



California AFL-CIO News

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JOHN F. HENNING 151
Executive Secretary-Treasurer

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'70 Inflation Is Worst Since 1951

The nation suffered its worst inflation since 1951 last year and the Gross National Product (GNP)—the total output of goods and services in the U. S.—posted its first yearly decline since the Eisenhower-Nixon recession of 1958.

That was the gist of a somber report released by the U. S. Department of Commerce this week that disclosed that the prices of all items in the Gross National Product climbed by 5.75 percent, significantly higher than the 5.4 percent level for 1969.

Union Leader Wary of Nixon Wage Curb Plans

Grave concern that President Nixon's call for a voluntary wage-price slowdown in the construction industry may wind up as just a freeze on wages was voiced by Edward J. Carlough, president of the AFL-CIO Sheet Metal Workers Union this week.

Carlough, one of a number of union leaders on hand with industry representatives to hear Nixon's request to his Construction Industry Collective Bargaining Committee on Monday said:

"Any solution that just talks about wages and prices and limits it to the construction industry is unfair."

Nixon told the Committee that he had rejected, at least for the present, proposals to (1) impose wage-price controls in the industry, (2) suspend the Davis-Bacon Act that requires that prevailing wages be paid on federal construction projects, or (3) limit wages on federal building projects.

Said Carlough:

"I think he was trying to tell

(Continued on Page 4)

Labor Raps PUC's OK of Big Rate Increase for PG&E

"The State Public Utilities Commission's authorization this week of a \$51.6 million electric rate increase for the Pacific Gas and Electric Company is both exorbitant and inflationary," John F. Henning, executive officer of the California Labor Federation, AFL-CIO, charged this week.

Noting that the Commission granted

PG&E a 7.5 percent rate of return, well in excess of the 7.2 percent recommended by its own staff, Henning said:

"The 7.5 percent rate of return gives the company a higher rate of return on its electric division than the 7.3 percent authorized last year for its gas division even though

(Continued on Page 3)

Fed Asks Nixon Backing For CRLA Fund Grant

The California Labor Federation urged President Nixon yesterday to support OEO re-funding of a \$1.88 million federal grant to California Rural Legal Assistance.

John F. Henning, executive officer of the State AFL-CIO, wired the President after it became increasingly apparent that the issue is likely to be decided in the White House.

In his wire, Henning said:

"On behalf of the 1.6 million

members of the California AFL-CIO I urge you to support OEO re-funding of the nation's foremost legal services program, California Rural Legal Assistance. CRLA has proved its value time and time again in providing legal services to our state's rural poor. It strongly deserves continued OEO support."

Authority to override Reagan's veto of the CRLA grant rests

(Continued on Page 2)



JOAN LONDON MILLER

Joan London Miller, Warrior For Labor, Dies

Joan London Miller, a tireless fighter for workers' rights and author of books on the farm workers' cause and on her father, author-adventurer Jack London, died Tuesday at Kaiser Hospital after a long illness. She was 70.

Mrs. Miller, who retired as librarian for the California Labor Federation in 1962 after more than 20 years, had just completed a history of the farm labor movement with Berkeley sociologist Henry Anderson titled, "So Shall Ye Reap."

The book, subtitled, "The Story of Cesar Chavez and the Farm Workers' Movement," was released on her birthday

(Continued on Page 2)

A Hypothetical Dialogue On Big Steel's Big Price Boost

Big steel mogul—"Look junior, you announce a 13 percent price hike. The President will scream bloody murder. Later we'll announce a hike half as high which is what we want anyhow. Next you back down to our price hike level. That will make Nixon look good and then we can all put the screws to the workers."

Such a process for establishing prices in the nation's basic industries was suggested in a

story put out by the Dow Jones wire service and carried on the financial pages of a number of newspapers last week, some four days before the U.S. Steel Corporation, the nation's largest steel producer, announced a 6.8 percent price increase, roughly half of the 12.5 percent price hike announced nearly a week earlier by the Bethlehem Steel Company.

The Dow Jones story said that

(Continued on Page 4)

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All Assembly Committee Chairmen Named

Assembly Speaker Bob Moretti has expanded the standing committees of the lower house from 21 to 27 and completed the appointment of committee chairmen.

Democrats head 19 committees; Republicans 8.

Here's a complete list of the Assembly committees and their chairmen:

Agriculture, John V. Briggs (R-Fullerton);

Commerce and Public Utilities, Walter W. Powers (D-Sacramento);

Constitutional Amendments, Alex Garcia (D-Los Angeles);

Criminal Justice, Robert G. Beverly (R-Redondo Beach);

Education, Leroy F. Greene (D-Sacramento);

Efficiency and Cost Control, Mike Cullen (D-Long Beach);

Elections and Reapportionment, Henry A. Waxman (D-Los Angeles);

Employment and Public Employees, James A. Hayes (R-Long Beach);

Environmental Quality, March K. Fong (D-Oakland);

Finance and Insurance, Jack R. Fenton (D-Montebello);

Government Administration, Newton R. Russell (R-Burbank);

Governmental Organization, Leon Ralph (D-Los Angeles);

Health, William Campbell (R-La Puente);

Intergovernmental Relations, Harvey Johnson (D-El Monte);

Judiciary, Charles Warren (D-Los Angeles);

Labor Relations, David A. Roberti (D-Los Angeles);

Local Government, John T. Knox (D-Richmond);

Natural Resources, Edwin L. Z'berg (D-West Sacramento);

Planning and Land Use, Paul Priolo (R-Los Angeles);

Retirement, Richard E. Barnes (R-San Diego);

Revenue and Taxation, Joe A. Gonsalves (D-Norwalk);

Rules, John L. Burton (D-San Francisco);

Transportation, Wadie P. Dedeh (D-Chula Vista);

Urban Development and Housing, Yvonne Brathwaite (D-Los Angeles);

Water, Carley V. Porter, (D-Compton);

Ways and Means, Willie L.

Joan London Miller, a Warrior for Labor, Dies

(Continued from Page 1)

last week, January 15, and won favorable reviews which she saw just a few days before her death.

Long active in workers' causes, she had taken part in a writer's project of the Work Projects Administration (WPA) in the 1930s and lent her editorial talents to help maritime unions in the mid 1930s in publishing "The Voice of the Federation," the official publication of The Maritime Federation of the Pacific.

Her biography of her father, "Jack London and his Times," was published in 1939 and reprinted in 1968.

John F. Henning, executive officer of the California Labor Federation, AFL-CIO, who worked with Joan on the Federation staff from 1949 to 1959, said:

"Joan London was a warrior for labor through all her adult life. She was her father's daughter in her passion for economic and social justice. At the end she was still fighting for the farm workers."

Born in Oakland and a graduate of Oakland High School, she was admitted to the University of California at Berkeley at the age of 15 where she studied literature and drama.

In 1936 she was an unsuccessful Socialist candidate for the State Assembly. She also wrote a number of short stories and a novel, "Sylvia Coventry" published in 1926.

Since her retirement, in addition to her writing, Mrs. Miller played an active role in Citizen's for Farm Labor, an organization supporting the AFL-CIO United Farm Workers' Organizing Committee led by Cesar Chavez. In 1966 during the farm workers' historic 300 mile march on Sacramento, she went to Livingston, Calif., one of the steps along the way, and spoke to the marchers to spur them on.

Memorial services were held by the Free Church of Berkeley at St. John's Presbyterian

Brown, Jr., (D-San Francisco), and,

Welfare, William T. Bagley (R-San Rafael).

Church in Berkeley, with the Rev. Richard York officiating yesterday.

Mrs. Miller lived at 407 Doulton Court in Pleasant Hill. She is survived by her son, Bart Abbott of 2001 Tunnel Road, Oakland, and a sister, Mrs. Bess (Becky) Fleming of 5727 Fleming Ave., Oakland.

The family requests contributions to the American Cancer Society in her memory.

Fed Asks Nixon To Support CRLA Re-Funding

(Continued from Page 1)

with Frank Carlucci, director of the Office of Economic Opportunity, who was denied Senate confirmation earlier but has since been appointed interim director by the President. The CRLA is presently operating on a 30-day extension that expires January 31.

Governor Reagan left for Washington yesterday for a meeting of the Advisory Committee on Intergovernmental Affairs of which he is a new member after making it clear that he plans to talk with the President and with OEO officials about his veto.

In the past, CRLA has ired the Governor for successfully opposing Reagan's attempt to make illegal cuts in the Medical program and for seeking to protect the rights of California farm workers, among other things.

On Abuse of the Land

"We abuse the land because we regard it as a commodity belonging to us. When we see land as a community to which we belong, we may begin to use it with love and respect. There is no other way for land to survive the impact of mechanized man."—Alda Leopold, *Naturalist*, 1948.

Mexican Printing

Mexico has 3,800 printing plants, employing nearly 50,000 graphic arts workers. The majority of these plants are state operated.

State AFL-CIO's '71 Legislative Roster To Go To Press

A handy tool for trade unionists who want to make their voices heard in our state and national legislative halls — the California Labor Federation's 1971 Roster of California's Legislative Representatives—will go to press as soon as all legislative committees have been named and their meeting schedules posted.

This handy, pocket-size roster provides the district number, name, party affiliation, address, occupation and geographical area represented by California's two U.S. Senators, 38 Congressional Representatives, 40 State Senators and 80 Assemblymen.

It also includes the weekly schedule of meetings of the various committees of both the upper and lower houses of the State Legislature and the committees on which each state legislator serves.

One copy of the roster, which has been recognized by independent groups as the most comprehensive roster available from session to session, will be sent free to each Federation affiliate.

Central labor bodies, state and district councils and other affiliated organizations that want to order quantities of the 1971 roster should direct their inquiries immediately to "Rosters, California Labor Federation, AFL-CIO, 995 Market Street, San Francisco, 94103."

Cost of the 24-page roster is \$20 per hundred or 20 cents each.

All inquiries should specify the additional quantity desired and the address to which they should be sent.

Employment Service To Vets Increased

WASHINGTON — To expand job placement and training opportunities for returning servicemen, the Department of Labor is strengthening the State Employment Service offices with 335 additional positions. The positions are being created in the 55 largest metropolitan areas in the country that serve more than 60 percent of the national veteran workload.

Labor Raps PUC OK of Big Rate Increase for PG&E

(Continued from Page 1)

the company has conceded that its electric operations are admittedly less risky."

Last September the State AFL-CIO submitted a brief to the PUC protesting PG&E's initial demand for a \$67.4 million rate hike, charging that it was about 30 percent too high.

And last July, Henning called attention to the fact that PG&E earned a total of \$1,158,567,875 more than the rate of return on which its rates were based between 1964 and 1968 and failed to return any of its excess earnings to ratepayers.

\$95 MILLION IN 2 YEARS

Just a year ago, in January 1970, the State PUC gave PG&E a \$16 million gas rate increase. This was more than 60 percent, or some \$6.2 million, higher than the midpoint increase recommended by its own staff.

Within the past two years the PUC has approved a total of more than \$95 million in rate increases for PG&E alone.

In testimony submitted last year, PG&E claimed it had to have a higher rate of return on its investment in order to meet the rising cost of borrowing money for expansion.

But Henning pointed out that the Commission's decision issued this week was reached "long after the outrageous interest rates of the past two years started to tumble last fall."

IMPACT EXPLAINED

"This means that PG&E will enjoy a bonanza in its rate of return in the years ahead because it was pegged to artificially high interest rates which have tumbled just in the past few weeks below the 6¼ percent prime rate that existed in 1968 down to 6 percent. Meanwhile trade unionists and other consumers will be footing the bill," he declared.

Just last Monday, State Senator George Moscone (D-San Francisco) said he would call for a legislative investigation into the functions of the State PUC next week.

Asserting that he believes the PUC should be exposed to a complete legislative examination, Moscone indicated his opposition to recent PUC-proposed gag rules that would cripple the capability of organizations like

the California Labor Federation to seek to protect the public from excessive utility rate increases, saying:

"We ought to strengthen the right of the public rather than impose restrictions on the public."

PUC Commissioners voting in favor of the \$51.6 million hike were: Thomas Moran, Vernon Sturgeon and William Symons, Jr. PUC chairman John Vuka-

sin was out of town and did not vote. The board presently has one vacancy due to the expiration of the term of A. W. Gatov, an appointee of former Gov. Brown, on December 31, 1970.

The new rates, effective February 13, will increase the average PG&E bill paid by residents of San Francisco or Oakland from \$6.58 to \$7.08 a month or by about \$6 a year.

The State PUC's staff had

recommended a rate of return of 7.2 percent. If the Commission had approved the staff recommendation, PG&E would have been granted a revenue increase of about of \$36.6 million, about \$15 million less than the \$51.6 million the PUC authorized.

Both the rate of return and the overall average increase in electric rates were 7.5 percent. But the rate increase authorized for PG&E's 2,200,000 domestic subscribers was higher, at 8.19 percent.

In contrast, the increase for industrial users was 7.0 percent.

AD COSTS HIT

The State AFL-CIO had also vigorously protested PG&E's advertising expenses and urged that they be limited to \$2.1 million, a figure equal to \$1 per customer per year which is the amount authorized for the San Diego Gas and Electric Company, a much smaller company with fewer customers.

"It is our contention that the Pacific Gas and Electric Company spends its billpayers' money for sales promotion activities which legally and logically belong to the manufacturers of gas and electric appliances," the State AFL-CIO pointed out.

The Commission took scant heed of this, disallowing only \$199,000 for areas in which PG&E supplies both gas and electricity. It refused, however, to disallow promotion expenses in areas where PG&E does not supply gas.

PUC ACCEPTS STAND

The Commission accepted the company's contention that its institutional advertising was necessary to answer questions that "undoubtedly would have been asked of many employees of the company" on grounds that it "reduces the number of customer inquiries at PG&E's offices."

In the course of the lengthy hearings, the Consumers Cooperative of Berkeley, Inc., presented petitions containing more than 12,000 signatures protesting the company's advertising expenses.

Taking note of this, the PUC placed PG&E "on notice that it should carefully reexamine its sales promotion program and in future proceedings it should be fully prepared to justify its expenditures for sales promotion."

'Peril on the Job' Plumbs Work Hazard Causes

A new book, "Peril on the Job: A Study of Hazards in the Chemical Industries" by Ray Davidson (Public Affairs Press, Washington, D.C., \$6.00 a copy), "is an attempt to identify those root causes and the systems of management" which are responsible for heavy casualties among the work force of the petroleum, chemical and petrochemical industries of the United States, and to search for improved safety and health techniques in those industries.

The volume is based on several hundred interviews with workers and exhaustive research into the health and safety practices—or lack of them—in these industries. The book records a tragic history of neglect for life and limb in the chemical plants and oil refineries of the nation.

The author is public relations director of the Oil, Chemical & Atomic Workers, AFL-CIO. For the past 22 years he has been editor of the Oil, Chemical and Atomic Union News.

In contrast with technical works about occupational health and safety, "Peril on the Job" is a human story—told poignantly in the words of men and women who know at first hand the health hazards they encounter daily at work.

"The challenge to management," Davidson writes, "is to surrender some of its rigidly retained responsibility and control. The challenge to government is to seek out facts and truths about present-day occupational and health hazards and to make its police power available on a standby basis so it can enforce law and order in the

workplaces if management and labor fail to do so. The challenge to unions is to fulfill their responsibility to working people by insisting that every man and woman has a safe and healthful place in which to work."

AFL-CIO President George Meany commented, "The tremendous volume of occupational sickness and accidents in the factories, mines and shops of the nation is appalling. 'Peril on the Job' points to the particular dangers to which oil and chemical workers are exposed, and thereby it provides a great service. It is essential that we make America cleaner, safer and healthier. There is little time to waste."

Minority Union Leadership Class To Start

The application deadline to enroll in the University of California's Minority Union Leadership Training Program has been extended to January 31, 1971 to allow more time for active minority union members to apply.

Classes for students selected for the program, which involves six months of full-time training, will begin March 1, 1971, Peter Guidry, director of the pioneering program at the Center for Labor Research and Education, said.

Application forms may be obtained either from the member's local union or by calling the Center for Labor Research and Education, University of California, Berkeley (415-642-0323).

Union Leader Wary of Wage Curb Plans

(Continued from Page 1)

us the weapons he can use if the Committee does not come up with alternatives. There is just not any question about that.

New U.C. Series Eyes Rights of Public Workers

"Strikes and the Rights of Public Employees in California" is the subject of the November, 1970 issue of "California Public Employee Relations," a new community service publication of the Institute of Industrial Relations at the University of California at Berkeley.

The series, designed to provide useful, up-to-date information on employer-employee relations in the public sector in California, has ranged over a number of problems of particular interest to unions engaged in organizing in the public employment field.

Earlier issues have included: "An Analysis of the Meyers-Milias-Brown Act of 1968," February, 1969; "Good Faith in Collective Bargaining: Private Sector Experience with Some Emerging Public Sector Problems," August, 1969; "Unit Determination: Experiments in California Local Government," November, 1969; "Management's Response to Public Employee Organizations," January, 1970; "Employment, Employee Organizations and Strike Trends in California Public Service," May, 1970; and "Negotiated Grievance Procedures in California Public Employment: Controversy and Confusion," August, 1970.

For information on obtaining particular issues or subscribing to the series write to: Circulation Manager, Institute of Industrial Relations, 2521 Channing Way, University of California, Berkeley, California, 94720.

Unions Are Necessary

"In our modern industrial system the union is just as necessary as the corporation, and in the modern field of industrialism it is often an absolute necessity that there should be collective bargaining with the employers."—Theodore Roosevelt.

"I understand his problem, but his approach is wrong," Carluough added.

Union officials have repeatedly pointed out that the principal villains in the construction industry have been the soaring cost of land and the excessive cost of money.

INTEREST RATE FACTOR

The money crunch was precipitated after President Nixon's election in 1968 when—between December, 1968 and June, 1969—the nation's prime rate jumped 36 percent from 6¼ to 8½ percent, while the Nixon Administration insisted that tight money policies and economic austerity was the only way to curb inflation.

Later he urged a 75 percent freeze on federal construction projects and called on all 50 states to follow suit.

INFLATION RATE CLIMBS

Subsequently unemployment soared and the inflation rate continued to rise.

Last year alone, after Nixon's policies had had a full year to take hold, unemployment jumped 76 percent from 2.6 to 4.6 million and the Consumer Price Index climbed from 5.4 percent in 1968-69 to 5.6 percent. In 1967-68 it had been 4.2 per-

cent.

John F. Henning, executive officer of the California Labor Federation, AFL-CIO, noted that:

"Within just the past month or so, interest rates have come down almost as precipitously as they went up and it will be this, rather than claims of holding down labor costs, that will be the key factor in any improvement in the construction industry job picture in the immediate future."

FINANCING COST DOUBLES

Barely a year ago, a study of the various components involved in home building costs between 1949 and 1969 by Nathaniel Goldfinger, national research director of the AFL-CIO, showed that the on-site labor costs of a single-family residence dropped from 33 percent to 18 percent of the price of a home while the cost of the land and the cost of financing the home doubled, from 11 percent to 21 percent and from 5 percent to 10 percent respectively.

These figures were based on data developed by the Bureau of Labor Statistics and Dr. Michael Sumichrast, chief economist of the National Association of Home Builders.

A Hypothetical Dialogue On Big Steel's Big Price Boost

(Continued from Page 1)

an unnamed New York steel analyst said that the White House reaction to the Bethlehem price hike might "scare" other producers into smaller price increases.

"You probably won't get everyone following 100 percent," the analyst said. "Maybe others will raise prices half as much," he said.

Somewhat prophetically, the analyst went on to say that the current situation was reminiscent of "the old ritual confrontations we had under the Johnson Administration when one steel company would raise prices and the Administration would react. Other steel companies then would raise prices half as much. Then everybody is happy and has something," he explained.

"The Nixon Administration has a strong political need to make some anti-inflation noises now and may scare down the size of the increase," the expert added.

Just this week Bethlehem Steel Company announced that it would reduce its price hike to the 6.8 percent level established by U.S. Steel.

While all of this makes that unnamed New York steel analyst look like a pretty good fortune teller, its liable to leave kind of a sick, empty feeling in the pits of the stomachs of workers who have to threaten to strike or man a picket line to win wage increases sufficient to cope with the soaring cost of living, particularly since the inflation rate just jumped from 5.6 to 5.75 percent.

Her-Ex Strike Council Asks More Aid Now

For more than three years now nearly 2,000 newspaper union members in Los Angeles have been locked in one of the worst union-busting battles in the history of the labor movement against the strike-breaker-produced Los Angeles Herald-Examiner.

Their fight is a fight to protect the basic concept of free collective bargaining. It is a fight for the right of all workers to have an effective voice in determining the wages and working conditions under which they work. In short, it is our fight.

Despite the enormous wealth and resources of the Herald-Examiner and its parent body the Hearst Corporation, the embattled striking and locked-out workers have won broad and continuing public support. More than two and a half years ago a public mediation panel gave up its efforts to resolve the dispute and laid the cause for its continuation squarely at the door of Hearst management.

Since then public support of the trade unionists has resulted in nearly a 50 percent drop in the Herald-Examiner's pre-strike-lockout circulation level of a claimed 750,000.

Just last year the paper's ad lineage dropped 2,250,000 lines below the previous year and its 1969 losses were even greater.

Union brothers and sisters entrenched in this battle are grateful for the generous financial aid they've already received from trade unionists throughout the United States and Canada, the Herald-Examiner Joint Strike-Lockout Council reports.

But they need more aid now, particularly monthly contributions of \$25 each to continue their regular ads on Los Angeles Metropolitan Transit System buses—the cheapest, most effective means of keeping the struggle before the public's eye.

Just this week the Council renewed its appeal for funds to sustain this fight. Checks, payable to "H-E Strike-Lockout Council," should be sent to:

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