Los Angeles Tuesday at a dramatic public meeting that included the disclosure that the five-member Commission's public member, Mrs. Dorothy Colton, had taken a job at the present \$1.30 an hour pay floor to explore the problems of the state's lowest paid workers first-hand, Pitts said:

"It should be obvious to all citizens that one of the most effective ways to reduce both welfare costs and property

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Medi-Caid Parley Boomerangs

Last week, Governor Reagan's Interstate Conference on Medi-Caid which Reagan had called claiming that the Medi-Caid program was "sicker than the people it is expected to help," boomeranged.

New York's Commissioner of Health, Dr. Hollis Ingraham, told the conference that his state has 2.7 million enrolled in its program, nearly twice as many as in California, and that the budget for the program in New York is \$738 million com-

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IWC Boosts State Wage Floor for Women to \$1.65

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taxes, to curb crime and to root out the cause of urban riots is to provide decent jobs at good wages for all citizens seeking work.

"Unfortunately, no one can honestly maintain that the

new minimum wage, which amounts to \$66 a week or \$3432 gross for 52 weeks' work a year, is anything but a bare minimum in a state like California where average annual earnings in factory employment are nearly

twice as much.

"That's why the California Labor Federation will continue to fight for at least a \$2.00 hourly minimum, a 35-hour workweek and double time for overtime," he explained.

"But the state's farm workers should be heartened by the fact that the Commission recognized the inequity of establishing a lower pay floor for farm workers than for other workers by boosting the \$1.55 pay floor proposed earlier for farm workers to the \$1.65 figure adopted for the other 13 industries," Pitts, Secretary-Treasurer of the California Labor Federation, AFL-CIO, said.

The commission also decided to:

- Boost the minimum for minors from \$1.05 in industry and \$1.10 in the fields to \$1.35 for both.
- Establish a wage order to protect domestic workers, a move long sought by the State AFL-CIO.
- Reduce its proposed increase in the "cash value of meals" supplied to workers by employers from a total of \$3.60 a day for three meals to \$3.10. This means a savings of 50 cents a day for workers. The higher increases had been vigorously opposed by the Federation.
- Include up to 20 cents an hour in tips after the first \$20 a month as part of the worker's wages, an action that undercuts the minimum wage for workers relying on tips for part of their income.

The Federation had pressed for pay parity for farm workers, modernization of the hours sections to apply to all 14 wage orders and a \$2 minimum wage, among other things, at hearings held by the commission late last June.

At the earlier hearings, the State AFL-CIO had strenuously protested the commission's proposal to set the "cash value of meals" at 75 cents for breakfast, \$1.10 for lunch and \$1.75 for dinner. In its final action Tuesday, the commission let the breakfast figure stand at 75 cents but cut the lunch figure from \$1.10 to \$1.00 and the dinner figure from \$1.75 to \$1.35.

The Federation's executive officer included the commission, which included Commissioners J. J. Rodriguez of Meat Cutters and Butchers Local 563 in Huntington Park, and Ruth Campagnon of Waitresses Lo-

Official Takes \$1.30 an Hour Job To Test Pay Rate

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in Los Angeles working at an hourly wage of \$1.30, which is \$52 a week."

Normally the disclosure that a key public official holding a gubernatorial appointment had displayed such interest, initiative and dedication to doing a thorough job in exercising the public trust placed in her would be front page news.

But not this time. Not on this issue in California where the California Retailers Association and the State Chamber of Commerce have bombarded the state's newspapers — large and small alike — with canned editorials and articles aimed at torpedoing improvements in the minimum wage for the state's lowest paid workers.

SCANT ATTENTION

Mrs. Colton's view that she "had a responsibility to confine myself not only to studying the transcript of public hearings and other printed material but to probe deeper by investigating first-hand the conditions rather than placing total reliance on the written and spoken words of those who appeared before us" received scant attention in the state's daily press.

Some major papers, in fact, made no mention of it at all.

Yet as the key member of a five-member commission composed of two labor representatives and two management representatives her judgment of the minimum needs of women and minors in California was crucial to the economic and social lives of more than two million workers.

Explaining that she had worked evenings and furnished her own transportation, Mrs. Colton said that taking the job enabled her to talk with many women "who are directly af-

ected by the actions of this commission; women who are now living in degrading poverty."

Among other things, Mrs. Colton said:

"A minimum wage of \$1.65, which is only \$66 a week, is necessary in all orders. . . .

"To set a lesser figure would be an abdication of responsibility," she declared, adding that "to try to live at a modest, indeed, minimum decent level on anything less is impossible today."

And she supported the establishment of a 40-hour workweek with time and a half for overtime as "necessary to protect the health and welfare of women and minors."

Noting that federal law requires employers to pay time and a half on the sixth day and that women required to work six days a week have no time to shop or provide adequate care for their children, she said:

"Not to provide for the same penalty provision under this commission's orders is, in my view, to discriminate against women workers and thus not protect their health and welfare, a responsibility charged this commission by the Labor Code."

LABOR REPS. VIEW

Countering charges made by Norman S. Lezin, a Santa Cruz leather manufacturer who is the other management representative on the commission, that the action by the majority "made a mockery" of its earlier work, was a joint statement made by Commissioners J. J. Rodriguez and Ruth Campagnon.

In support of the majority's decision that the hourly pay floor for farm workers (in Wage Order 14) should be the same as that for workers covered by

the Commission's other orders, the statement by the labor representatives cited figures that tended to explode the myth that living costs in rural areas are lower than in urban areas.

For example, they noted that California's Department of Social Welfare provides a weekly allowance of \$18.95 in Alameda County, an urban area, for a family of four but in Napa County, a rural area where many farm workers are employed, the comparable figure was \$20.20.

MEDI-CAL DATA

Similarly, Commissioners Rodriguez and Campagnon pointed out, data derived from the state's Medi-Cal program indicated that physician's charges for office or home visits or surgery in rural areas were in many cases equal to or higher than they were in preponderantly urban areas.

They also noted that the cost of durable goods and transportation "is equal to, if not higher, in rural than in urban areas."

The cost of durable goods in rural areas is equal to or higher than it is in urban areas, they said, "because smaller markets in rural areas do not allow for the competition and price reductions stemming from such competition in large volume selling that exists in such urban areas as San Francisco or Los Angeles."

Moreover, they observed, "very few farm workers actually live in what can be classified as pure rural areas."

Instead, they said, many of these workers live in high urban density centers such as Los Angeles, Orange, San Diego and Sacramento Counties and pay the same prices as their neighbors who are employed in other industries and occupations.

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IWC Hikes State's Pay Floor to \$1.65

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cal 639, Los Angeles, the two labor representatives, and Mrs. Colton, for updating the hours provisions.

"It was a long overdue step," he said, noting that most of the nation's workers have been on a 40-hour week for more than a generation.

But he pointed out that the commission's Wage Order No. 14 covering farm workers still lacks any hours section at all.

The new \$1.65 pay floor will go into effect on February 1, 1968, the date on which the federal minimum wage for most workers in the nation moves from its present \$1.40 to \$1.60.

"The fact that the federal minimum will be barely three percent below the state minimum even though personal income in California is 17 percent higher than the national average and even though the federal minimum represents compromises with such low

wage regions as the Deep South where per capita income and the cost of living are far less serves only to underscore the inadequacy of the \$1.65 figure," Pitts said.

Moreover, he added, "there is no logical or justified reason for requiring farm workers to work 10, 12 or 14 hours a day at straight time rates when virtually all other workers get premium pay for work in excess of eight hours a day or 40 hours a week."

In other areas, the commission:

- Refused to make its minimum wage and working condition rules apply to all farm workers instead of excluding farm employers with less than five employees.
- Refused to boost the minimum pay of those to be exempted from other provisions of the wage orders because they are "administrative, executive or professional" employees from \$450 to a proposed \$600 a month, as recommended by the Federation.
- Let the rule permitting minors to work from 5 a.m. to 10 p.m. stand instead of reducing it to a range of 6 a.m. to 9 p.m.

as recommended by the Federation.

The commission also left unaltered a piece rate system in Wage Order 14 applying to farm workers that guarantees the minimum wage to only 80 percent of those covered.

The IWC's 14 Wage Orders affect the wages and working conditions of more than two million women in California. There is no state minimum wage for men.

The commission's action marks the first general revision in 13 of the 14 wage orders in more than four years. Wage Order 14 covering farm workers was last revised in September, 1965.

Grape Harvester Developed by U.C.

A grape harvesting machine that can harvest at least one acre per hour and recover more of the crop than hand harvesting has been developed by the University of California and will be used in the San Joaquin Valley this fall.

The machine uses a steel rod to knock grapes grown on wire trellises on to a conveyor. A stream of air blows away leaves and other debris as they are transported by the conveyor to a gondola.

A New Chance For Medicare's Extra Coverage

If you or anyone you know missed the chance to sign up for the voluntary part of the nation's Medi-Care program, the part that covers doctor's bills and a variety of other medical and health services, you have another chance.

The first "general enrollment" in the history of the Medi-Care program will be from Oct. 1 to Dec. 31, 1967.

Coverage, which costs \$3 a month, will begin on July 1, 1968 for those who enroll during the next three months.

For further information contact your nearest Social Security office.

Assembly Unit Sets Hearing on IWC

Public hearings to review the operating procedures of the State Industrial Welfare Commission for the first time since its creation in 1913 will be held in Sacramento by the Assembly Industrial Relations Committee chaired by Assemblyman Walter Powers (D-Sacramento) on October 17-18.

The committee hearings are scheduled to be held in Room 4164 of the State Capitol. in the next three months.

How Much Would Phone Rate Hike Take from You?

What's at stake for California phone users in the marathon hearings before the State Public Utilities Commission in connection with the Pacific Telephone Company's demand for a \$181 million rate increase?

To spell out the answer on a community by community basis, the California Labor Federation has developed the table in the adjacent column that compares the cost of single party phone service in 19 major urban areas with the rate proposed by the PUC staff and the rate sought by the Pacific Telephone Company.

The table also shows the differences between the two proposed rates in percentage terms.

Bearing in mind that the phone company is also demanding a 20 percent hike in the basic message unit rate, you can get a rough idea from the table of how much of the \$181 million would come out of your pocket if the company gets everything it's asking for.

How the PUC Staff's Rate Hike Compares with Pac. Tel's

City	PUC'S			Pacific Tel's	
	Present Rate	Proposed Rate	Percentage Increase	Proposed Rate	Percentage Increase
Bakersfield	\$4.70	\$5.15	10%	\$5.05	7.5%
El Centro	4.20	4.65	10%	4.70	12%
Eureka	4.55	4.90	8%	5.05	11%
Fresno	4.50	5.15	14%	5.05	12%
L.A.-Long Beach	3.85	4.55	18%	5.75	49%
Monterey	4.65	4.65	0	5.05	9%
Oakland	3.90	4.40	13%	5.75	47%
Redding	4.20	4.65	11%	4.70	12%
Riverside	4.70	5.15	10%	5.05	7.5%
Sacramento	4.75	5.40	14%	5.55	17%
Salinas	4.50	4.65	3%	5.05	12%
San Diego	4.20	5.15	23%	5.75	37%
San Francisco	3.90	4.40	13%	5.75	47%
San Jose	3.90	4.40	13%	5.75	47%
San Mateo	3.90	4.40	13%	5.75	47%
Santa Barbara	4.65	4.90	5%	5.05	9%
Santa Rosa	4.70	5.15	10%	5.05	7.5%
Stockton	4.70	5.15	10%	5.05	7.5%
Vallejo	4.55	4.65	2%	5.05	11%

50% Error in Gov. Reagan's Medi-Cal Debt

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made by Republican Assemblyman John G. Veneman several weeks ago that the administration's bookkeeping was in error by about \$65 million.

The study was conducted by a team including Angus Crawford of Coates, Herfurth and England, a San Francisco actuarial firm, Robert N. Powell, an actuary for the California Western States Life Insurance Company of Sacramento and Thomas M. Crocker, an actuary for Blue Cross of Southern California in Los Angeles.

They found that the net estimated Medi-Cal expenditures for the present fiscal year will be \$749 million instead of the Reagan administration's estimate of \$811 million.

At midweek, Reagan's Health and Welfare Administrator Spencer Williams hinted that the Medi-Cal cutbacks would be "restored at an early date."

COURT CASE CITED

But, Williams said: "No final decision in this regard can be made until the issues presently before the State Supreme Court are settled."

Just why at least some if not all of the vitally needed health care services such as eyeglasses and dental care could not be restored immediately was left unexplained.

Governor Reagan's massive \$210 million slash in health care services for the poor went into effect September 1. They affect the 1,358,200 Californians on welfare and some 229,300 medically indigent citizens.

The cutbacks have been ruled illegal by a Sacramento Superior Court but the Reagan administration has appealed the case to the State Supreme Court which agreed this week to hear arguments on the case in November.

The State's highest court said there would not be enough time for briefing if the issue were placed on the October calendar.

Employment High

Total United States employment hit an all time high of 76.2 million workers in July.

State Fed Backs CRLA's Efforts to Protect Poor

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dom and justice for all yet fail to truly extend them to all citizens.

"The attacks directed at the CRLA by some congressmen and growers because it has worked to insure equal justice for farm workers are totally unwarranted.

"Those responsible for such attacks simply seek, from their positions of privilege, to keep the poor not only poor, but ignorant of their rights.

"Most holders of special privilege view their status as just and the law as an instrument in perpetuating it. They fear equal treatment under law. Our struggles to form the labor movement indelibly taught us that.

"In behalf of the 1.5 million AFL-CIO union members in

California, we commend the efforts of this organization supported by the Office of Economic Opportunity to enhance the legal rights of this state's poor and underprivileged citizenry and assure you it has our full support.

"Perhaps no other effort in the entire War on Poverty program is as important as insuring the poor that their legal rights are protected," Pitts said.

Efforts by the CRLA in bring court action to block, at least temporarily, the Medi-Cal cuts imposed by Governor Reagan and the importation of 8100 braceros "represent major steps in the increasing effort to make sure that law, not the whims of administrators, is the basis for decisions affecting not only the rural poor but all Californians," Pitts concluded.

Gov. Reagan's Medi-Caid Parley Boomerangs

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pared to \$600 million in California.

Moreover, the New Yorker explained, that state does not fear extension of the program but is encouraging the poor to join it and get the medical care they need.

While New York's Governor Nelson Rockefeller declined to attend the parley, he issued a statement asserting that neither he nor the New York legislature has any intention of cutting the benefits, the fees paid to doctors or the number of persons eligible for the program.

Instead of suggesting as Governor Reagan has that the program was going bankrupt the state, Rockefeller said that "Medi-Caid clearly combines the virtues of good sense and compassion."

California, the largest and one of the wealthiest states in the union, was the only state at the conference that has attempted to cut its Medi-Caid (or Medi-Cal) budget.

Signup Starts For Labor School at USF

Registration is currently underway for the fall session of the Labor-Management School conducted by the University of San Francisco.

The school offers classes in: Public Speaking; the Economics of Collective Bargaining; Grievance Procedures; Parliamentary Practice; and Current and Future Problems and Issues in Labor.

Classes will be held each Wednesday evening from October 4 through November 29 from 7:30 to 9:25 p.m.

Further information may be obtained by writing: Labor-Management School, University of San Francisco, San Francisco, California 94117 or phoning 752-1000.

Major Wage Pacts

During the first half of 1967 collective bargaining settlements were concluded for one-fifth of the 10 million workers covered by major collective bargaining agreements. The settlements covered more than twice the number of workers affected by agreements during the comparable period of 1966.

Clerks Win 16-Store Union Shop Pact in S.F.

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modified one, requiring union membership as a condition of employment for all employees hired after January 31, 1968, and all present union members.

Union spokesman anticipated that the provision will mean virtually 100 per cent union membership in the stores within three years.

Although tough opposition by the Retailers Council in negotiations had balked the unions' in their union shop proposal over the years, more than 70 other firms, which are not Retailers Council members, have previously signed union shop agreements.

Retailers Council stores are: The Emporium, Gump's, H. Liebes, Livingston Brothers, Macy's, Joseph Magnin, Bullock & Jones, Sherman Clay, Patrick & Co., Foreman & Clark, Hastings', Moore, Ltd., Frank More Shoes, Pauson & Co., Roos/Atkins and Bally's Shoes.

The contract covers neighborhood branches as well as downtown stores.

Wirtz Praised For Rejecting Bracero Bid

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farm workers last Friday by denying a request for 750 braceros for the grape harvest.

The request had been made by the San Joaquin Farm Production Association.

Wirtz pointed out that the grape crop had traditionally not used braceros even during the days prior to 1965 when California's agri-business interests had virtually free access to the unlimited importation of farm workers.

Pitts called attention to the fact that the total tonnage of the grape crop this year, estimated at 2,950,000, is more than 10 percent below the 3,400,000 total tonnage for last year.