

WEEKLY NEWS LETTER

FROM

CALIFORNIA STATE FEDERATION OF LABOR

402 FLOOD BUILDING
151



SAN FRANCISCO,
CALIFORNIA

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LEGISLATURE ACTS ON LABOR BILLS

(CFLNL)SAN FRANCISCO.--While legislative action was relatively slow during the week of May 16, preparatory to consideration of the budget, the following measures of interest to labor did receive attention:

AB 1597 was passed by the Assembly on May 17 by a vote of 57 to 2. It amends the unemployment disability insurance law to eliminate the present 7-day waiting period for accident cases. An attempt

LATE BULLETIN--

For last minute news on action by the Assembly Committee on Finance and Insurance on major unemployment and disability insurance and workmen's compensation bills, see the last article in this Letter.

to reduce the waiting period for illness and disease from 7 to 4 days was defeated. The 2 opposing votes on final passage were Reagan and Tomlinson.

Also on May 17, the Assembly approved AB 1596. This bill provides that a worker may secure both maximum unemployment and unemployment disability benefits within any 12-month period. The only opposing vote was that of Grant. An identical bill, AB 898 (Federation) was passed by the Assembly May 11.

Federation bill AB 231 passed the Senate May 18. It increases the workmen's compensation benefits for minors from \$21 a week to \$30 a week, under certain circumstances.

SB 516, permitting unions to ban all subversive elements from membership was bottled up in the Assembly Committee on Industrial Relations, as only 2 affirmative votes were secured. These bad votes

were Burke and Levering. Edward Gaffney led the fight to pigeonhole this measure, which he termed a "police club" basis of restricting the free activities of unions within a democratic society.

Assemblyman Stewart's AB 2047, limiting civil service employees' rights to reclassification was passed by the Senate on May 18 by a vote of 24 to 1, with Senator Miller (Contra Costa) voting "No."

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U. S. COST OF LIVING RISES AGAIN

(CFLNL)SAN FRANCISCO.--The U. S. Bureau of Labor Statistics consumers' price index for the United States as a whole rose in April; this index also rose in March. The Los Angeles index was also higher in April than in March. The San Francisco index is compiled quarterly and is not available in April.

Despite these increases, unions should not tie their wage demands to living costs, since cost of living increases represent no real improvement in the standard of living. On the other hand, profits for 1948 and for the first quarter of 1949 were above comparable earlier levels, (See Weekly News Letter, May 18, page 4, and May 4, page 3). In addition, there are strong indications that productivity has risen substantially in the last year and a half. Individual unions can gain some idea of the increase in productivity by reviewing in their own industries the new and more efficient methods of operation, use of more and better equipment and the greater availability of skilled labor and of appropriate materials.

Details of the cost of living increase in the past 13 months are as follows:

U. S. Bureau of Labor Statistics Consumers' Price Index			
1935-1939 = 100			
	U. S.	Los Angeles	San Francisco
1948			
April	169.3	169.3	---
May	170.5	169.1	---

	U. S.	Los Angeles	San Francisco
1948			
June	171.7	168.8	174.2
July	173.7	170.3	--
Aug.	174.5	171.0	--
Sept.	174.5	171.0	177.1
Oct.	173.6	171.8	--
Nov.	172.2	172.2	--
Dec.	171.4	172.7	176.7
1949			
Jan.	170.9	172.7	--
Feb.	169.0	171.3	--
Mar.	169.5	171.0	174.6
April	169.7	171.2	--

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UNIONS URGED TO SUPPORT SAVINGS BOND DRIVE

(CFLNL)SAN FRANCISCO.--All AFL locals throughout the state are urged to give their support to the U. S. Treasury Department's "Opportunity Drive for Savings Bonds," which began May 15 and will continue through June 30. Labor organizations and their members have always been strong supporters of the Savings Bond Program and they will of course continue this support in coming years. This present Spring Drive, however, calls for a renewed campaign to drive home the importance of buying bonds to all union members.

The national quota for E Bonds in the present drive is one billion, 40 million dollars, and many unions and other organizations are setting quotas amounting to a \$50 bond for each member.

The purchase of savings bonds by individuals is important in establishing and continuing a democratic distribution of our national debt. Through savings bonds, particularly the small ones, we distribute the debt as widely as possible rather than concentrating it in banks, and as the national debt shifts from banks to persons, billions of dollars of interest go into American homes.

At the present time \$47 billion in savings bonds are now in the hands of the people. This is an all-time high, and represents almost one-fourth of the liquid assets of America. As we continue our purchases we keep our economy stable, we create financially sound families and communities with reserves of purchasing power, and help to prove that our American system is best.

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LABOR GAINS AND LOSSES BEFORE UNEMPLOYMENT INSURANCE APPEALS BOARD

(CFLNL)SAN FRANCISCO.--Labor won in two significant decisions recently made by the California Unemployment Insurance Appeals Board, and lost in a third decision. The most important decision (Benefit Decision No. 5346), covering a point which has not been previously ruled upon by the Board, involves the definition of "discharge" under the Unemployment Insurance Act.

The claimant was suspended from his work for two weeks as a disciplinary measure. He claimed unemployment benefits during this period and was willing to accept any temporary work without restriction or limitation. The Board ruled that the claimant's disciplinary

suspension from employment was not a discharge for misconduct and that the claimant was therefore not disqualified under Section 58(a)(2) of the Act. The Board further ruled that the claimant's willingness to accept temporary work only was not a disqualifying restriction on the employee's part and that he was available for work as required by Section 57(c) of the Act.

The second decision by the Board (Disability Insurance Decision No. D-259) was concerned with disability insurance. The claimant in this case was found by both his own doctor and by the Department's doctor to have a hernia which prevented him from doing any heavy lifting until it had been surgically repaired. The claimant failed to have an operation and the Referee had for this reason denied him disability benefits. The Board overruled the Referee's decision and granted the claimant benefits, holding that the claimant's failure to undergo surgery which the physicians considered necessary to render him able to perform his customary work did not render him ineligible for continued benefits. The claimant had stated that he could not afford the necessary surgery. His work admittedly involved lifting heavy objects.

In the third decision (Disability Decision No. D-260), the Board found that a claimant who was quarantined due to illness in his family was not eligible for disability benefits. In this case, the claimant's grandchild had polio, and since the claimant's regular work involved handling food, he was quarantined by the Health Department of Los Angeles County as a potential carrier who might endanger the health and lives of other persons. The Board ruled that the claimant was not disabled, that he would have been able to perform his regular work had no quarantine been imposed, and denied him disability benefits. This appears to be a particularly narrow and limited interpretation of the meaning and purpose of the disability law.

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ASSEMBLY COMMITTEE POSTPONES ACTION ON UNEMPLOYMENT INSURANCE INCREASE

(CFLNL)SAN FRANCISCO.--The Assembly Finance and Insurance Committee on May 23 kept in committee a major Federation bill, AB 175, to increase maximum unemployment insurance benefits, but acted favorably on several other important measures.

On the major bill, AB 175, to increase maximum benefits from \$25 to \$40 a week, it was impossible to get a majority of the committee to support the bill as presented. The bill was then amended to provide for an increase in maximum weekly benefits to \$35 a week and to insert the provisions of AB 826, which provide for decreased employer contributions under merit rating. The amendments together would result in an increase of about \$35 million annually in benefits paid out and in a decrease in employer contributions of about \$25 million annually. The committee vote to report out favorably the bill as amended was:

Good votes: Beck, Brady, Doyle, Dunn, Maloney, Meyers

Bad votes: Geddes, Grunsky, Stanley, Lipscomb and Levering

Absent: Dolwig, Morris

Since no majority of the committee was obtained, it was then moved to reprint the bill, with the amendments, with the following vote:

Good votes: Geddes, Beck, Doyle, Dunn, Maloney, Meyers

Bad votes: Brady, Grunsky, Levering, Lipscomb, Stanley

Absent: Dolwig, Morris

As no majority was obtained, the bill still remains in committee.

Other committee action on Federation bills is as follows:

AB 327, to make a person on strike, who is now disqualified from receiving unemployment insurance benefits, eligible for disability benefits. Reported out, do pass.

Good votes: Beck, Doyle, Dunn, Geddes, Maloney, Meyers, Stanley.

Bad votes: Levering, Lipscomb

Absent: Brady, Dolwig, Grunsky, Morris

AB 744, to bring public housing administration agencies under the unemployment insurance act. Do pass, voice vote.

AB 896, to make more specific the procedure of the California Employment Stabilization Commission when making or changing rules or regulations. Do pass, voice vote.

AB 178, as amended, to reduce the disqualification for seasonal workers under unemployment insurance. Remained in committee.

Good votes: Geddes, Doyle, Dunn, Maloney, Meyers, Stanley

Bad votes: Grunsky, Levering, Lipscomb

Absent: Dolwig, Brady, Beck, Morris

AB 169, as amended, to increase from \$2500 to \$3750 the maximum penalty award under workmen's compensation payable by an employer engaging in serious and wilful misconduct resulting in an injury. Do pass, voice vote.

AB 172, to provide under workmen's compensation for the repair and replacement of eyeglasses and medical braces damaged during work. Do pass, voice vote.

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You won the day -- in the American way!

You have another date -- November 7, 1950.

SEND IN YOUR CONTRIBUTIONS TO THE
California Labor League for Political Education
