



California AFL-CIO News

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Executive Secretary-Treasurer

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THOS. L. PITTS

Vol. 10—No. 25

Labor at The Legislature

From the Capitol Office
Of the Executive Secretary

AB 1463 and AB 1464, Speaker Unruh's package of legislation to cut the heart out of the California Apprenticeship Training Program, are set for hearing in the Senate Governmental Efficiency Committee Wednesday, June 26, at 9:30 a.m. These bills are vigorously opposed by Labor and those in opposition to this legislation should immediately contact their State Senators—especially the members of the GE Committee—urging them to do everything possible to insure the defeat of AB 1463 and AB 1464.

* * *

Senate Bill 335 by Wedworth, relating to pelagic fish, has been actively opposed by the Federation and on Tuesday, June 18, after hearing the arguments against the bill, the Senate Finance Committee killed SB 335.

* * *

Senator Dill's SB 393, a tax relief bill for the motion picture industry, has been slated for another hearing in the Assembly Revenue and Taxation Committee on Wednesday, June 26, at the Capitol. This bill has had strong support from the California Labor Federation in its progress through the Legislature.

* * *

The Finance and Insurance Committee, Subcommittee on Disability Insurance, reported on all disability insurance bills of the Federation.

Result of the committee action was an increase of \$10.00 in disability insurance, increasing the maximum from \$80.00 to \$90.00 per week. This was amended into a bill authored by the chairman of the Subcommittee, Zenovich, AB 2034.

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Sen. Cusanovich Moves Hot Cargo Under Submission

Senate Bill 951, commonly known as the "hot cargo" bill, was heard before the Senate Labor Committee Tuesday. The bill was voted under submission by a motion from Senator Cusanovich with only Senator Harmer voting "No" and objecting strenuously to the motion.

General Counsel of the California Labor

Federation, Charles P. Scully, made the presentation in opposition to the bill, pointing out that, if passed, SB 951 would abolish freedom of speech.

Also appearing in opposition to the bill was Dolores Huerta, Vice President, United Farm Workers Organizing Committee, who

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Series of Anti-Labor Bills To Face Hearing Monday

The Assembly Industrial Relations Committee on Monday, June 24, will have before it a series of vicious anti-labor bills, including AB 542, AB 1555 and AB 1010. The committee meeting will be held in Room 2133 of the State Capitol, starting at 1:30 p.m.

Union Wins Free Speech Fight for School Teachers

A high school science teacher, fired nearly four years ago for criticizing inadequacies in the school system, will get his job back because his union took his case all the way to the Supreme Court—and won.

Teachers everywhere also won, since the unanimous decision declared that it is "essential" that teachers be free "to speak out freely" on questions of educational policy "without fear of retaliatory dismissal."

The teacher is Marvin L. Pickering of Lockport, Ill., who in 1964 wrote a letter to the community's weekly newspaper expressing his views "as a citizen, taxpayer and voter."

Pickering charged that academic needs and class facilities were being neglected while large sums were being spent

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AB 542, the so-called "secret ballot" bill, by Assemblyman Conrad, would put crippling bureaucratic control over day-to-day union operations. It would also allow employers to bring direct pressure on workers in matters involving collective bargaining.

AB 1555 is the "pay delay" bill by Assemblymen Cullen

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Fed Urges OK Of Strong Gun Control Bill

Immediate approval of tough gun control legislation was urged by the State AFL-CIO this week.

In letters dispatched to California's 38 congressional representatives and two U.S. Senators, Thos. L. Pitts, secretary-treasurer of the California Labor Federation, AFL-CIO, urged support for strong gun control legislation saying:

"Surely all must agree that it is absurd that a citizen must

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Reagan Opposition to Drug Industry Controls Draws Fire

Despite the thalidamide tragedy and bales of congressional testimony on gross abuses such as price-fixing, collusion, inadequate or falsified testing and price gouging by irresponsible

segments of the nation's drug industry, Governor Ronald Reagan this week urged the nation's drug makers to resist any sort of federal regulation every step of the way.

Asserting that he had been "told" that the FDA is "out to control drug industry advertising, limit its distribution, increase its cost and dictate its content," Reagan offered the following advice to a pharmaceutical manufacturer's luncheon at the Mark Hopkins Hotel in San Francisco Tuesday:

"Do not take the regulatory threat lightly. For whether freedom is chipped away bit by bit or slashed away in one bold legislative stroke, the end effect is the same. It not only

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344,000 in State Can't Find Jobs

California's 4.5 percent unemployment rate remained unchanged between April and May but total unemployment at 344,000 declined by only 5,000,

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Curbs on Doctors Fees Urged to Stem Rising Medic Costs

The director of the AFL-CIO's Dept. of Social Security has called for hospital efficiency incentives and reasonable controls on doctors' fees to check the medical care cost spiral.

"We are doing neither now," charged Bert Seidman, and medical care costs "continue to go upward at a tremendous rate." Seidman was questioned by reporters on Labor News Conference, aired Tuesdays on the Mutual Radio Network.

The union spokesman said that the present cost-plus system for reimbursing hospitals under public and private insurance plans actually encourages inefficiency. "They get whatever it costs them—whether the costs result from efficiency or inefficiency—with a plus factor," he said.

He urged that "average costs" for all hospitals be used as the reimbursement standard, which he said would spur hospitals to trim costs. He pointed out that under such a system, "the more efficient a hospital was, the more it would get in terms of reimbursement over its costs."

Seidman turned aside a suggestion that recently-improved hospital wage rates are the main factor in the medical costs spiral.

"Hospital personnel . . . the nurses, the orderlies, people who work in the cafeterias and laundries . . . have been among the lowest-paid workers in this country," he asserted, and "in effect, have been paying the cost of medical care for the rest of the population." Extension of minimum wage law coverage to these workers and stepped-up union organization have stimulated the beginnings of a wage catch-up for them, he said.

"Hospitals should have taken steps to improve their efficiency in other ways, but they haven't," he asserted, "and this is what has really contributed to the increase in costs."

Minority Jobs

A 1967 survey found 69,000 Spanish Americans employed by U.S. government agencies.

LABOR At the Legislature

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Assemblyman Zenovich was the author on all Federation bills on disability insurance.

Assemblyman Warren's bill, AB 176, having to do with pregnancy benefits, with the assistance of the California Labor Federation, was successful in being reported out of committee.

* * *

The Assembly last Friday gave final passage to Senate Bill 576, completing its movement through the 1968 session. The vote was 50 to 2, with Assemblyman Ed Z'berg presenting the bill on the floor. This measure will protect motion picture projectionists, working for wages, from liability for arrest in cases involving movie censorship. SB 576 has had close, top priority support by the California Labor Federation since its introduction. The co-authors of the measure are Senators Rodda, Mills and Moscone. SB 576 now goes to the Governor's desk where his signature is required to make it law.

* * *

The Senate Governmental Efficiency Committee has given

Cusanovich Moves Hot Cargo Bill Under Submission

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made a splendid presentation.

The proponents clearly indicated the intent of the bill was not only to destroy the organizing activity involving farm workers, but to extend the representative provisions of the federal law so that no informational picketing of any kind could occur in the entire State of California.

Other organizations who supported the California Labor Federation's position, as presented by General Counsel Scully were: Jimmy Lee, Building and Construction Trades Council and Vern Cannon of the Teamsters.

its "do pass" recommendation to Assembly Bill 127 and sent it to the Senate Finance Committee, where it must have another hearing before consideration by the entire Senate. AB 127 is a Federation sponsored bill which would provide for voluntary membership dues deductions from paychecks of employees at the University of California. While all civil service and state college non-academic employees have this privilege of payroll deduction of dues to a bona fide employee organization, the UC regents have never extended it to UC employees. AB 127, by Assemblyman Elliott, has already successfully passed two Assembly committees and the Assembly floor.

* * *

A bad, anti-labor bill to alter the Unemployment Insurance Code to the detriment of the wage earners—SB 589—is set for another hearing on the morning of June 24 in the Senate Committee on Insurance and Financial Institutions. As it has consistently throughout the session, the California Labor Federation continues to vigorously oppose SB 589.

Riverside CLC Backs Coachella Farm Union Drive

The Riverside County Central Labor Council, AFL-CIO, has pledged its full support to the Farm Workers organizing campaign now under way in Coachella Valley.

"Over the years," Burnell W. Phillips, Secretary-Treasurer of the Council, said, "we have recognized the plight of the farm workers and their struggle to improve their economical and social position in the county. We are calling upon the affiliated local unions of Riverside County, representing some 27,000 members, to give moral and financial support to the farm workers union organizing drive.

"We sincerely hope that the

Abel To Head Industrial Union Dept.

The Industrial Union Dept. will continue as a "vital and progressive force" within the AFL-CIO, I. W. Abel, the newly elected president of the department, declared this week.

Abel, president of the Steelworkers, was elected by the IUD Executive Board at a special meeting in Washington on June 14 to fill the post left vacant by Auto Workers' Pres. Walter P. Reuther. The UAW's decision to withhold its per capita payments to the AFL-CIO led to its suspension by the federation Executive Council and the consequent ineligibility of Reuther to hold the IUD post.

The Steelworkers' president told a news conference that he regretted "the recent development that has led to this change in leadership . . . We will miss those who have severed a long and rewarding relationship and we would have preferred that the relationship could have continued."

Noting that the IUD has a dues-paying membership of more than 5 million involving 59 international unions, Abel stressed that the department will be a "strong and viable arm" of the federation.

The board adopted resolutions expressing appreciation for the work and leadership of Reuther and Conway. Reuther had been president of the IUD since its establishment in 1955; Conway had served as executive director since 1963.

The board also adopted statements urging Congress to reject the House-Senate conference report linking a 10 percent tax surcharge to a \$6 billion cut in federal expenditures because of the cuts to be made in urgently needed social programs; asked the President to veto the crime control bill because of its wholesale destruction of democratic safeguards; and called for tax reform legislation.

growers will recognize the Union and sit around the bargaining table and peacefully work out solutions to the many problems facing farm laborers today," he added.

One Million New Potential Voters In California

Among the nation's 50 states, California will have the largest number of Americans old enough to vote for President for the first time in November, 1968, with a total of about 1.1 million, the U. S. Census Bureau has disclosed.

Nationally, the new potential voters will comprise nearly 10 percent of the total civilian population of voting age of 118.5 million, the Bureau said.

About 8.5 million of this national total, however, will be ineligible to cast ballots because they are in mental or correctional institutions, are aliens, or fail to meet state residency requirements.

Making allowances for such ineligibilities in California, still leaves more than one million first-time voters in the Golden State.

Voter registration for the Primary on June 4 totalled just under eight million (7,925,617). Assuming at least 60 percent of the state's total population of approximately 20 million are eligible to vote—nearly 12 million, this means that one out of every three potentially eligible voters for the run-off election next November is not registered—a figure that gives a pretty good indication of the size of the voter registration campaign that needs to be pushed between now and the September 12, 1968, deadline for voter registration for the general election.

While the Census Bureau gave no estimate of how many persons of voting age will actually be eligible to vote next November, it said that 63 percent of the total civilian resident population of voting age cast ballots at the last Presidential election.

It also noted that eligible voters 24 years old or younger had the lowest voting percentage—51 percent—of any age group in the last Presidential election.

The Bureau estimated California's voting age population at 11.6 million, a figure topped only by New York State's 11.7 million.

Series of Anti-Labor Bills To Face Hearing Monday

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and Ketchum. It would delay the pay of thousands of California workers. It is clearly aimed as accommodating employers and computer bookkeepers at the expense of working people. This bill was previously refused passage in the Assembly and another attempt is being made to force it out.

AB 1010 by Assemblyman Powers represents an extension of the eight-hour law breakdown embodied in the Moretti bill. AB 1010, as introduced, dealt exclusively with delin-

quent boiler inspection fees. Suddenly, on June 13, the author amended the bill to totally discard the original language, leaving only the new text aimed at breaking down working conditions for women employees in industry.

All these bills must be conclusively defeated. Each is a serious threat to the working conditions and security of California labor. Please contact your Assemblyman on your opposition to these pieces of legislation, asking them to take a strong stand against them.

Social Security Fund Sound, U.S. Study Finds

The social security trust funds are in "excellent" financial shape, the trustees reported after completing their annual review.

Social Security Commissioner Robert M. Ball said a study of both short term and long range operations showed the program to be financially and actuarially sound.

INCOME TOPS OUTGO

The two basic funds finance the old age and survivors insurance program and the disability insurance program. Their income exceeded benefits paid out by almost \$4 billion in fiscal year 1967 and assets at the end of the year totalled \$25.5 billion.

A 75-year projection of income and payments, based on the tax schedule and earnings base now in the law, shows no fiscal problems.

That's not surprising, AFL-CIO Social Security Dir. Bertrand Seidman commented.

BIG SURPLUS USUAL

Despite periodic scare stories by political opponents of social security, the program is financed so conservatively that there is usually a big surplus, Seidman observed. He noted that the past surplus financed more than half of the social security benefit increase enacted by Congress last year.

Now, he said, "the excess of the income over the outgo is

piling up so fast that the surplus could finance another significant increase in benefits."

The Secretaries of the Treasury, of Labor, and of Health, Education and Welfare serve as trustees of the funds.

OTHER FUNDS

In addition to the two social security funds, there are the Hospital Insurance Trust Fund and the Supplementary Medical Insurance Trust Fund—the two parts of the medicare program.

The voluntary insurance premiums are adjusted periodically — each year if necessary—so no long range projection is necessary.

A 25-year estimate made by the trustees of the basic hospital insurance fund anticipates that income over this period will exceed total outgo.

IN GOOD SHAPE

The trustees' reports on the social security funds confirm what previous reports have found — that the reserves on hand and the schedule of payments and benefits written into law assure that there is no danger of the program not being able to meet its obligations.

It means, Seidman noted, that workers who are paying a portion of their earnings into the program can be assured that there will always be enough money in the fund to fully pay the benefits they have earned.

Fed Urges OK Of Strong Gun Control Bill

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register his pet, bicycle, and automobile and needs a prescription to get a pill, but can now buy a gun anywhere and pass it on to anyone.

"A tough gun law will do more to make our streets safe than just about any other action," he said.

"The California AFL-CIO strongly believes that the Congress must enact, without delay, strong, meaningful gun control legislation.

"The tragic assassination of Senator Kennedy has again dramatized the need for such legislation," he added.

AIMS OUTLINED

Specifically, the state AFL-CIO called for gun control legislation that would:

- Prohibit the interstate shipment of rifles, shotguns, revolvers, and their ammunition.
- Provide for the registration of all guns in private possession.

- Ban the sale of guns and ammunition to all persons convicted of major crimes, drug addicts and the mentally unstable.

An administration bill to outlaw interstate mail order sales of all firearms, including rifles and shotguns, cleared a nine-man Senate Judiciary Subcommittee on a unanimous vote this week and was referred to the full Senate Judiciary Committee.

PROVISIONS CITED

The administration bill would ban interstate mail order sales of all firearms and ammunition. It would also ban over-the-counter sales of ammunition and firearms to anyone not a resident of the dealer's state and set the minimum age at which hand guns might be purchased at 21 and long guns at 18.

Legislation backed by Senator Joseph B. Tydings (D-Md.) to require federal registration of all firearms and licensing of all gun owners is scheduled to be heard next week before the same Senate Judiciary Subcommittee that approved the administration measure this week.

344,000 in State Can't Find Jobs, Report Shows

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a "smaller drop than usual for this period," a recent state report disclosed.

In simpler terms, this means that 344,000 people in California couldn't find jobs last month.

Moreover, California's seasonally adjusted jobless rate was still a full percentage point above the 3.5 percent national jobless rate, a fact that suggests that much more must be done to create job opportunities throughout the state.

The state's total civilian employment of 7,641,000 last month was 256,000 or 3.5 percent higher than a year earlier and 88,000 above the April 1968 figure.

California's total civilian labor force, which is comprised of the employed and the unemployed available for and actively seeking work, was 7,985,000 last month compared with 7,763,000 in May 1967, reflecting a 222,000 increase over the year.

In Los Angeles County, unemployment rose 2,400 to 131,800 between April and May and the county's seasonally adjusted jobless rate rose from 4.2 to 4.3 percent but was still below the 4.6 percent rate posted in May, 1967.

In the San Francisco-Oakland metropolitan area, unemployment totaled 53,200 last month, 500 higher than in April but 4,800 below May, 1967. The area's jobless rate of 4.1 percent in May was above the 3.9 percent posted for April but below the 4.5 percent jobless rate tallied in May, 1967. The report by the State Department of Employment said the rise in the jobless rate in the Bay Area was due partly to a "less-than-usual rise in employment."

Age Bias Ban for Workers Over 40 Now in Effect

Employers who refuse to consider a job applicant solely because he is over age 40 are breaking the law.

They are also breaking the law if they attempt to fire a worker or discriminate against him so far as promotions, transfers or pay raises are con-

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diminishes the freedom of your own industry but also the freedom of every individual American."

State AFL-CIO leader Thos. L. Pitts attacked Reagan's defense of the drug industry saying.

"The Governor's fine rhetoric glosses over the question of whether the average citizen wants to be free to be a guinea pig for inadequately tested, over-priced drugs of questionable value.

"To constantly attack, as Reagan does, the very concept of regulation in the public interest — regulation designed by duly-elected lawmakers to protect the average citizen from dangerous drugs, excessive utility rates, or whatever — is a clear disservice to the people of California and to the high office of public trust Reagan holds," Pitts declared.

Pitts, secretary-treasurer of the California Labor Federation, AFL-CIO, said that studies have disclosed that major brand-name pharmaceutical manufacturers spend about \$600 million a year or \$3,000 per year per prescribing doctor to influence doctors to prescribe by brand name.

Yet studies conducted by the Food and Drug Administration he said, have indicated that the record for purity and effectiveness of generic drugs is about the same, and if anything, slightly superior to the record of brand name products.

"But at present the vast majority of doctors prescribe by brand name and the patient, rich or poor, has to buy the brand-name drug that has been found in a number of cases to represent a 1,000 percent mark-up or more over the cost of

Reagan's Opposition to Drug Industry Controls Draws Fire

manufacture," Pitts pointed out.

"By aligning himself totally with the drugmakers, the gunmakers, and the state's corporate agribusiness interests, Reagan clearly indicates a willingness to sacrifice public health and safety as well as economic justice on the altar of private profit.

"Personally, I can not possibly believe that the Governor's 19th Century economic views are shared by anything like a majority of the voters of California today," he added.

Pitts pointed out that the 1962 amendments to the Food and Drug Act strengthened the authority of the Food and Drug Administration to require proof of the effectiveness of drugs as well as proof of their purity and safety. But they did not give the FDA authority to compare the relative effectiveness of different drugs used in treating the same disease.

"The AFL-CIO believes the public has the right to information regarding the relative effectiveness of drugs and is supporting legislation to give the FDA authority to distribute it, a move violently opposed by the drugmakers," Pitts explained.

Earlier this year the AFL-CIO national executive council called on Congress to enact legislation to include prescription drugs under Medicare and limit reimbursement for drugs under federal programs to the price for the generic or official product.

"Such legislation would be of obvious and enormous benefit to taxpayers in California and throughout the nation yet Governor Reagan opposes it," Pitts said.

"Perhaps it's time California citizens started asking themselves why," he said.

Union Wins Free Speech Fight for School Teachers

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for school sports programs. The school board said Pickering's charges weren't justified — and fired him.

Pickering was a member of Local 1291 of the American Federation of Teachers — and his union stood up for him.

His local helped raise money to finance the case, but the biggest share came from the AFT defense fund which helps finance legal battles involving basic principles affecting the rights of teachers.

RULING APPEALED

AFT Counsel John Lightenberg carried the case to the U.S. Supreme Court after both a county circuit court and the Illinois Supreme Court had ruled that the school board was within its rights in firing Pickering.

The Supreme Court said it did not matter whether the teacher's charges against the school system were fully accurate or not, so long as false statements were not made knowingly or recklessly.

Good faith criticism, the high court declared, is protected by the free speech guarantees of the First Amendment.

RIGHTS AFFIRMED

AFT President Charles Cogen said the "landmark" decision "substantiates the position that the AFT teachers have the same rights as all citizens and in all respects."

He said the union "took its stand" to finance Pickering's case "on behalf of the entire teaching profession."

The outcome, Cogen declared, is "a liberating decision for all teachers on a matter of high principle."

Union Wins Election on Univ. of Mass. Campus

The AFL-CIO State, County and Municipal Employees union won bargaining rights for 800 employees of the University of Massachusetts in a representation election conducted by the state Labor Relations Board. The organizing staff of the State-County union and the AFL-CIO worked together on the campaign.