



California AFL-CIO News

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

THOS. L. PITTS 151
Executive Secretary-Treasurer

June 6, 1969
Vol. 11, No. 23

Labor at the Legislature

From the Capitol Office
Of The Executive Secretary

Two California Labor Federation bills which have passed the Assembly have been assigned hearing dates in Senate committees. AB 273 will be heard in the Public Health and Safety Committee on June 18. This provides notification on restaurant menus when chemical meat tenderizers are used in the preparation of food. AB 271 is set June 24 in the Labor and Social Welfare Committee. The measure provides protection for workers from discharge for garnishment prior to judgment. Assemblywoman Yvonne Brathwaite (D-Los Angeles) has authored both AB 271 and AB 273 for the Federation.

* * *

Labor supports SB 802 by Senator Dolwig (R-San Mateo) which is to be heard June 9 in the Senate Insurance & Financial Institutions Committee. SB 802 prohibits denial of workmen's compensation to an employee based on refusal to submit to medical treatment when the employee depends for healing upon prayer in accordance with teaching of his religion.

* * *

AB 591, a bad bill to repeal Chapter 3 (commencing with Section 3000) of Division 3 of the Labor Code, is on file for the Senate Labor and Social Welfare Committee on June 10. Labor opposes this proposal which would remove justified protections from the worker on termination of employment.

* * *

The Senate Labor and Social Welfare Committee on June 10 also has SB 1213 on its hearing schedule. This is opposed by Labor since it would provide that for aid to families with dependent children, the unemployed parent must not have

(Continued on Page 2)

Labor Fights Bill To Up Credit Cost

The California Labor Federation has taken a strong stand in opposition to AB 1850, currently pending before the Legislature.

The measure deals with retail installment contracts and, if passed, would be one of the worst types of consumer laws.

It changes the maximum monthly rates of service charges in a retail installment contract from 5/6 of one per cent of an unpaid balance which is \$1,000 or less to one per cent of an unpaid balance which is \$2,000 or less, and from 2/3 of one per cent of a balance which is over \$1,000 to 5/6 of one per cent of a balance which is over \$2,000.

This would represent thousands of dollars in added costs to California consumers. AB 1850 should be decisively defeated.

Fed's U.I.-D.I. Parley Hailed as 'Best Ever'

Hundreds of California trade union officials are better equipped than ever today to help their jobless or disabled members reap the full benefits due them under the state's unemployment insurance and disability insurance programs, thanks to the day-long U.I.-D.I. conference sponsored by the California Labor Federation, AFL-CIO, in San Diego late last month.

Farr Hits Action On Oil Drilling

Fred Farr, Democratic candidate for State Assembly from Monterey County, voiced strong disagreement this week with the special presidential fact-finding panel which recom-

(Continued on Page 2)

The conference, which attracted some 250 participants, explored new developments and procedures in both programs and included panel sessions and discussions from the floor of questions ranging from the general processing of claims to par-

(Continued on Page 3)

State AFL-CIO Opposes Con Labor Measure

The California Labor Federation is vigorously opposed to AB 1961, another of several attempts to open more markets for the products of convict labor in competition with free workers.

It would establish a Corrections Employment Opportunity Board to develop and coordinate programs for training inmates of correctional institutions "in jobs with private firms having facilities in the institution or adjacent to it."

Among other things, the board could consider means of training and employing inmate labor by private industrial firms.

Assembly Votes 41 to 11 for FEP Farm Coverage

AB 837, sponsored by the California Labor Federation, passed the Assembly by a vote of 41 to 11 on May 28 and has been sent to the Senate. In that house, it has been assigned to the Labor and Social Welfare Committee for consideration.

In presenting AB 837, Assemblyman John Miller (D-Oakland) the author, explained that the measure would continue to provide coverage for certain agricultural employees and employers under the California Fair Employment Practice Act.

PG&E Data for Big Rate Boost Boomerangs

A spokesman for the Pacific Gas & Electric Company admitted this week in response to cross examination by the State

AFL-CIO that some of the data submitted by the giant public utility to the State Public Utilities Commission in an attempt

to justify its demand for a whopping \$31 million rate hike was developed by a method that PG&E itself has since discarded as inadequate.

The admission was made after a PG&E spokesman, company engineer Don E. Nielsen, testified on a key part of

(Continued on Page 4)

INSTITUTE OF INDUSTRIAL
RELATIONS LIBRARY
JUN 9 1969
UNIV OF CALIF
2521 CHANNING RD
UNIVERSITY OF CALIFORNIA

Farr Hits Move To Resume Oil Drilling

(Continued from Page 1)

mended resumption of offshore drilling in the Santa Barbara channel.

"I feel that the presidential panel has made a serious error in its findings and I am sorry that Secretary of the Interior Hickel has approved the recommendation," said Farr.

"It is tragic that the federal government has not taken at least the same precautions to guard against this kind of mishap as our own State Lands Commission, in awarding leases for offshore oil drilling."

Farr, a long-time conservationist, authored a bill in 1965, while he was State Senator, which created an oil sanctuary in Monterey Bay, prohibiting the drilling of wells.

Solidly backed by organized labor, Farr is running for the 34th Assembly District seat vacated by the tragic death of Assemblyman Alan Pattee in an auto accident earlier this year.

"The decision to allow Union Oil to drill an additional 50 wells in the Santa Barbara channel simply multiplies the possibility of similar errors," Farr said.

"I feel that all drilling should be stopped in the area and a permanent ban be invoked on this useless exploitation of our natural resources until the residual leak in the well is checked, and the pros and cons of the issue receive a thorough public airing."

Farr noted that Dr. Hamil-

ton Johnson, panel member and chairman of the Tulane University Geology Department, said it might take 10 to 20 years to pump all the oil from the well off Santa Barbara.

The well blew out on January 28. It spewed an oil slick which covered 800 square miles and blanketed an 80-mile stretch of beach with sticky tar. It still continues to ooze over 1,000 gallons a day into the channel.

"The untold loss of marine life in the channel and on the Channel Islands is impossible to determine and the ecological disruption in the area may be irreparable," Farr, the COPE-

endorsed candidate, said.

The Assembly is presently divided 40 to 39 with the Republican Party holding a one vote edge. If Farr wins, the lower house will be evenly divided. If he loses, the GOP will have a clear majority in both houses of the legislature.

All trade unionists in Monterey County and adjacent areas are urged to pitch in to help elect Farr. Farr developed a strong legislative record in behalf of workers' rights and consumer interests in his service as a State Senator from 1955 to 1966 and is the only experienced candidate in the race.

Collections at Gate for Farm Workers Upheld

The General Electric Company cannot prohibit trade unionists from taking up collections for striking grape workers at their plant gates, according to a decision recently handed down by the Ninth U.S. Circuit Court of Appeals in San Francisco.

The court's decision granted a request by the National Labor Relations Board for enforcement of an NLRB order at the GE plant in San Jose.

Twice in 1966, the plant's management refused to permit Local 1507 of the Electrical Workers Union to take up voluntary collections at plant gates for the AFL-CIO United Farm Workers Organizing Committee.

The IUE filed an unfair labor practice charge which was subsequently upheld by the NLRB.

Earlier this year the NLRB held that management could not legally prevent the union from taking up plant gate collections. The company was unreasonable, the NLRB said, when it decreed that the union could only solicit members off the company property.

The order, upheld May 7, 1969, also applies to bulletin board notices. Company managers had refused to permit posting of a union notice about a plant gate collection to provide Thanksgiving dinners for the embattled grape pickers, now in the fourth year of their fight for union recognition.

Senate Unit OKs Wage Claim Bill

The Senate Governmental Efficiency Committee on June 3 gave a "do pass" recommendation to AB 252, a bill sponsored by the California Labor Federation.

AB 252, authored by Assemblyman John Foran (D-San Francisco) would re-establish the priority of employee wage claims in the consideration of sale or transfer of an alcoholic beverage license.

Federation representatives were on hand to present the bill at its consideration by the GE committee and an earlier hearing before a subcommittee.

Labor at the Legislature

(Continued from Page 1)

left his work because of a trade dispute.

* * *

Labor supports a bill pending in the Senate Judiciary Committee on June 10 which would give added strength to laws providing for open meetings of public agencies in the state. This is AB 2297 by Assemblyman William Bagley (R-San Rafael). Its provisions would make knowing violation of the open meetings statutes misconduct in office and provide for judicial relief.

* * *

SB 722 by Senator Anthony Beilenson (D-Los Angeles) will be before Assembly Agriculture Committee on June 9. This is a good bill, with Labor support, dealing with crop sanitation. It expands the definition of "food crop" for the purpose of provisions dealing with food crop growing and harvesting sanitation to include all fruits and vegetables intended for human consumption, rather than only such fruits and vegetables as are specified by regulations.

* * *

The Assembly Ways and Means Committee postponed consideration of AB 1123 for an additional week at its meeting June 3. This is the measure, opposed by Labor, which would open commercial exploitation of tax-supported school bands and orchestras for the benefit of privately promoted, profit-

making events.

* * *

On June 9 the Assembly Education Committee is scheduled to take up SB 293 and SB 295 by Senator Anthony Beilenson (D-Los Angeles). Both have Labor backing. SB 293 allows credits earned for courses completed in a regional occupational center program to be applied toward fulfillment of requirements for a high school diploma. SB 295 authorizes an opportunity school to confer a diploma upon any pupil who has completed the prescribed course of study of the school district.

* * *

The Federation's AB 660 by Assemblyman Ralph (D-Los Angeles) is scheduled for hearing in an Assembly Education subcommittee on June 9. AB 660 would include grades 9 through 12 within provisions for adoption and free distribution of textbooks in the public schools of California.

The Service of Time

"If a member (of Congress) lives long enough and gets elected often enough, he will eventually become chairman of some committee. You can believe the world is flat, and be named Chairman of the Atomic Energy Committee." — Rep. Richard Bolling (D-Mo.) in rapping the rigid seniority system in the appointment of Congressional Committee chairmen.

Child Labor Bills 'Under Submission'

The Assembly Labor Relations Committee has taken under submission for possible interim study AB 1978 and AB 2104, both of which would have relaxed vital protections for employed minors in California. Both bills were opposed by the California Labor Federation.

AB 1766 by Assemblyman Charles Warren (D-Los Angeles) was given a "do pass" recommendation by the committee. This bill authorizes injunctions against violation of various labor laws and was supported by Labor but opposed by representatives of employer organizations.

CCHPA To Study A Way To Grade Hospital Plans

A new point system method of evaluating existing union-negotiated health insurance programs to help determine whether union members are getting their money's worth will be taken up at a board meeting of the California Council for Health Plan Alternatives to be held at the International Hotel in Los Angeles Monday, June 16.

The system, developed under the direction of Dr. Lester Breslow, Professor of Health Services Administration at the UCLA School of Public Health, is intended to provide a point system that will permit a much more complete and objective analysis of health insurance plans than has been possible in the past.

It sets up standards and point values to permit specific aspects of such plans to be graded and is designed to take into account the following factors:

- Administration of the plan.
- Extent of its coverage.
- Scope of its benefits.
- Standards to assure quality medical care.
- Cost.

The point score of a particular plan can then be measured against professionally recommended standards or against other plans to provide an evaluation of the plan as a whole or of its various parts.

The necessity to provide better health care and service for union members and at the same time combat the soaring cost of medical and hospital care in California was recognized by delegates to the California Labor Federation convention last September when they adopted a resolution endorsing the CCHPA.

The resolution pointed up the paradox that the cost of medical and hospital care has been rising in California two and a half times faster than the cost of living yet the quality of medical services and hospitalization has continued to decline.

It also noted that union negotiated health and welfare plans cover more than 1.5 mil-

Fed's U.I. - D.I. Parley Hailed as 'Best Ever'

(Continued from Page 1)

ticular problems confronting union members in specific cases.

Described by many as "the best ever," the conference got underway when Chief U. I. Referee Jack Clevenger delved into issues that may be involved in U. I. claims and explained how to cope with them.

Howard Horn, Senior Referee in Los Angeles, followed this up with an explanation of all the angles involved in the phrase "available for work" since all U. I. recipients must be able and available for work to qualify for benefits.

RULINGS CITED

He pointed out that the U. I. Appeals Board has ruled repeatedly that a claimant must be in a labor market where there is a reasonable demand for his or her services and where there are not unreasonable restrictions or limitations on acceptable work.

In a paper prepared for the conference, Horn pointed out, however, that workers may reject new jobs without losing their jobless pay benefits "if the wages, hours or other conditions of the work offered are substantially less favorable to the individual than those prevailing for similar work in the locality."

A CASE IN POINT

As an example, he cited a case in which a plumber rejected a civil service job that was 40 percent below union scale. He was not disqualified from benefits.

In similar fashion, Los Angeles Referee Wallace Rock examined a number of the issues involved when a worker voluntarily leaves a job because of health reasons, working conditions or commuting problems.

In one instance, he noted that a claimant who had been a combination cook, waitress and cashier in a coffee shop quit because the employer ignored

lion union members and represent an expenditure of more than \$700 million annually.

Ernest B. Webb, the State Federation's Director of Social Insurance, is currently serving on the CCHPA's Executive Committee.

her complaints about working in a draft caused by the employer's failure to have proper doors.

In that case, the Appeals Board held that she had left work with good cause because her working conditions were unsatisfactory and constituted a risk to her health. Her eligibility for benefits was upheld.

MISCONDUCT ISSUE

Henry Holtzman, another Los Angeles U. I. referee, analyzed the issues involved in misconduct discharges and pointed out that the term "misconduct" is generally limited to conduct which shows willful or wanton disregard of the employer's interest.

For example, he said, deliberate violation or disregard of the standards of behavior which the employer has a right to expect, or carelessness or negligence "of such degree or recurrence as to show wrongful intent or evil design" could be held to constitute misconduct.

But he pointed out that mere inefficiency, unsatisfactory conduct, poor performance because of inability or incapacity or isolated instances of ordinary negligence or inadvertence or good faith errors in judgment or discretion would not be defined as "misconduct."

To establish "misconduct," he said, "the evidence must show that the claimant was discharged because of a material breach of duty owed the employer under the contract of employment, which breach tends to injure substantially the employer's interest."

OTHER PROBLEMS

During the afternoon sessions, Thomas Tanner, Senior Disability Insurance Referee in San Bernardino, explored similar problems in the state's D. I. program which affords benefits to workers suffering non-job connected disabilities, and Robin Hayer, Senior Referee in San Jose, and Lowell Harris, referee in Sacramento, probed into the ramifications of recent decisions by the Appeals Board.

In a brief note to conference participants, Thos. L. Pitts, the Federation's secretary-treasurer, observed that the issues and

New Pamphlet On AFL-CIO Aims Available

"This is the AFL-CIO," a completely new pamphlet that provides specific detailed answers to questions about the functions, structure and policies of the AFL-CIO, is now available from National AFL-CIO headquarters in Washington, D.C.

It is designed for use and distribution to community groups and organizations, to schools, students, the news media and any other interested groups.

It may also be put to effective use in programs designed for local union committees and discussion groups.

Single copies are free. For orders of up to 100 copies the price is 10 cents each. For orders of 100 or more, the price is \$7.50 per hundred.

Orders or requests for the pamphlet, (Publication No. 20), should be sent to the AFL-CIO Pamphlet Division, 815-16th St., N.W., Washington, D.C. 20006. Checks should be made payable to William F. Schnitzer, Secretary-Treasurer, AFL-CIO.

problems taken up today "are of major importance to trade unionists."

Through such conferences, he added, "a stronger labor movement will be built and, because of your participation, our members will better understand the complexities of our state's unemployment insurance and disability insurance programs."

Albin J. Gruhn, President of the State Labor Federation, welcomed the participants to the conference, which was held at the Hilton Inn, and also served as moderator of one of two afternoon sessions.

Ernest B. Webb, the Federation's Director of Social Insurance and former Director of the State Department of Industrial Relations under Governor Brown's administration, served as moderator of the second session.

Gruhn credited members of the U. I.-D. I. Educational Conference Steering Committee with "substantial assistance" to the Federation in organizing the conference.

PG&E Admits Its Own Data for Rate Hike Is Inadequate

(Continued from Page 1)

PG&E's justification for its rate boost—its estimated expenditures for construction of new gas generating and distribution facilities for the next few years.

Neilsen said new gas facilities would cost \$60 million this year and rise to \$72 million in 1972.

But in answer to questions raised by the California Labor Federation, AFL-CIO, he disclosed that the bulk of the figures represented projections based on the company's electrical load and on total capital expenditures by public utilities throughout the United States. He conceded that neither of these factors had much to do with gas consumption.

State PUC Hearing Examiner Carol Coffey then asked Nielsen if it was correct that the figures have "no necessary

cause and effect relationship?" "That's true," Neilsen replied.

The State AFL-CIO then moved for Nielsen's projections which were in tabular form and designated as "Table 2," to be stricken from the record on grounds that they were based on unconnected data.

Coffey, who will write the report on the hearing for the PUC commissioners, denied the motion but said the evidence would be considered "for the weight," meaning that it would be considered only for what little its worth.

IMPACT ON CONSUMERS

The State Labor Federation has filed as an interested party in the case because PG&E's demands, which also involve passing the utility's 10 percent federal surtax responsibility along to consumers, would result in

a \$12 to \$15 a year hike in the gas bills paid by hundreds of thousands of California trade unionists and other consumers served by PG&E.

The hearings were continuing this week in the State Building in San Francisco.

Nielsen also disclosed that only projects costing \$1 million or more were estimated on an individual basis; projects costing less than \$1 million, which represented 60 percent of the utility's total capital expenditures over the next few years, weren't estimated at all.

Instead, they were projected on the basis of the company's total electric load and the total capital expenditures by U.S. public utilities, which, Nielsen said have grown at about the same rate as gas construction in the past.

It seems transparently clear

that such slipshod estimates involving some 60 percent of the company's estimated expenditures could result in a significant exaggeration of those costs.

TRANSCRIPT QUOTED

And it's pretty obvious that if the company's cost factors are inflated, then the rate hike PG&E is demanding is too!

Here is the transcript of the pertinent part of the State AFL-CIO's cross-examination of witness Nielsen last Monday that led to the admission that a key part of the data presented to the PUC by PG&E was inadequate:

Q: "You said earlier, Mr. Nielsen, that the company is now projecting gas capital expenditures separately?"

A: "Yes."

Q: "Although this was not the method used in Table 2?"

A: "That is correct."

Q: "Why has this change come about?"

Mr. John S. Cooper (PG&E attorney): "I object to that, Mr. Examiner, as asked and answered. I believe it was asked before the recess."

EXAMINER COFFEY: "Overruled."

A: "The reason it was changed is because our operating departments wanted us to attempt to come up with closer analysis of the expenditures that would be charged to their departments and they requested that we do it this way."

Q: "By close analysis, do you mean pinpointing the figures more?"

A: "Well, to try to come to a better allocation, if you will, of the total expenditures to the gas department."

Q: "In other words, a more accurate allocation?"

A: "That would be correct sir."

Q: "So there is doubt within the company itself of the efficacy of the method used to develop Table 2?"

A: "Well, they felt that there must be ways that we could reflect some of the variations associated with the gas department a little more completely than the way that we were doing it."

Q: "So the answer is yes, is it not?"

A: "Yes, basically."

31 Students Win Citations in State AFL-CIO Scholarship Tilt

If you took a competitive examination and won a place among the top 50 of more than 1100 others who took the same exam, you'd like to know it, right? Because that puts you in the top five percent of the class and that's an "A" paper by any grading system.

Accordingly, the California Labor Federation is awarding Honorable Mention Certificates of Merit to the 31 top ranking seniors who were runners-up in the Federation's 19th Annual Awards competition in which the top 19 won \$500 scholarships. The top 19 winners were announced late last month. Listed alphabetically by counties, the runners-up are:

Contra Costa—Richard Stanley, 7405 Rockway Ave., El Cerrito, of El Cerrito High.

Los Angeles—William D. Allison, 7509 Dunfield Ave., Los Angeles, of Westchester High; Dorothy J. Cranshaw, 21721 Anza Ave., Torrance, of West High; Linda A. Driver, 114 19th St., Hermosa Beach, of Mira Costa High in Manhattan Beach; Ken Frankel, 648 E. Amherst Dr., Burbank, of Burbank High; Judith Friedman, 13465 McCormick St., Van Nuys, of Grant High; Patrick F. Harrington, 2840 Palmer Dr., Los Angeles, of Daniel Murphy High; Christine Hodson, 1220 E. Woodland Lane, Glendora,

of Glendora High; Michael S. Klempner, 6660 Whitsett No. 309, North Hollywood, of Grant High in Van Nuys; Lea M. Mizumoto, 228 No. Ynez Ave., Monterey Park, of San Gabriel Mission High in San Gabriel; Nancy J. O'Hara, 1954 Skyview Dr., Altadena, of Alverno Heights Academy in Sierra Madre; Robert S. Saunders, 5128 Merrill St., Torrance, of South High; and Bruce M. Sullivan, Jr., 7873 El Dorado Plaza, Long Beach, of Robert A. Millikan High.

Marin—Rita E. Knox, 84 Madrone Ave., San Anselmo, of San Domenico High.

Merced—Lloyd P. Covens, 3133 Gary Ave., Merced, of Merced High.

Monterey—Jon Kitaji, 469 Cabrillo Ave., Salinas, of North Salinas High.

Orange—Gregory Fant, 17512 Brent Lane, Tustin, of Foothill High in Santa Ana; and Martha Young, 309 Jacaranda, Fullerton, of Fullerton Union High.

Sacramento—Frank Walker, 8028 Lesser Way, Citrus Heights, of San Juan High.

San Bernardino—Radah F. Butler, 561 Lillian Dr., Barstow, of J. F. Kennedy High; David B. Ring, 1510 N. Euclid Ave., Upland, of Upland High; and Kathleen L. Schneider, 6731 Osburn Road, San Bernar-

dino, of San Geronio High.

San Diego—Mark R. Lester, 4679 Kansas St., San Diego, of Will C. Crawford High; and Douglas Single, 3385 Bonita Woods Dr., Bonita, of Bonita Vista High in Chula Vista.

San Francisco—David J. Beadle, 3400 Sacramento St., San Francisco, of Lowell High; Leonard J. Lewy, 2215-25th Ave., San Francisco, of Abraham Lincoln High; Eileen R. Meehan, 257 St. Francis Blvd., Daly City, of Mercy High in San Francisco; and Andrew J. Weill, 509 Larch Ave., So. San Francisco, of Lick-Wilmerding High in San Francisco.

Santa Barbara—Charles M. Sink, 6143 Shearton Way, Goleta, of Dos Pueblos High.

Shasta—Craig C. Forney, 3035 Irene St., Redding, of Enterprise High.

Tulare—Teddy Gong, Box 578, Orosi, of Orosi High.

Have Times Changed?

"I am opposing a social order in which it is possible for one man who does absolutely nothing that is useful to amass a fortune of millions of dollars—while millions of men and women who work all the days of their lives secure barely enough for a wretched existence."—Eugene Debs, 1918.