



# California AFL-CIO News

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THOS. L. PITTS 151  
Executive Secretary-Treasurer

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## Labor at the Legislature

From the Capitol Office  
of The Executive Secretary

The opening of the Legislature for the 1970 session at Sacramento started with the organization of the Senate and Assembly this week.

The Senate again elected Senator Howard Way (R-Exeter), President Pro Tempore; Senators George Deukmejian (R-Long Beach), Republican floor leader, and H. L. Richardson (R-Arcadia), as Republican caucus chairman. Senator Mervyn Dymally (D-Los Angeles) replaced Senator Jim Mills (D-San Diego) as Democratic caucus chairman, and Senator George Moscone (D-San Francisco) again was elected Democratic floor leader.

In the Assembly, Assemblyman Jesse M. Unruh (D-Los Angeles) was elected Democratic floor leader, and Assemblyman George Zenovich (D-Fresno) was picked as Democratic caucus chairman. The Assembly also reelected Speaker Robert Monagan of Tracy, Speaker Pro Tem Charles Conrad of Sherman Oaks, Chief Clerk Jim Driscoll, Sergeant at Arms Tony Beard and Father Leo McAllister, chaplain.

The legislators appear determined to seek some serious legislation on such subjects as environmental pollution, education and taxes—issues that vitally affect trade unionists just as they do all citizens. The Federation will, of course, also be pressing for improvements in the State's social insurance programs, such as workmen's compensation, unemployment insurance and disability insurance as well as for more general legislation necessary to advance and protect the interests of all California workers.

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## A Partisan Tone Marks Opening of '70 Legislature

A strongly partisan tone was evident when the California Legislature opened its 1970 legislative session this week with the Republicans holding a scant 1 vote margin in both houses—41-39 in the Assembly and 21-19 in the Senate.

The Assembly was called to order by Chief Clerk James Driscoll and Assembly-

man Craig Biddle, (R-Riverside), immediately introduced a resolution nominating all the officers of the 1969 session for reelection. Assemblyman Jesse Unruh, Democratic floor leader, called for a division of the question as it pertained to the Speaker and the Speaker Pro Tem.

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## Pitts Hits PG&E Rate Hike As 'Excessive, Inflationary'

"The Reagan-dominated state Public Utilities Commission's decision to give the Pacific Gas and Electric Company a rate increase more than 60 percent higher than the boost recommended by its own staff will serve as an open invitation to major public utilities throughout the

state to form a line at the right to seek excessive rate increases at the expense of California consumers and taxpayers," Thos. L. Pitts, secretary-treasurer of the California Labor Federation, AFL-CIO charged this week.

"In fact," Pitts said, "this is already underway. Six of California's major utilities filed for rate increases just last month."

He said the six utilities were: Pacific Power & Light; Southern California Edison; Southern Counties Gas; Southwest

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## Fed Raps Farm Bd.'s Action on Grape Boycott

The State AFL-CIO has strongly protested a recent declaration by the State Board of Agriculture that it plans to take part in a campaign opposing the consumer boycott of California grapes initiated by the United Farm Workers' Organizing Committee, AFL-CIO.

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## 24 \$500 Awards At Stake in Fed's Scholarship Tilt

Do you know any California high school seniors that could use \$500 to help finance their college education?

If so tell them about the California Labor Federation's 20th annual scholarship awards competition.

The 1970 competition, which offers 24 \$500 scholarships, is open to all graduating seniors in public, private and parochial high schools throughout California.

In announcing the availability of the scholarships last month, Thos. L. Pitts, the Federation's secretary-treasurer, invited all California high school seniors to participate in the program saying:

"We believe that regardless

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## Unions OK But GE Ducks Sen. Javits' Fact-Finding Plan

The General Electric Company's attempt to assume a public posture of reasonableness and flexibility while remaining inflexible if not deceitful in actual negotiations came apart at the seams this week

when it sidestepped a proposal advanced by Senator Jacob K. Javits (R-N.Y.) to agree to the appointment of a fact-finding panel to investigate the 11-week-old nationwide strike by 150,000 of its employees.

Although the 14 unions involved in the strike promptly accepted the Javits' proposal. G.E., which has adamantly insisted that only management can decide what wages workers are entitled to, parried the proposal by saying early this week that progress would be quicker now because J. Curtis Counts, chief of the U.S. Mediation and Conciliation Service,

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## Labor at the Legislature

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As this session is starting out, it will probably develop into a definite partisan session, because of the coming elections.

We will be calling on the various affiliates, councils and leaders for their continued cooperation, which was given us so generously at the last session.

The Federation's Sacramento office is located in Suite 216 at 1127 Eleventh Street, right across the street from the Capitol. The postal Zip Code is 95814 in Sacramento. Our telephone number is (916) 444-3676. The office is open from eight o'clock in the morning. You can assist the Federation and Labor immensely toward success in the legislative program by keeping us fully informed of your concerns, contacts and progress on appropriate legislation.

United effort and close coordination are extremely important to us in this closely divided Legislature.

## Do You Rate A D.I. Refund?

If you worked for two or more employers and earned more than \$7,400 in wages for work in California in 1969 you may be eligible for a refund for overpayment of your state disability insurance.

But you won't get it unless you file for it.

If the total of deductions for disability insurance under either a state or voluntary plan exceeds \$74, the chances are you rate a refund.

To apply for it, write to the Central Office of the Department of Human Resources Development, 800 Capitol Mall, Sacramento, California 95814 or contact any local office of the department and request an application form. That's Form DE 1964.

All claims for refunds must be filed during the period January 1-June 30, 1970.

## A Partisan Tone Marks Opening of '70 Legislature

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Biddle's resolution nominated Speaker Robert Monagan (R-Tracy) and from the floor Unruh placed in nomination Assemblyman Vincent Thomas (D-San Pedro). By law, the session opened at noon. Due to the absence of a single member, Assemblyman L. E. Collier (R-South Pasadena) it took the Assembly almost six hours to complete its first roll call. Collier's tardy arrival was needed to give Monagan the required 41st vote for his second session as Speaker.

Thomas, dean of the house in years of service, received the solid 39 Democratic votes. The narrow partisan division will apparently be a big factor in this legislative session.

Because of the time consumed in selecting the Speaker, the Assembly deferred all other business until the following morning. At that time, Assemblyman Charles Conrad (R-Sherman Oaks), was elected Speaker Pro Tem over Assemblyman Carlos Bee (D-Hayward). Again, a call of the house was required to register all the 41 Republicans for Conrad to secure his election by the bare majority.

Other elected officers of the Assembly, Chief Clerk Jim Driscoll, Sgt. at Arms Tony Beard and Chaplain Father Leo McAllister were reelected without dissenting votes.

The Republican caucus nominated Assemblyman Ernest Mobley, Ray Johnson and Newton Russell to serve on the Rules Committee. The Democratic caucus nominated Assemblyman Joe Gonsalves, John Burton and John Quimby. These choices were confirmed by the Assembly and the Speaker immediately completed the membership by re-naming Assemblyman Eugene Chappie (R-Cool) as Chairman of Rules.

The Speaker announced his intention to move rapidly on designating the membership of the other committees. He indicated that there would be no wholesale shifts but did say there might be changes, based on some members carrying too heavy a committee schedule.

Assemblyman Craig Biddle will serve again as Republican floor leader. Assemblyman Don Mulford (R-Berkeley) will be Republican caucus chairman. Unruh remains as Democratic floor leader and Assemblyman George Zenovich of Fresno is caucus chairman.

The Assembly received its first bills over the desk on Tuesday, after the election of its officers and prior to the Governor's address. At that time approximately 96 bills, 10 Constitutional Amendments and several resolutions were sent into the hopper. A subcommittee on Air Pollution alone put in 15 or more measures on their area of concern. There were several others, including AB 1, on the subject of environmental control.

This emphasizes that this topic will be of major concern during the months ahead in the Legislature.

The Governor's address was a generalized summary of the state's problems as he sees them. He outlined several administration proposals for changes in state government, conflict of interest laws, welfare, pollution and so forth. The message was tailored for brevity to fit live TV coverage. The Governor told the legislators that they could expect more detailed messages concerning various proposals in the near future.

The Senate, divided 21-19 with a Republican majority, quickly organized on opening day. Senator Howard Way (R-Exeter) was retained President Pro Tem. Darryl R. White was elected Secretary and P. H. Kenealy was given another term as Sergeant at Arms of the Senate. With Way as Chairman, the Rules Committee will consist of Senators Clair Burgener, Joe Kennick, Robert Stevens and Stephen Teale.

Senator George Moscone will be the Democrats' floor leader and Senator Mervyn Dymally will be their new caucus chairman. The Republicans will be led on the floor by Senator George Deukmejian, with Senator H. L. Richardson caucus chairman.

## Unions OK But GE Ducks Javits' Fact-Finding Plan

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was scheduled to take part in negotiations between G.E. management and the AFL-CIO's IUE - coordinated bargaining committee when the talks resumed in New York yesterday.

Counts indicated that he has no intention of sitting around watching sterile exchanges between G.E. and the union. He said he plans to meet with the parties separately.

The federal mediation service has a statutory obligation to intervene in situations like the G.E. strike but it has no power to force settlements.

In contrast to G.E. management's reluctance to have a fact-finding panel explore the real issues in the strike, the unions responded promptly and affirmatively to the Javits' proposal.

AFL-CIO President George Meany sent the following reply to Javits on Tuesday, the day after receiving Javits' proposal.

"I am informed that the member unions of the AFL-CIO Coordinated Bargaining Committee with the General Electric Company will accept your proposal and will so notify you. I hope the company will do so as well.

"You may recall that our unions offered last October to submit the issues to binding arbitration as a way of averting a strike. That offer still stands. We are completely confident that the facts are on our side. While a panel determines them, our unions will continue to seek a settlement through collective bargaining and will support their efforts by a boycott of G.E. products and an unbreakable strike.

"We appreciate your concern and we share your desire for a fair settlement at the earliest possible moment."

Shortly after Meany's message was sent, leaders of other CBC unions and of the independent United Electrical Workers sent their approvals to Javits.

Paul Jennings, President of the AFL-CIO International Un-

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# 24 \$500 Scholarships Are at Stake in Fed's 1970 Contest

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of your own career goal, you will participate more effectively in our society by having a fundamental understanding of the role of the labor movement in our democracy."

He urged the students to study the history of the labor movement, to become familiar with its social goals, to look at its economic and political policies and to learn to evaluate its action programs in the community, the state and the nation as well as throughout the free world.

Brochures announcing the availability of the scholarships were mailed to all California high school principals and all State AFL-CIO affiliates last month.

The number of scholarships awarded under the program has increased eight-fold since 1959 when only three scholarships were awarded. The 24 offered this year represent a record. Expansion of the program during the sixties reflects the recognition by the California labor movement of the vital importance of higher educational opportunities for all.

"A literate society," Pitts observed, "is an essential part of our modern world of work. The increasing complexities of this technological age and labor's pledge to achieve for working men and women ever higher standards of living and working conditions; the enjoyment of leisure which their skills make possible; and the strengthening and extension of our way of life and the fundamental freedoms which are the basis of our democratic society, require more education for effective life careers in the labor force."

Twenty-one of the scholarships available this year are being co-sponsored by the following Federation affiliates:

Butchers Union Local 120, Oakland; Butchers Union Local 498, Sacramento; California State Association of Journeymen Barbers, Hairdressers, Cosmetologists, Masseurs & Guilds; the California State Conference of Operating Engineers of the IUOE; Carpenters Ladies Auxiliary, California State Council; California State Council of Carpenters; California State Council

of Culinary Workers, Bartenders and Hotel and Motel Service Employees; California State Council of Lathers—Lloyd A. Mashburn Memorial Scholarship;

California State Council of Retail Clerks—Warren G. "Pop" DeSepte Award; Communications Workers of America, Bay Area Council—William G. Gruwell Scholarship; Communications Workers of America, Southern California Council—George W. Gorman Memorial Scholarship; Federated Fire Fighters of California; Los Angeles Building and Construction Trades Council;

Los Angeles District Council of Carpenters; Los Angeles District Council of Painters No.

36—Roderick Mackenzie Scholarship Award; Marine Cooks and Stewards Union AFL-CIO; Northern California District Council of Laborers; Southern California District Council of Laborers; United Cannery and Industrial Workers of the Pacific—James Waugh Memorial Scholarship; United Transportation Union, California State Legislative Board; and the Western Federation of Butchers.

The other three scholarships are sponsored by the Federation.

Students interested in the examination may obtain application forms at their high school. The Federation must receive these applications, along

with a transcript of the student's high school record, not later than March 13, 1970.

A two-hour competitive examination will be held Friday, April 10, 1970 in each of the high schools in which applicants have filed.

In addition to the cash scholarships, certificates of merit will be awarded to the 50 students placing highest in the examination.

Further information may be obtained by writing to: Education Committee, California Labor Federation, AFL-CIO, Thos. L. Pitts, Secretary-Treasurer, 995 Market St., Suite 310, San Francisco, California 94103, Attention: Albin J. Gruhn, President.

## Unions OK But GE Ducks Javits' Fact-Finding Proposal

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ion of Electrical Workers, for example, said:

"On behalf of the IUE, I accept the proposal of Senator Javits for appointment by the parties of a three-man fact-finding panel in the G.E. strike. Although full and binding arbitration of the issues, which we have proposed repeatedly, is a more desirable and effective course for settling this strike, we will be happy to follow Senator Javits' proposal, knowing that a panel examining the union proposals and the company offer on a truly impartial basis will make recommendations reflecting the needs of our members. Such recommendations can only bring this strike closer to a settlement that will be in the best interests of both parties.

"With the strike now in its 11th week, the impact upon the workers, the company and the community is most serious. While we are desirous of bringing this conflict to a speedy conclusion in the interests of all, IUE is determined to continue the strike until a just settlement is reached. We stand ready to cooperate in any course that will bring this about."

Early this week, as it became known that the union would accept the Javits' proposal, a number of erroneous reports were circulated that the Javits' proposal involved ending the strike. But this is

not so. Meany's statement stressed the fact that the strike and boycott of G.E. products, including Hot Point and Universal products, will continue until a just settlement can be reached.

The Javits' proposal called for the creation of a three-member fact-finding panel to recommend terms for the strike's settlement. The panel would be appointed through agreement by the two sides but if they couldn't agree the American Arbitration Association would name the panelists. The recommendations of the panel would be considered by the parties in further collective bargaining, Javits explained.

But G.E. management, which has turned down repeated offers by the unions to submit the issues in dispute to binding arbitration, was apparently afraid to accept even this proposal, which, far from involving binding arbitration, involved only the moral suasion of a fact-finding panel.

Meanwhile the AFL-CIO boycott of G.E. products continued to gain support. A strong plug for the boycott appeared in the January issue of "Senior Citizens News," published by the National Council of Senior Citizens, including a suggestion by Nelson Cruikshank, council president, that senior citizens could help the embattled trade unionists in the handbilling job.

In addition, the American Federation of Teachers has dis-

closed that it is sending 100,000 of its members the information they need to teach the students what trade unionism is all about, using the G.E. strike as a prime example.

In the course of negotiations last Tuesday, pension expert Joe Swire gave a full scale analysis of G.E.'s insurance, pension, and layoff benefits proposals. He pointed out their shortcomings compared to programs in effect elsewhere but there was no response from the company.

Nor did G.E. management respond to questions about other holes in its position. The company has spent millions in boasting about how reasonable and flexible it is. Yet G.E. had nothing to say about a letter to Schenectady strikers from G.E. plant manager Whitman Ridgeway which said:

"You ought to recognize that no matter how long you stay on strike the (G.E.) offer will not be increased."

That spells out pretty clearly just how inflexible and autocratic G.E.'s "take it or leave it" bargaining tactics are.

It also makes it perfectly clear that all trade unionists, in fact all workers, have a vital stake in supporting the G.E. strike and boycott in order to prevent this huge corporation from making a mockery of the nation's free collective bargaining process.

**DON'T BUY G.E. PRODUCTS!**

# Pitts Hits PG&E Rate Hike As 'Excessive, Inflationary'

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Gas and The Pacific Power Company.

Denouncing the PUC's action as "inflationary and irresponsible," Pitts said the fact that the Commission's four to one majority opinion ignored the decision drafted by the hearing examiner who heard the case and made no real attempt to justify the extra \$6.2 million it authorizes for PG&E amounts to an abdication of the Commission's responsibility to protect the public interest."

The State AFL-CIO registered as an "interested party" in the case and filed an extensive brief opposing PG&E's initial demand for a \$26 million rate hike as well as its demand for permission to pass the 10 percent federal surtax along to its consumers.

The State AFL-CIO's brief, prepared under Pitts' guidance, recommended a 6.85 percent rate of return instead of the 7.5 percent rate demanded by PG&E.

The Commission's staff came up with a rate of return recommendation ranging from 6.95 to 7.25 percent and said that the midpoint of this range, 7.1 percent would amount to "a generous increase" that would boost PG&E's revenues by \$9.8 million and "enable PG&E to continue to enjoy high profits."

Subsequently hearing examiner Carol Coffey submitted a draft decision recommending a rate of return not to exceed 7.05 percent, Pitts noted.

But the four Reagan appointees to the Commission authorized a 7.30 percent rate of return saying only that:

"Considering . . . all of the factors mentioned in the staff showing and the constantly increasing cost of debt capital, it is apparent that the Commission must authorize the upper limit of the staff's recommendation."

"The Commission's decision ignores the fact that the bond market has turned down and that its decision is directly at odds with the national administration's appeal to state and public agencies to hold down inflationary increases and not to bet on continued inflation," Pitts said.

The Labor Federation had filed a petition with the Commission last July 17 urging it to issue a proposed report on its findings before reaching a final decision but the Commission refused to do so.

PG&E reduced its initial demand for \$26,273,000 in new revenues to \$23,034,000 during the course of the hearings which extended from May through November of last year.

The State AFL-CIO's recommended rate of return of 6.85 percent would have allowed PG&E a \$4 million increase in revenues, barely one-sixth of the sum it sought, Pitts noted.

The PUC staff's recommendation, \$9.8 million, which the staff itself described as "very generous," more than doubled that and then the Commission

majority turned around and hiked its staff recommendation by 63 percent.

"If that isn't showing arbitrary and capricious largess with the poor consumers' funds, I don't know what is," Pitts declared.

Pitts also said that the fact that PG&E has increased its dividends over the years from \$1.10 per share in 1964 to \$1.50 per share in 1969—an increase of 36 percent in five years—"makes it perfectly clear that PG&E didn't need anything like the \$16 million increase in revenues authorized by this decision."

For the typical San Francisco subscriber, the rate increase will mean a boost of about \$5.40 a year or 45 cents per month in his gas bill.

Commissioner A. W. Gatov,

the sole remaining Brown appointee on the Commission, filed a dissenting opinion charging that the majority opinion "is devoid of meaningful analysis of the issues presented" and appears "to have been written in unseemly haste because it contains little substantive consideration of the issues posed (and) is replete with bald conclusions."

He charged that the majority decision was "predicated on fiat rather than justification."

Gatov also said that "the majority should not be afraid to explain the basis of its opinion, if it can. . . . The opinion which the majority has reached in its rush to judgment is deficient and not in keeping with the high standards which the public has every right to expect of us."

## Meany Deplores Big Hike in Home Mortgage Rates

The Nixon administration's decision to boost the interest rate ceiling on federally-backed mortgages a full percentage point from 7.5 percent to 8.5 percent was deplored last week by AFL-CIO President George Meany as "another serious blow to home buyers and residential construction."

In announcing the boost, President Nixon's Secretary of Housing and Urban Development, George Romney, claimed that the "realities of the market" forced the increase on mortgages insured by the Federal Housing Administration or guaranteed by the Veteran's Administration.

But Meany pointed out that the fact that interest rates had soared to their highest levels in more than a century since Nixon took office has "priced a growing percentage of families out of the market for homes."

The real impact of the boost, Meany said, would be:

- "That monthly payments on principle and interest on a 30-year \$20,000 mortgage will increase 10 percent so that the cost of the house over the life of the mortgage will be \$5,000 more.

- "Home building, which has

## Fed Raps Farm Board's Action on Grape Boycott

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Thos. L. Pitts, secretary-treasurer of the California Labor Federation, AFL-CIO, today made public a letter sent to Governor Reagan earlier in which he termed the State Board's action "a willful violation of public trust" and called on the Board to "immediately cancel its partisan promotional activities against the grape boycott."

The text of Pitts' letter to Reagan on the issue follows:

"The recent declaration of the State Board of Agriculture to oppose a California workers' boycott can only be interpreted as a willful violation of public trust.

"The State Board of Agricul-

ture is the servant of all the people of California. It has no right to enter a trade union dispute on the side of employers and use its prestige to fight and oppose the claims of the farm workers of California.

"It is shocking for a state agency to frankly and bluntly declare itself to be a partisan in a dispute between labor and management.

"It is suggested that the State Board immediately cancel its partisan promotional activities against the grape boycott. The grower members of the Board as individuals have the right to private action. They have no right to place the seal of the State of California on their anti-worker conspiracy."

already declined 27 percent since last January, will drop even further at a time when America needs a sharp rise in residential construction.

- "Unemployment of construction workers, which rose from five percent in June to 5.6 percent in November, will continue to climb. Obviously many who will go jobless will be Negroes—at the very time the Administration is pretending to put blacks to work in the construction industry.

He also said it represented "another severe setback" for the national goal of 26 million dwelling units in 10 years set when Congress approved the Housing and Urban Development Act of 1968.

## Oldsters Out Longer

The average duration of unemployment is about 50 percent greater for workers 45 and older than that for workers aged 25 through 44.