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Executive Secretary-Treasurer



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Corporations' Profits Still Zooming Up

Corporate profits hit a record-shattering annual rate of \$92.2 billion before taxes for the third quarter of 1968 in the face of predictions that the continuing climb in earnings would flatten out or decline.

After federal, state and local taxes, the Commerce Dept. reported that profits were running at an annual rate of \$51 billion for the July-September period. A year ago for the same period the profits rate was \$47.6 billion.

The Wall Street Journal, reporting on the profits picture commented that "the continued rise in profits surprised" govern-

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Seasonality of Bldg. Trades Jobs Under Scrutiny

Seasonal unemployment in construction "looms large among the remaining problems of unemployment that confront the nation," a government report emphasizes.

How large? Such joblessness, it points out, "accounts for over one-fifth of the nation's total remaining unemployment, and represents one-third of all unemployment in construction."

The report, based on studies by the Labor and Commerce Departments, was released by President Johnson as a basis for his memorandum calling on all government departments and agencies to take steps to achieve stable employment in construction.

The government is a major purchaser of the work of the building industry and it "should and can embark on a positive program to diminish seasonality," he observed.

Unemployment rates among
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UFWOC Wins Pact at Franzia Bros. Vineyards

A union contract for farm workers employed on the ranches and farms of the Franzia Brothers Winery of Ripon, California, has just been won by the AFL-CIO United Farm Workers Organizing Committee.

The new, 20-month contract, which will cover some 350 employees during the peak harvest season, calls for pay scales ranging from \$1.90 to \$2.55 an hour, which amounts to an average hourly increase of 40 cents.

Another 10 cent hourly increase for each pay scale classification goes into effect in the

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Fed Asks 'Parity' For Domestics

Thousands of household domestic workers in California, although working year-round, earn less than \$2,000 a year, the State AFL-CIO said this week in calling for adoption of a detailed wage order extending the concept of "parity" in minimum wage and working condition standards to such workers.

The more than 140,000 women and minors employed in private households throughout California are the most neglected and forgotten group in the work force," the California Labor Federation, AFL-CIO, declared in submitting a statement of position last Tuesday to a newly created wage board charged with recommending

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265 Medi-Cal Physicians Get \$15.9 Million

Some 265 physicians participating in the Medi-Cal program grossed \$5,000 or more per month from it, according to Dr. Carl E. Anderson, chairman of the Board of Trustees of Blue Shield, the agency that partially administers the program.

Another 290 physicians grossed between \$3,000 and \$5,000 and some 1,900 other physicians grossed between \$1,000 and \$3,000 monthly from the program, Dr. Anderson disclosed in testifying before the State Assembly Public Health Committee in San Francisco this week.

Dr. Anderson was responding to charges made recently by the State Attorney General's office that medical service vendors were milking the program of at least \$8 million a year in unearned fees. He sought to stress the fact that all but about 2,500 of the 19,000 physicians taking part in the program grossed less than \$1,000 a month from it.

But the fact that 265 participating physicians shared in a total gross of at least \$15,900,000 means that each grossed a minimum of \$60,000 a year from a program designed to

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Subsidized Growers Recoil At U.S. Aid For Poor Program

Almost nobody likes to see anyone but themselves get something for nothing—no matter how desperate the need.

This seems to be one of the conclusions that could be drawn from a recent study of federally-subsidized growers' attitudes toward federal assistance to the poor.

The study, conducted among Madera County growers who received sums ranging from \$5,000 to \$133,000 from the U.S. Government in 1966 not to produce or to raise the price of certain basic crops, found that:

- Less than one in 10 (eight percent) of these growers or their wives recognized the parallels between the federal assistance they were receiving and the federal assistance they were opposed to allowing for poor persons.

- Eight out of 10 of these recipients of federal farm subsidy funds (81 percent) op-

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Unionists Urged To Help United Fund Campaigns

Vigorous support for Community Chest, United Fund, United Crusade and similar federated fund-raising programs to benefit voluntary health, welfare and recreation agencies is being urged by the California Labor Federation, AFL-CIO.

While calling for continuation of the Federation's traditional policy of financing and

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Seasonality of Bldg. Trades Jobs Under Scrutiny

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construction workers over recent years, the report said, have ranged from 4 to 9 percent during summer months, while soaring to a high of from 11 to 22 percent in February.

Seasonal layoffs have their harshest impact on carpenters, painters, plasterers, masons, operating engineers and laborers—groups which represent the largest proportion of the nation's 3.2 million construction workers.

MAJOR EXCUSE

Although the major excuse for seasonality in work has been the weather, the report notes that "even in the South there are summer-winter employment differences that cannot be explained by weather alone."

Further, it cited developments in strengthening building materials, plastics, protective clothing for workers and construction techniques which "open up possibilities for greater regularization" of construction employment.

The studies, which also dealt with the need for planning of construction work, were based upon records of employment in pension plans and information furnished by both labor and management groups.

ATTACK JUST STARTING

Meanwhile, these studies and the President's memorandum represent only a beginning in the attack on the age-old seasonal fluctuations in construction employment.

The 90th Congress passed legislation, backed by the AFL-CIO Building & Construction Trades Dept., calling for a more detailed study of all aspects of the problem and development of recommendations toward solving it.

This study—to be carried out by the Secretary of Labor, Secretary of Commerce, and representatives of several federal agencies—will particularly focus on the problem's "implications for a national manpower policy." A report and the recommendations will be submitted to the President and Congress by Dec. 31, 1969.

265 Medi-Cal Physicians Gross \$15.9 Million

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benefit the state's medically indigent citizenry.

Both the State Attorney General's report and subsequent testimony disclosed that there is no effective investigatory agency or procedure to assure the program is not abused by the vendors of medical services.

But spokesmen for medical service vendors, such as Dr. Jere E. Goyan, dean of the University of California's School of Pharmacy, voiced opposition to any further regulation of the drug industry and claimed there was no need for any investigation of pharmacy practices since men in the industry are capable of policing themselves.

At the Assembly Committee's initial hearing in San Francisco a day earlier, Joseph Bottini, executive secretary of the State Board of Pharmacy, testified that if pharmacists are cheating the medical program there's little his board can do about it.

Bottini pointed out that his board has only 13 inspectors and six investigators to supervise the state's 13,000 licensed pharmacists and 7,000 other holders of miscellaneous drug licenses.

These workers are too busy with their primary responsibilities of determining the eligibility and competence of pharmacists, policing the misuse of restricted drugs, misfilled prescriptions, adulterated or misbranded drugs, sanitation of equipment and illicit distribution of drugs, among other things, he said.

In the light of testimony such as this can any responsible citizen conclude anything else but that a thorough probe of abuses of the Medi-Cal program by medical vendors is essential to save California taxpayers millions of dollars and that an adequately staffed and funded investigatory agency must be established to monitor the program?

Fed Delegates Rap Disability Pay Disqualification Clause as Unfair

It is "unfair" to cut off a worker's right to disability insurance benefits he pays for just because his union becomes involved in a labor dispute.

This was one of the principal points made in a policy statement adopted by delegates to the California Labor Federation's Seventh Convention in Sacramento recently which called for a number of improvements in the State Disability Insurance Program that provides weekly benefits to workers suffering non-job connected disabilities.

Under present state law, disability insurance coverage is terminated during a period of unemployment in the course of a trade dispute unless the disability is caused by accident or the worker is hospitalized.

"This is unfair; a worker's rights to benefits should be continual," the policy statement adopted by the delegates at the convention in the Sacramento Memorial Auditorium declared.

It also called for a further increase in the amount of weekly benefit payments and the payment of both weekly and hospital benefits for confinements due to pregnancy.

"The payment of benefits for a period of confinement as a result of pregnancy with additional attendant hospital costs should be a right to which a working mother is entitled," the statement said.

Among other things, the delegates, representing the state's 1.4 million AFL-CIO union members, called for:

- Extension of disability insurance coverage to all non-covered workers.

- Increased worker contributions to the employee-financed program to meet benefit improvements.

It also pledged that organized labor "will continue to strive for an adequate structure geared to meet the wage-loss needs" of workers and their dependents.

UFWOC Wins Pact at Franzia Bros. Vineyards

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second year of the pact which although effective August 28, 1968, was not signed by the employer until just recently.

In addition to providing such standard union provisions as a union shop, dues check off, a union hiring hall, paid holidays and vacations, grievance and arbitration procedures and other benefits, the workers will be covered by a special benefits fund that UFWOC has negotiated with other employers which finances comprehensive health and welfare benefits. The company will pay 10 cents per hour worked into the fund.

The pact, under negotiation since last January, also calls for the establishment of a joint labor-management safety committee, sets up seniority rules and requires the employer to provide first aid equipment, adequate toilet facilities and cool drinking water as well as any necessary protective garments. The contract runs until April 18, 1970.

191 Unions Listed in New Directory

The latest issue of the U.S. Labor Department's biennial directory of U.S. unions is now available. The 1967 directory—Bulletin No. 1596—is on sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, for 60 cents.

The directory shows that, as of Dec. 31, 1967, there were 191 national and international unions in the U.S., an increase of three since the 1965 publication. It lists 128 AFL-CIO unions (later reduced to 125) and 63 unaffiliated unions.

Using a table based on 1966 totals, the directory credited 14.8 million members to AFL-CIO unions, 2.8 million in the others.

Forces of Evil

"All that is necessary for the forces of evil to win in the world is for enough good men to do nothing." — Edmund Burke.

Subsidized Growers Recoil at Federal Aid for Poor Programs

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posed a guaranteed annual income of \$4,500 for a family of seven.

- Nine out of 10 (94 percent) opposed providing a minimum of \$4,000 to a family of five even though the aim of such an income floor, namely, to avert depressing wages during periods of high unemployment, was spelled out to them.

- More than half of the growers (57 percent) opposed the present federal welfare assistance to the poor.

\$3.2 BILLION HANDOUT

The study, conducted by Miss Robin Yeaman, a Stanford University graduate student, pointed out that a total of \$3,281,621,070 was paid to U. S. growers in 1966 primarily to raise the prices of wheat, meat, cotton, wool and sugar. Of this \$103,881,250 went to California growers. Madera County growers, who can boast that their county is the 37th wealthiest agricultural county in the nation, received a handout of \$3,008,901 in 1966 in payments from the Agricultural Stabilization and Conservation Service program administered by the U. S. Department of Agriculture, the study noted.

But it also pointed out that Madera County, while ranking among the top two percent of the nation's wealthiest agricultural counties, has the highest concentration of poor families (29.8 percent) and one of the highest infant mortality rates in California (10.1 per 1,000).

INTERESTING REPLIES

The interviews for the study, which was sponsored by, but not paid for nor conducted by the California Rural Legal Assistance, were conducted by phone between October 31 and November 1, 1968. And they brought forth some interesting, if not hypocritical, responses. For example:

"Giving causes loss of pride," said the wife of a Madera County grower who opposed federal welfare assistance to the poor. Her husband received \$29,000 in federal farm subsidy funds in 1966.

"The Bible says a man should work," said a grower who opposed federal aid to the poor

but received \$18,000 himself in Federal farm subsidies in 1966.

"I can't understand having things handed to you," commented the wife of a grower who received \$16,000 in 1966 from crop subsidy programs.

"Idleness causes many evils," said a grower who got \$8,000 in U. S. farm subsidies, but opposed all U. S. aid to the poor.

Other beneficiaries of the U. S. taxpayers' largesse to growers, all of whom received sums ranging from \$7,000 to \$27,000, made such comments as:

"Everybody should have it as hard as I did."

Corporate Profits Still Zooming Up; Union Pay Gains Average 7.5 Percent

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ment officials who had been expecting a slowdown in the rise in overall economic activity.

The new profits record came during a period when the Labor Dept. reported that for the first nine months of 1968 union-won wage gains averaged 7.5 percent of straight-time hourly earnings compared to 5 percent for the same period a year earlier.

Profits in the third quarter would have been even higher except for a fall-off in the earnings of steel companies as steel consumers cut back orders after stockpiling earlier in the year as a hedge against a strike.

The government's report on profits was accompanied by figures showing that the gross national product — the total value of all goods and services produced—rose \$18.1 billion in the third quarter to a seasonally adjusted annual rate of \$871 billion.

The \$18.1 billion increase far exceeded government economists' earlier predictions of a rise of about \$10 billion. The growth in the third quarter represented a 5 percent increase in real terms, after

"Anyone healthy shouldn't get more than what they can earn."

"We don't want to create generations of idle people."

The results of the study, which were compiled by CLRA's Deputy Director Robert L. Gnaizda, served to highlight one of the essential differences between organized labor's economic philosophy and the economic royalist philosophy apparently embraced by a number of these Madera County growers.

While the growers can justify subsidies for themselves and none for others, the labor movement has long fought for pro-

allowance for price increases.

The Federal Reserve Board, meanwhile, reported that its index of industrial production moved upward to 164.4 percent of the 1957-59 average, putting output at a level 5 percent higher than a year ago.

In a separate report the Commerce Dept. said that its latest survey showed "no evidence" of any slackening in plans by consumers to buy automobiles, appliances, furniture and other durable goods.

Consumer buying plans, resulting from a survey of 11,500 households, remained unchanged from July for new cars and were just slightly below buying plans for furniture and appliances.

Hospital Costs Here Average \$76 a Day

Hospitalized patients in California pay an average of \$76.38 a day or \$9.38 more than the national average of \$67, the California Hospital Association reported this week.

But the California patient's total bill, which averages \$517, is \$13 less than the U.S. average because the average California patient is hospitalized only 6.8 days while the national average is 7.9 days, the report said.

grams designed to contribute to maintaining a high level of consumer purchasing power among all the nation's citizenry in the interest of maintaining a healthy economy for all.

Since the only thing the bulk of the subsidized growers (85 percent) endorsed was the federal food stamp program for the poor, it might be concluded that their support for this program is motivated merely by their desire to expand the market for their produce and to keep their labor force alive and available—not out of any concern for the poverty and deprivation that many farm labor families in their county must endure.

Unionists Urged To Help United Fund Campaigns

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supporting existing social service agencies, a resolution adopted by more than 1,500 delegates to the State AFL-CIO's recent biennial convention in Sacramento declared that this traditional support should be buttressed by the participation of union members in the activities, plans and programs of all voluntary health and welfare agencies through service on their policy-making boards, councils and other committees.

It pointed out that the National AFL-CIO Community Services Committee has, with the approval of the AFL-CIO Executive Council, adopted as one of its basic principles that the union member "has a responsibility to his community" and that he "must be concerned about the availability of adequate health, welfare and recreational services for the whole community."

The resolution calls on all affiliated local unions and their members to participate in these activities and to support the local Community Chest, United Crusade or other federated fund-raising campaign in their respective communities "actively and generously."

Fed Asks 'Parity' Pay for Domestics

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provisions to be included in a new wage order to cover domestic workers to the five-member State Industrial Welfare Commission.

"They are regularly exploited and are totally excluded from state and federal protective labor legislation," the labor organization asserted, noting that they are denied such customary benefits as paid vacations and holidays, pension programs, medical coverage, unemployment insurance, disability insurance, workmen's compensation and overtime pay.

PROPOSALS LISTED

The Federation's statement, submitted in behalf of Thos. L. Pitts, the organization's Secretary-Treasurer, called for:

- A \$2.25 minimum hourly wage with a comparable monthly rate for "live-ins."
- Incorporation of an escalator clause to provide for an annual percentage increase in the wage floor equal to the over-the-year increase in the cost-of-living.

It also urged that the hours and other working condition provisions of the proposed wage order be at least equal to the provisions of IWC Wage Order 5-68 covering employees in the Public Housekeeping Industry.

MEANING EXPLAINED

If the wage board and the IWC follow the last proposal, it would mean, among other things, that:

- The order would apply to all private household workers without exception.
- Such employees would get one and one-half times the regular rate of pay for all hours worked beyond eight in a day and 40 in a week with double-time after 12 hours in a day and on the seventh day in a week.
- Workers would be entitled to at least two hours of pay if "called in."
- That a meals and lodgings section recognizing the distinction between "live in's" and day workers would be included.
- And that employers would

be required to keep detailed work records of such employees.

Anticipating that the wage board "will be subjected to the cries of those who claim that payment of decent wages and the adoption of minimum standards of work will drive them out of business or have an adverse impact on the local 'labor market' or upset 'stable' employer-employee relations," the State AFL-CIO reminded the board that its responsibility and the duty of the IWC "is solely to protect the health, welfare, and self-respect of employed women and minors by establishing minimum wages and working conditions that reflect demonstrated need."

The Federation's statement also vigorously attacked the inadequacies of the so-called "Minnie Budget," a budget developed by the IWC as the minimum budget necessary for a self-supporting working woman entirely dependent on her own resources to maintain her job, her self respect and the respect of her friends and fellow workers.

When last updated in September, 1968, the "Minnie Budget" figure came to \$3,344.31.

Describing this as a "misery

budget," the Federation pointed out that such a budget assumes that California's more 2.7 million working women:

- Never eat—or at least never pay for a meal—in a restaurant.
- Have no telephone.
- Don't smoke or buy records or flowers, never entertain or go to concerts or the theatre.
- And that they always share an apartment with another woman.

The fact is, the Federation's statement said, that most working women do not share an apartment. They live alone.

After making allowances for these and other austere assumptions incorporated in the "Minnie Budget," the State Labor Federation suggested that a more reasonable revised "Minnie Budget," updated to September, 1968, would total \$4,193.05 annually.

Pointing out that even this new modest annual income, which would work out to \$2.06 an hour on the basis of a 40-hour week, 51 weeks a year, fails to take into account the Minnie Budget's "many weaknesses in such fields as medical costs, insurance and savings, and unexpected developments," the State AFL-CIO declared:

"The fact is a \$2.25 an hour minimum wage in California is more than reasonable."

In backing this up, it noted among other things, that California's cost-of-living is above the national average and that domestic household workers are denied the fringe benefits most other workers enjoy.

Such benefits amount to 20 percent of hourly wage rates, it said.

MANY FAMILY HEADS

It also observed that about 40 percent of the nation's private household workers are either widowed, divorced, or, if married, are not living with their husbands and that a high proportion of them are family heads with dependent children, aged parents, disabled husbands or other relatives to support.

In short, it declared, in view of the steady increase in prices that can be anticipated in future years, any wage floor less than \$2.25 would "contain a virtually iron-clad guarantee of obsolescence in short order . . . It would amount to a built-in and progressively deteriorating minimum wage lag."

The wage board is scheduled to hold hearings on the proposed wage order early next month.

MEMBERS NAMED

Labor members serving on the 11-member wage board, which is comprised of five employee and five employer members are:

Art Carter, secretary-treasurer of the Contra Costa Central Labor Council; Mrs. Vivian L. Freeman, president of Local 96 of the International Ladies Garment Workers Union, Los Angeles; Mrs. Ursula Gutierrez, president of the Los Angeles Community Services Organization; Richard Liebes, research director of the Bay District Council of the AFL-CIO Service Employees International Union; and Mrs. Gloria Marigny, business representative of Hospital Workers Union Local 399, Los Angeles.

The public member and chairman is Dr. Margaret Gordon, associate director of the Institute of Industrial Relations at the University of California at Berkeley.

George Meany Foundation Sponsors Teleplay on Frances Perkins Dec. 8

The story of Frances Perkins, Franklin D. Roosevelt's secretary of labor and the first woman cabinet member in U. S. history, will be depicted on the Eternal Light television program as this year's production of the George Meany Foundation.

The program, titled "The Vine and the Fig Tree" by Joseph Mindel, will be shown on most NBC TV outlets in California at 9:30 a.m. Sunday, December 8.

In San Francisco, however, it is expected to be shown a week later over KRON TV Channel 4 from 8:30 to 9:00 a.m. on Sunday, December 15.

Here is a rundown on NBC TV outlets expected to carry the George Meany Foundation production:

CITY	STATION	CHANNEL	TIME
Bakersfield.....	KERO-TV	Ch. 23	9:30 a.m.
Fresno.....	KMJ-TV	Ch. 24	9:30 a.m.
Los Angeles.....	KNBC	Ch. 4	9:30 a.m.
Medford, Ore.....	KMED-TV	Ch. 10	9:30 a.m.
Portland, Ore.....	KGW-TV	Ch. 8	9:30 a.m.
San Diego.....	KOGO-TV	Ch. 10	9:30 a.m.
San Francisco.....	KRON	Ch. 4	8:30 a.m. (Dec. 15)
Santa Maria.....	KCOY-TV	Ch. 12	9:30 a.m.
Seattle, Wash.....	KING-TV	Ch. 5	9:30 a.m.