



California AFL-CIO News

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Executive Secretary-Treasurer



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Labor at the Legislature

From The Capitol Office
Of The Executive Secretary

The widely publicized controversy over passage of the state budget has had the effect of slowing the progress of other legislation since our last report. For instance, in the Assembly several days were fully occupied with these debates. Committee meetings were cancelled. Bills and resolutions rested on the file without action. Consequently, when the Ways & Means Committee began its hearings again Tuesday it was faced with nearly 140 measures requiring action. The same day, the Assembly had a total of 150 bills, constitutional amendments and resolutions on its daily file.

Since that day—they were in the 113th legislative day—there is an apparent movement toward adjournment as soon as possible. All this means that the many proposals still pending will be moving with greater speed than has been the case up to now.

It is most important that all those concerned with Labor's 1969 legislative program keep abreast of hourly and daily changes in status, and that appropriate responses be made promptly, clearly and concisely. Cooperation on the legislative program has been excellent this session; it is imperative that this be maintained and reinforced from now until adjournment.

* * *

By votes of 23-12 and 23-11, the State Senate this week voted to replace Senators John McCarthy (R-San Rafael) and Jack Schrade (R-San Diego) on the powerful Rules Committee with Senators Clair Burgener (R-La Mesa) and Robert Stevens (R-Los Angeles). This

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Right-To-Work Legislation Taken Under Submission

SB 1119, the right-to-work proposal affecting public employees, was heard Tuesday in the Senate Labor & Social Welfare Committee. After thorough hearing, the bill was taken under submission with every indication that it is dead for the session.

SB 1119 was presented by its author, Senator John Schmitz (R-Tustin). Testimony

in support was given by Dave Denbow, representing the California Volunteer Right-to-Work Committee. This legislation was originally introduced as a right-to-work bill on agricultural workers. After many weeks, it was amended to undercut the organizing rights of California's public

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All Unions and Members Urged to Aid Her-Ex Strike

An urgent appeal to all AFL-CIO affiliates and individual union members in California to give immediate additional support to the 2,000 stalwart trade unionists carrying on the fight for workers' rights at the strike-breaker-produced Los Angeles Herald-Examiner was issued this week by Thos. L. Pitts, secretary-treasurer of the California Labor Federation, AFL-CIO.

Union Opposes Nixon-Blount Postal Corp. Plan

Vigorous opposition to the Nixon administration's proposed Postal Reform Act has been voiced by the AFL-CIO United Federation of Postal Clerks following an extensive study of the legislative proposal itself and consideration of the Post Office Department's testimony on it before a House Committee.

In a position statement signed by UFPC President

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Pointing out that some 2,000 members of 10 unions involved in the dispute "have been battling for 19 months now to preserve basic collective bargaining principles vital to the wages and living standards of all workers in California," Pitts said:

"The sacrifices they have made—economically, socially, and in terms of their own families—to resist this blatant union-busting attempt by the multi-million dollar Hearst Corporation can never be fully

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Two Bad Bills Due For Action On Senate Floor

Two extremely bad anti-labor bills were still pending on the Senate third reading file at mid-week, awaiting action on the floor. Both are actively and firmly opposed by the California Labor Federation.

SB 1213 is an out-and-out

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Is PG&E Rate Hike Bid 69% Too High?

Less than one-third of the \$26,457,000 gas rate hike being demanded by the Pacific Gas and Electric Company is justified, according to an opening statement presented by State Public Utilities Commission's Staff Attorney David Larrouy to PUC Hearing Examiner Carroll T. Coffey this week.

In recommending that the

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Write Now to Demand Tax Reform Right Now

If you're married and earn \$8,000 a year, you pay a tax of \$1,000; but if you're married and have \$8,000 in capital gains income you pay a tax of only

\$345.

Is this fair? Of course not! But it's one of the ways the wealthy have rigged U. S. tax laws to their advantage.

Have you ever protested about this by writing a letter to your Congressman and U.S. Senators? Probably not.

But this year the pressure for real tax reform is mounting and you can help push it along by writing to your Congressman right now.

Tell him that you want the

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Two Bad Bills Due For Action On Senate Floor

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strikebreaker bill. It would deny public welfare assistance to families if the unemployed parent is out of work due to a strike.

SB 1192 says in its title that it relates to "economic productivity." Actually, its passage would adversely affect the job security and collective bargaining rights of workers in the printing trades throughout California. It would have the effect of imposing state law in collective bargaining heavily on the side of organized management.

Both would have far reaching effects on Labor's position under the law. Every effort, through strong united action, must be taken to secure their defeat quickly and finally.

Labor at the Legislature

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means a new alignment on Rules, giving President Pro Tem Senator Howard Way (R-Exeter), a 3-2 majority. The Democratic members are Senators Joseph Kennick (D-Long Beach) and Stephen Teale (D-West Point).

* * *

Assemblyman Robert Wood (R-Greenfield) recently seated member from Monterey County, has been appointed by the Speaker to membership on the committees on Agriculture and on Natural Resources & Conservation in the Assembly. He has also been placed on the Joint Committee on Fairs & Allocations.

* * *

The Senate has passed and returned to the Assembly for concurrence in amendments AB 406 by Assemblyman Bill Greene (D-Los Angeles). The vote in the Senate was 24 to 4. AB 406 is supported by Labor. It would make it unlawful for an employer to discriminate in the selection of a person for training programs leading to employment because of race, religion, color or ancestry.

Right-To-Work Legislation Is Taken Under Submission

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employees.

Vigorous Labor opposition was led by the California Labor Federation. Opponents received fine support from Senator Lou Cusanovich (R-Sherman Oaks), who announced publicly that he was opposed to SB 1119 and to any right-to-work legislation.

In addition, comprehensive questioning by Senator Nicholas Petris (D-Oakland) brought out many very revealing statements by Denbow relating to

the background of the bill and those supporting it.

The Federation expresses its thanks to all of the various Labor groups in the state for the assistance given and the united front presented in opposing SB 1119.

Committee members present, beside Senators Cusanovich and Petris, were Senators Mervyn Dymally (D-Los Angeles); Alfred Song (D-Monterey Park); John Harmer (R-Glendale); and George Deukmejian (R-Long Beach).

PG&E Demand 69% High?

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PG&E rate hike demand be trimmed to \$7.9 million, a 69 percent cut, Larrouy pointed out that PG&E failed to include in its forecast of 1969 revenue \$16.26 million in additional gas sales that it can expect to receive from the Pacific Lighting group this year.

This difference, coupled with other significant but smaller differences between PG&E figures and those developed by the PUC staff, can mean a difference of nearly 200 percent in the amount by which the gas bills of trade unionists and other PG&E subscribers are ultimately increased.

If PG&E gets the total increase it is demanding, it would cost the average household 84 cents more per month or \$10.08 a year. In contrast, the proposal by the PUC staff would cost only 25 to 30 cents more a month or between \$3.00 and

\$3.60 a year.

Larrouy said that PG&E contends that the \$16.26 million gas purchased by Pacific Lighting was not included in its 1969 forecast of revenues because the contract is negotiated on a year-to-year basis and the contract for this year apparently has not yet been signed. But the last contract is in effect and continues until next November, a PUC aide said.

So the PUC included the revenue for PG&E under the contract for the entire year based on gas supplies to the group in previous years and supplies continued into 1969, he explained.

Larrouy said the PUC staff's rate of return expert, Thomas Deal, would recommend a return on the utilities' investment of between 6.95 percent and 7.25 percent with a mid-range of 7.1 percent. The PUC staff's position that PG&E needs only \$7.9 million is based

Bill To Guard Wage Claims Gets Solons' OK

AB 252, a California Labor Federation bill authored by Assemblyman John Foran (D-San Francisco) has completely cleared both houses of the Legislature on its way to the Governor's desk for signature.

AB 252 will re-establish the wages of employees in top priority of claims against the consideration for the sale or transfer of alcoholic beverage licenses.

Both the Assembly and the Senate passed the bill. In the process, a "chaptering" problem arose in connection with another measure. The matter was referred to a joint conference committee and that group's report has now been adopted by each chamber.

Senator George Moscone (D-San Francisco) carried the bill in the Senate.

on the mid-point rate of return of 7.1 percent. PG&E is presently authorized to get a 6.25 rate of return.

Other differences between PG&E figures and PUC staff figures resulted from staff cuts of sales and advertising expenses by \$730,000 and reduction of the PG&E's estimate for wage increases by \$840,000.

The California Labor Federation has filed as an interested party in the case and is following it closely in the interest of protecting the purchasing power of hundreds of thousands of California trade unionists against unnecessary and inflated rate increases.

Minorities' Role in Apprenticeships Up Sharply In 2 Years

Major gains have been posted by minorities, particularly Negroes, as a result of the apprenticeship outreach program which is supported by organized labor, civil rights groups and the federal government.

In fact, the number of Negroes in apprenticeship programs jumped from 4,100 in 1967 to 9,400 in January, 1969, an increase of 230 per cent, according to a recent article in "Manpower," the official magazine of the Manpower Admin-

istration of the U.S. Labor Department.

In an extensive analysis of the program, which seeks out Negroes, Spanish-speaking Americans and Indians and prepares them for apprenticeship in various building and construction trades, the article found that the program is operating in 48 major cities and has placed 2,325 minority group members in building trades apprenticeships as of December 31, 1968.

During the January, 1967 to January, 1969 period surveyed, the number of apprentices in the nation rose from 207,500 to 240,000.

The number of minority apprentices, however, rose from 9,300, or 4.5 per cent of the total, to 15,600, or 6.5 per cent during the same period.

This indicates a 68 per cent increase in minority participation in a little less than two years of the program's operation.

Union Opposes Nixon-Blount Postal Corp. Plan

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Francis S. Felbey and the union's Legislative Director Patrick J. Nilan, the union urges its members to advise their Congressmen and both of their two U.S. Senators immediately of their opposition to the Nixon-Blount legislation and to urge the Congressmen to support HR 4, the Postal Reform Act proposed by Rep. Thaddeus J. Dulski (D-New York), chairman of the House Post Office and Civil Service Committee "with an amendment to substitute the provisions of HR 4803 for Title VII of the Dulski legislation."

Specifically, the Postal Clerks Union cited five reasons for its opposition to the postal corporation concept as outlined in the Post Office Department's bill:

1—It fails to grant postal employees the right to strike.

2—It fails to grant the union "unilateral access to binding arbitration."

3—It does not propose that the union's members be given true (pay) comparability prior to becoming employees of the postal corporation.

4—It would link pay increases to postal rate increases "thus making postal employees the only large group of federal employees whose wages and fringe benefits would depend upon the ability of the corporation to pay from receipts or force the American public to pay increased fees for mail service."

5—The Postmaster General has failed to take into consideration the fact that postal clerks were still more than \$800 behind their counterparts in the private sector as of June 1968 and that the cost of living has undergone "astronomical increases" since that date.

Opposition to the corporation concept has also been registered by the AFL-CIO Government Employees Council, an association of 34 unions.

In outlining his bill (HR 4) earlier this year, Rep. Dulski said:

"My studies indicate that every major postal reform that a non-profit corporation might achieve can be done more

All Unions and Members Urged to Aid Her-Ex Strike

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measured.

"But," he noted, "they have succeeded in reducing the scab L. A. Herald-Examiner to a shadow of its former self. Despite Hearst's use of professional strikebreakers, the paper's circulation is now less than half what it was when the strike-lockout began December 15, 1967.

"And the Herald-Ex has lost so many millions of lines of advertising that its ad lineage now just barely noses out a Walnut Creek paper with a paid circulation of only about 16,000.

"In short," Pitts said, "Hearst is hurting."

He urged all affiliates to send funds—on a regular monthly basis if possible, to:

The Los Angeles Herald-Examiner Joint Strike-Lockout Council, 225 West 11th Street, Los Angeles, California 90015.

He also urged each affiliate to urge its members "in every way you can" to make additional individual contributions right now and on a continuing basis until this strike-lockout is won.

In urging immediate action to aid "these 2,000 valiant trade unionists," Pitts declared:

"Remember, if they lose, we all lose, because it could be the opening wedge to turn California into a dog-eat-dog open shop state marked by depressed wages and living standards and no job security. This must not come to pass."

Worker's Refusal of Farm Job Upheld

A Salinas Valley farm worker and former insurance agent is entitled to his unemployment insurance benefits even though he turned down a job as a farm worker in the Salinas area offered by the State Department of Employment.

This was the thrust of a decision handed down recently by Sacramento Superior Court Judge Irving Perluss in a case that could have broad ramifications for jobless workers throughout California.

In reversing the action of the State Unemployment Insurance Appeals Board which is now dominated by Reagan appointees, Judge Perluss hinted that the Department may bear responsibility for determining if farm employers are complying with state and federal health and sanitation regulations.

The worker, Mauricio R. Munoz, was notified of the availability of a job as a farm labor foreman in April, 1968. At that time, Munoz asked the Department of Employment if his prospective employer was com-

quickly and effectively within the present framework of government. Most important, I am convinced these can be done without the inevitable disruption and turmoil involved in a change-over to a corporation."

plying with federal, state, and local health and sanitation regulations.

The Department of Employment maintained that it did not have to make that determination. Subsequently, Munoz turned down the job offer.

As a result the State Unemployment Insurance Appeals Board disqualified him from receiving jobless benefits for two weeks.

In overturning the UIAB's action, Judge Perluss pointed out that Munoz offered evidence that "violations of the California Health and Sanitation statutes were widespread in the Salinas area, involving such matters as the use of common drinking cups and inadequate facilities for fresh water and the elimination of human waste."

Pointing out that "the Department may obtain pertinent health and sanitary information as it does wage information," Perluss said:

"It must be concluded that the burden . . . should rest with the Department of Employment by virtue of the scattered fields of the prospective employer which were 10 miles distance and the alleged widespread health and sanitary violations in the area."

The case was carried by the

Senate Unit OKs FEP Bill For Farm Workers

A California Labor Federation bill moved closer to final legislative action this week when the Labor & Social Welfare Committee of the Senate gave a "do pass" recommendation to AB 837. The measure now goes to the Senate Finance Committee for consideration.

Assemblyman John Miller (D-Oakland) is author of AB 837. When enacted, it will extend the California Fair Employment Practice Act to include coverage of agricultural workers and employers. It has already been passed by the Assembly.

California Rural Legal Assistance in Munoz' behalf.

Munoz, now a school counselor, had qualified for jobless pay benefits because of his previous employment as an insurance agent.

Floyd Smith Takes Helm for Machinists

Floyd E. Smith, a Kansas farm boy who left school at 17 for a job as a machinist's helper at 25 cents an hour, succeeded P. L. Siemiller as President of the AFL-CIO International Association of Machinists on July 1.

Smith, an active trade unionist for more than 30 years, became assistant business representative for IAM Lodge 1235 in Long Beach in 1945 and subsequently served as union representative, Grand Lodge representative, and in 1961 was elected an IAM Vice President. Siemiller retired at 65 after four years as President.

Urgently Necessary

"I consider it important, indeed urgently necessary, for intellectual workers to build an organization to protect their own interests."—Albert Einstein. The late physicist was a member of the AFL-CIO Princeton Federation of Teachers.

Write Now To Demand Tax Reform Now

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preferential treatment given to capital gains income eliminated.

Tell him you want the 27.5 per cent oil depletion allowance that results in an average tax rate of only 8.5 per cent for the nation's 20 biggest oil corporations slashed substantially this year.

Tell him you object to the fact that 80 per cent of the nation's farm subsidies go to only 20 per cent of the nation's farms and that you want a \$20,000 ceiling put on farm subsidies.

END THE SURTAX

Tell him you're tired of paying a 10 per cent surtax yourself and then being saddled with the 10 per cent surtax that should be paid by various corporations but are passed on to you in the form of price or rate increases.

Tell him it's time to end the total exemption on income from state and municipal bonds that again lets the rich earn more money without paying any tax on it while you pay a tax on every cent you earn in wages.

These are only some of the principal tax loopholes that benefit the rich at your expense. One of the principal reasons for the existence of these loopholes—through which the rich escape an estimated \$50 billion in taxes—is that the rich complain loud, long, often and where it counts—in Congress—while many of us dribble away our complaints ineffectively over the backyard fence or at the bowling alley.

TIME TO COMPLAIN

Now is the time to complain to Congress—LOUDLY, INSISTENTLY AND REPEATEDLY. Extension of the 10 per cent surtax has already passed the House and is up for action in the Senate. Once it is passed, the most effective lever to force real tax reform this year will be lost.

Remember, right now our tax structure is upside down. The heaviest burden falls on low and middle income families while the wealthy pay little. Your help is needed to set it rightside up.

Write your U.S. Senators—write to both of them, Alan

Cranston and George Murphy—by addressing your letter to them at the Senate Office Building, Washington, D.C. 20510.

WHERE TO WRITE

Write your Congressman by addressing him at the House Office Building, Washington, D.C. 20515.

If you don't know your Congressman's name, call your county clerk or registrar of voters and find out.

After all, real tax reform that puts our tax structure right side up—reforms based on the ability-to-pay principle—could mean that you could keep a lot more of the money you presently earn.

Surely it's worth a six-cent stamp to push for it.

Humphrey Joins Newspaper Guild

Hubert H. Humphrey, now a columnist for the Register and Tribune syndicate, is now a member at large of the American Newspaper Guild.

Responding to an invitation from ANG Secretary-Treasurer Charles A. Perlik, Jr., Humphrey sent in a membership application card saying he was "pleased and honored" to join the union.

Warning Issued on Plaque Sales Pitch

A plaque entitled "Ten Ways to Kill a Union," which contains a message opposite to what the title suggests, is apparently being sent unsolicited to union headquarters throughout the nation allegedly as a "service to all labor," according to Stanton E. Smith, AFL-CIO coordinator of state and local central bodies.

The announcement of the circulation of the plaque, Smith said, is on the letterhead of the "Trades Union Publishing Co.," of Fort Worth, Texas, and opens with labor's traditional salutation of "Dear Sir and Brother" and closes with "Fraternally, W. R. Yohan, President." The letter suggests that the union may have the plaque for the "small cost of only \$10.00."

Pointing out that this is

State Spending Rises Faster Under Reagan

Remember all that talk during the 1966 gubernatorial campaign about cutting state government costs and slashing taxes?

And newly elected Governor Reagan's seemingly earnest pledge to "cut, squeeze, and trim" while he pushed through a \$1 billion plus tax increase pegged to the idea that "taxes should hurt?"

Well, two years later, according to State Legislative Analyst Alan Post, an analysis of state general fund spending—the spending California governors can exert the most control over—makes all that talk and Reagan's repeatedly reiterated pledge to "cut, squeeze and trim" sound resoundingly hollow.

The analysis finds that the average of yearly percentage increases in general fund spending during the administration of Governor Edmund G. Brown came to 11.4 percent.

But under the Reagan administration—the well publicized "cut, squeeze and trim" administration—the average yearly percentage increase has been 13.9 percent!

Kind of surprising, isn't it? Or is it?

Who Voted to Soak You for An Extra 10 Percent Again?

Want to know which congressmen voted to make you continue to pay a 10 percent surtax on top of your regular federal income tax this year without insisting on real tax reform that could ease the present excessive tax burden on middle-income wage earners?

Surprisingly, it was not the much maligned liberals who are repeatedly accused of mounting one tax on top of another.

No, on the contrary, it was, for the most part, their accusers.

Here are the California congressmen who voted on June 30, 1969 for H.R. 12290, the Nixon administration's bill to extend the 10 percent federal surtax as well as the excise tax on automobiles and communication services:

Alphonzo Bell (R-Santa Monica); Don Clausen (R-

Crescent City); Barry Goldwater, Jr. (R-Los Angeles-Kern Cos.); Charles S. Gubser (R-San Jose); Craig Hosmer (R-Long Beach); Paul N. McCloskey, Jr. (R-Belmont); William S. Mailliard (R-San Francisco); Robert B. Mathias (R-Visalia); Jerry L. Pettis (R-San Bernardino); H. Allen Smith (R-Los Angeles); Burt L. Talcott (R-Salinas); Charles M. Teague (R-Ventura); James B. Utt (R-Tustin); Charles E. Wiggins (R-El Monte); and Bob Wilson (R-San Diego).

In contrast, all 21 of California's Democratic congressmen voted against the extension of the surtax.

Unless amended in the senate, the measure will extend the 10 percent surtax through Dec. 31, 1969 and continue it at 5 percent for the first six months of 1970.