

WEEKLY NEWS LETTER

FROM

CALIFORNIA STATE FEDERATION OF LABOR

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FEDERATION PREPARES TO FIGHT FOR WORKERS' INTERESTS IN COMING SESSION OF STATE LEGISLATURE

(CFLNL)SAN FRANCISCO.--The coming legislative session will not be free of fireworks. Judging from all preliminary signs, it is evident that the Unemployment Insurance Act, including the disability insurance provisions, as well as other measures which are of vital concern to the workers, will come in for attack, and a more organized one than ever before, when the state legislature convenes in a few weeks.

The Senate Committee on Employment Stabilization, headed by Senator Fred Kraft, claims to have received testimony alleging that approximately 32 million dollars was paid out by the Unemployment Insurance Division last year in fraudulent claims. These charges are not new and have been made many times in the past. In spite of the fact that the Kraft Committee has had the services of a Los Angeles consulting engineer, Robert Loomis, and another gentleman by the name of William Keyes, the data which they profess to have will have to stand up much better than similar data has stood up in the past, although the same exaggerated claims are being made for its validity.

It has been reported that the California Retailers' Association will sponsor tightening amendments to the Employment Stabilization Law at the forthcoming session.

It will not be any surprise that a new "hot cargo" bill will be submitted, in an attempt to make it conform with the recent U. S. Supreme Court decision which outlawed the previous "hot cargo"-secondary boycott law.

Corporate farm interests are also very much concerned in legalizing California's weakened Agricultural Advisory Council and thereby obtain rigid control over farm placement by state law. It has been reported that Senator Hatfield plans to introduce a bill early in January to establish a 12-man advisory board empowered to set policy for the State Department of Employment with regard to farm labor. The Federation has opposed this from the beginning and was successful in preventing this council from manipulating the control of farm labor and the importing of surplus foreign labor. The original council had no foundation in law, but the proposed measure would give legal status to the Agricultural Advisory Council.

Prepared to meet these attacks, the Federation is also ready to submit to the forthcoming legislature a number of bills covering such subjects as unemployment and disability insurance and workmen's compensation -- proposing to increase benefits and liberalize the laws in many ways. In addition, bills will be submitted dealing with rent control, a 48-hour week for firemen and pensions for their widows, requiring employment agencies to specify the existence of labor contracts, changing the present financial responsibility act which is victimizing drivers, repealing the license renewal law, improving the apprenticeship law, providing more state aid to public schools for adequate personnel and facilities, and more state money for community hospitals, making it a crime to employ, harbor or conceal workers who have entered the country illegally, improving teachers' retirement laws, providing for a prepaid medical health plan, for meat inspection law enforcement, for a state code for the heating and piping industry, increasing aid to blind, opposing cross-filing, and other measures of social interest.

C. J. Haggerty, legislative representative, will open the offices of the Federation in Sacramento beginning in January, as has been the case in the past, and will be prepared, with the assistance

of his staff, to fight for the Federation's program and to oppose any and all anti-labor measures which may be thrown into the hopper.

An analysis of the various bills of concern to labor will be made and sent to the various affiliated unions for their information.

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FEDERATION EXECUTIVE COUNCIL MEETS JANUARY 8-9

(CFLNL)SAN FRANCISCO.--The Executive Council of the California State Federation of Labor will meet January 8 and 9 in San Francisco, at the Hotel Whitcomb.

The legislative program which the Federation will follow will be thoroughly discussed as well as the resolutions referred by the recent convention to the Council for further action. A report on the action taken on the various resolutions adopted by the convention will also be given. Numerous important items are included in the agenda for the Council's two-day session.

Minutes of the meeting will be published and sent to the affiliated organizations.

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PENSIONS AND GROUP INSURANCE BECOMING AN IMPORTANT FACTOR IN COLLECTIVE BARGAINING AGREEMENTS

(CFLNL)SAN FRANCISCO.--Recent decisions of the National Labor Relations Board have stimulated the bringing of the whole problem of group insurance and pension systems into the realm of collective bargaining.

The issue now is what type of plan will the employer establish. It has been recognized by some employers that pension programs will maintain high employee morale and help to attract and hold desirable workers. The unions are adding such programs to their collective bargaining aims, and it is a matter of only a short time before they will become a permanent feature in most union contracts.

According to a Bureau of Labor Statistics' survey, workers covered by some type of pension plans negotiated by employer and union have more than doubled in number since 1945. In 1945, some 610,000 workers were included. Early in 1947, approximately 1,250,000 workers were covered by such plans. The Bureau of Labor Statistics listed in this connection clothing-textiles, building trades, fur and leather establishments, furniture manufacturers, hotels, laundries, office workers, paper mills, retail and wholesale establishments, shipbuilding, and street and electric railways. The survey also found that most plans were entirely financed through contract provisions for the employer's payment.

The National Labor Relations Board has ruled that employers must bargain collectively with a union, on request, over group insurance. The decision occurred in the Inland Steel, General Motors and W. W. Cross cases.

It is certain that when control of inflation is established, the emphasis will shift from wage increase demands to fringe issues, among which pension programs will be the most prominent. This trend is strongly in evidence now and will become more so in the future.

In California, Section 10202.7 of the California Insurance Code now authorizes group insurance for employees of members of Trade Associations. Prior to this amendment, insurance companies limited such contracts to employers with a minimum of 50 employees. Once the unions become aware of this amendment it can be anticipated that they will take advantage of it to negotiate such features into their collective bargaining contracts.

The east has acted more rapidly in respect to this need, and many workers in hotels, building trades, furniture, jewelry, fur, leather, electrical, dyers, etc., have included insurance protection in their contracts.

It is suggested that the unions give this matter greater attention. Considerable information can be obtained from the Bureau of Labor Statistics regarding data on this whole subject.

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THIRD ROUND WAGE INCREASES LAG BEHIND PROFITS

(CFLNL)SAN FRANCISCO.--Wage increases won through collective bargaining, and extended to unorganized trades in all private non-agricultural industries (except domestic service), amounted to \$8.3 billion during the 12 months ending September 1948, constituting the "third round" of postwar increases, according to a survey by the U.S. Department of Commerce.

This figure sounds like a sizable increased cost item to employers of the country, but a glance at the national profit figures, also compiled by the U. S. Department of Commerce, shows that corporate profits, after taxes, have amounted to at least \$19.3 billion, or over twice the amount of wage increases granted. It is clear that wage increases during the past year played an important part in stabilizing our economy by achieving a more balanced distribution of income among all groups.

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GREETINGS FOR 1949

The Federation takes this opportunity to extend the season's greetings to all its members. For labor, the new year presents a brighter prospect in many ways than the start of 1948. There is much to be done during the coming year, but the confidence and courage we gained from our unrelenting fight for labor's rights and freedoms and from our victories in 1948 will urge us forward with zest.

A successful New Year to all !