

Convention Hears Brown

Governor Edmund G. Brown received the enthusiastic response of delegates to the 1959 convention of the California Labor Federation, AFL-CIO, in San Diego this Wednesday, when he pledged that his administration would continue to battle for labor legislation and policies long advocated by organized labor.

Brown drew repeated rounds of applause when he:

(1) Pledged to renew his fight for a minimum wage law defeated at the last session of the legislature.

(2) Promised "the present administration will not rest until our farm placement program functions for the people it was created to help—our domestic farm workers."

(3) Urged revision of the Jurisdictional Strike Act which "can be used to break a legitimate strike and halt peaceful picketing."

(4) Promised to press for union representation and election machinery in the state.

(5) Opposed the Landrum-Griffin labor reform bill backed by President Eisenhower which is "neither fair nor reasonable."

(6) Proclaimed, in response to labor's criticism, that his administration will see that everything is done to prevent the creation of a class of landed barons under the California water plan, pointing out that "steps must be taken to eliminate (unjust enrichment) prior to the time people vote on the bond issue."

In opening his address, the Governor referred to accomplishments of the legislature under Democratic leadership—unprecedented advancement in unemployment insurance, unemployment disability insurance and workmen's compensation; enactment of legislation curbing racketeering in installment sales; creation of a Consumer Counsel "to fight high prices and rising utility rates"; establishment of an economic development agency "to bring new jobs and new payrolls to California"; a \$26 million increase in state school aid and many other liberal advancements.

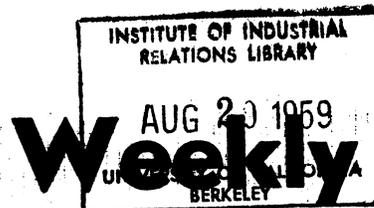
Brown added, "We worked together on many of these accomplishments, and I think we can be proud of our work."

Much of the Governor's speech was devoted to explaining why his

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C. J. HAGGERTY
Executive
Secretary-Treasurer



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'Corruption' Legislation, Farm Labor Predominate At State AFL-CIO Opening Session

Close to 2,000 delegates jammed Conference Hall in Balboa Park, San Diego, this Monday as the second merged convention of the California Labor Federation was called to order by President Thomas L. Pitts.

Delegates to the largest state labor convention in the nation were convened into session with the threat of oppressive anti-labor legislation in Congress hanging over the head of the nation's free trade union movement.

This challenge to the integrity of the labor movement, and the growing plight of the nation's agricultural workers dominated the attention of delegates at opening sessions of the convention.

Meeting on the week-end prior to the opening of the convention, the 36-member state AFL-CIO Executive Council paved the way with the adoption of a blistering resolution which deplored the action of President Dwight D. Eisenhower "in succumbing to the pressures of anti-labor forces by his advocacy of the Landrum-Griffin Labor Management Reform bill, which contains anti-labor provisions totally unrelated to the corruption problem."

The elected officers of the Federation charged that "President Eisenhower in his TV broadcast last Thursday . . . aligned himself in the camp of reactionary forces in business and industry who have seized the 'corruption' issue as a vehicle to accomplish their long-sought goal of undermining the economic strength and legitimate activities of the nation's free trade union movement."

President Thomas L. Pitts, in his keynote address and report to the convention, pounded the issue home to the delegates. In no uncertain terms, the state AFL-CIO president pointed out that every so-called labor management reform bill before the Congress is "hostile" to organized labor, with the exception of the Shelley bill.

Pitts added: "We have before us all the evidence a man could desire, showing that some of the powerful corporations have taken the offensive . . . and are attempting to deny workers a fair share of the fruits of their labor, attempting even to weaken and destroy conditions under which employees presently work."

Attorney General Stanley Mosk and Lieutenant Governor Glenn M. Anderson, the two opening guest speakers of the session, openly declared their support of organized labor in its battle in Congress to secure legislation which will "get crooks and not unions."

Speaking to the nearly 2,000 delegates, Attorney General Mosk charged that President Eisenhower was "out in front" leading the "hucksters" who are seeking anti-labor legislation based on the false

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As We Go To Press

After rejecting the labor-supported Shelley Labor-Management bill (H. R. 8490), the House of Representatives this Thursday passed the viciously anti-labor Landrum-Griffin bill (H. R. 8400) by a vote of 229 to 201.

The bill will now go to a joint House-Senate conference committee for attempted reconciliation with the Kennedy-Ervin bill passed earlier by the Senate.

Convention Topics

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notion that "workers are fed up with their unions."

The Attorney General, alluding to the "right to work" law advanced last election, said that the hucksters "could not make the California voters buy the line that the workers were fed up with their unions." Referring then to the imminent Congressional battle over labor reform legislation, he added "and they will not be able to use the abuses disclosed for that purpose. Not even with President Eisenhower out in front."

Attorney General Mosk informed the delegates that he was wiring all members of the California Congressional delegation, urging opposition to the Landrum-Griffin bill backed by President Eisenhower, and support of the Shelley measure, which organized labor is backing to eliminate corruption in the field of labor management relations.

Lieutenant Governor Glenn M. Anderson, followed in the afternoon session with equally strong language in support of organized labor. The liberal Lieutenant Governor said, "I have notified my office to wire the entire California delegation in Congress that I am supporting the Shelley bill, and opposing both the anti-labor Committee bill and the vicious Griffin-Landrum measure backed by the President."

C. J. Haggerty, secretary-treasurer of the California Labor Federation, AFL-CIO, seized the opportunity afforded by the assembled delegates to communicate organized labor's views on the labor management reform issue in a mass letter-writing session. Each delegate on the floor was given stationery and an airmail envelope to convey his views to his representative in Congress.

On the agricultural labor front, Attorney General Mosk told delegates that the investigation which his office has launched into the abuses of the Mexican National importation program will continue until "we make certain that those responsible are brought to justice." The Attorney General charged that the program is being used by "certain greedy farm interests" to create an artificial shortage of domestic workers, and keep wages far

below the human decency standards.

The Attorney General pointed out that the law provides that "farmers must pay braceros the same prevailing rate as that paid to domestic workers, and that imported farm labor must be sought only when the domestic supply is unavailable."

While this, he said, was a laudable motive in preventing imported workers from being used to compete with domestic workers, it "simultaneously creates an incentive among certain greedy farm interests to keep the domestic pay down for the two-fold purpose of creating of labor shortage and soliciting imported workers and also making certain that a low wage is paid to the bracero."

In noting that the Attorney General's office, as a law enforcement agency, is interested primarily in the falsification of records and fraudulent practices that constitute criminal actions, Mosk said that he must leave to other departments of government, federal and state, the validity of the entire Farm Placement program, and its more effective administration in the future.

Where Attorney General Mosk refrained from expressing any policy position on the need for action on our agricultural labor front, Director of the Department of Industrial Relations, John F. Henning, moved in to fill the gap.

In a moving speech which brought the delegates to their feet, Governor Brown's forceful Director of Industrial Relations laid the plight of the agricultural worker at the doorstep of those like Richard Nixon who are "irrevocably committed to the social and economic philosophy that would ruin America."

While Nixon was in Russia, "expressing outrage for the enslaved peoples of the Soviet Empire, with which we agree, he would at the same time deny basic human liberties to his fellow Americans in agricultural labor," Henning declared.

Pointing out that neither Khrushchev nor Nixon discussed the role of the labor movement in society, because the question would have embarrassed both of them, Henning said:

"Khrushchev and his murder machine have long since liquidated the free trade union movement of the Soviet Empire.

"Nixon follows a softer and more gentle philosophy, he would merely emasculate unions by legislative action, and leave the working people powerless to bargain on terms of equality with capital.

"Throughout all his political life he has been the unrelenting enemy of labor and may God help the working people if he ever assumes the Presidency."

Nixon's policies are most apparent in agriculture where he is "aligned with those who insist the success of the agricultural economy demands the exploitation and degradation of the human being," he said.

Henning added that it may well be the case that when Khrushchev comes to the United States, Vice President Richard Nixon will have the opportunity to show him the great state of California.

"I wonder if Nixon will have the courage," Henning said, "to show Khrushchev how our domestic agricultural workers live in California's farm labor camps."

Henning added that if Nixon needed any assistance, his Division of Housing would be glad to show him conditions which his Division is trying to remedy — "show him where men and women and their children live, show him these people living in houses which Nixon wouldn't permit his dog to dwell in. Checkers, dead or alive, would know a better home and resting place."

Henning continued: "Domestic farm workers are obliged to live under conditions not fit for valued animals — and yet here we force human beings to live out their days, human beings for whom a generous God gave the endowments of nature and the goodness of the earth!"

"And I hope that Nixon will take Khrushchev down to the San Joaquin Valley and into Salinas or into any of the agricultural areas of the state by machine," Henning said, "and I could imagine on such a trip Khrushchev looking at men, women and children in the field and saying, 'Who are they?' and in the interests of truth, Nixon would be obliged to say, 'These are the agricultural workers of California.'"

Henning continued his parallel: "How much do they get?" and Nixon would have to say, "They don't get very much." In fact, he would be morally obliged to say,

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Gov. Addresses AFL-CIO

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administration failed to secure anti-enrichment protection in his \$1.75 billion bond program passed by the legislature and his support of some \$70 million in additional consumer taxes.

The California Labor Federation, in praising the Brown administration for its far-reaching accomplishments during its first nine months in office, has criticized the Brown administration on these two points.

WATER. On the water issue Brown pleaded that it was necessary first to secure legislative approval of his financial measure, noting that "unless the money was made available there would be no need to consider unjust enrichment, land limitation, or any other problem."

(In a strong policy statement on water adopted by the convention delegates, Brown was urged to call a special session of the legislature to secure the necessary anti-enrichment protections as well as provide other legislative standards which will govern the expenditure of funds requested in the Brown water program.)

(The policy statement noted that "the difficulty of securing adequate protections has now been magnified many times, because the leverage of the project itself that historically has been necessary to secure any protections whatsoever, has already been lost in the position assumed by the Governor when the program

was before the legislature.")

Nevertheless, Governor Brown informed delegates that his staff "is studying this matter of unjust enrichment to determine whether state construction will result in the monopolization of benefits or encourage large land holdings.

"I intend to announce my program on the subject when the studies are finalized."

The Governor said, "I can promise you that this administration will see to it that everything is done to prevent the creation of a class of land barons under the California water program.

"I pledge to you that the California water plan will exist to enrich all of California, all our people, and not just a favored few."

CONSUMER TAXES. In regard to the consumer taxes passed at the recent session, the Governor said, "I know your traditional opposition to consumer taxes and believe me my opposition is as deep-rooted as yours."

The Governor added, "Nonetheless, our need for revenue is desperate . . . and to the extent that consumer taxes are levied, personal income taxes for families earning less than \$10,500 a year were lowered by an amount approximately equal to that which would be collected in the new consumer levies."

MINIMUM WAGES. On the subject of minimum wages the Governor said emphatically, "We will have a minimum wage law in California one day and I do not think

the day is far distant.

"I am convinced the people of California believe that if a man is worth hiring he is worth paying a decent living wage."

Relating the defeat of the minimum wage bill to the desperate situation that exists in agricultural labor, the Governor told delegates, "We might be able to make some administrative adjustments that would mitigate its loss at least insofar as farm labor was concerned."

FARM WORKER PLACEMENT. Brown said that the Farm Placement Service under Director of Finance John Carr has been reorganized to bring it under control of the regular job placement procedures of the Department of Employment.

Noting that no previous administration has until now dared tackle the farm placement procedures, Brown said: "I promise you that the present administration will not rest until our farm placement program functions for the people it was created to help—our domestic farm workers."

JURISDICTIONAL STRIKE ACT. In his pledge to repair the evils of the Jurisdictional Strike Act, Brown cited in detail a specific case (Petrie Cleaners, Inc. vs. Local 88 Automotive Employees) in which the law was used to "break a legitimate strike and halt peaceful picketing.

"The vice of the Jurisdictional Strike Act," the Governor said, "lies in the fact that if an employer chooses to fight it, a union which represents a majority of the employees cannot obtain recognition by any means other than economic action."

On top of this gross inequity the Governor added, "The law confuses a representation dispute with a jurisdictional dispute, and makes absolutely no provision for solving either."

The attention of the delegates was drawn to the defeat of the Governor's labor representation and jurisdiction modification measure (AB 419) which was killed by the State Senate Committee on Labor.

Brown declared, "And I want to point out to you that this administration was the only one that has had the courage to demand repeal of that destructive law" (Jurisdictional Strike Act) and its replacement with workable machinery since the first law was passed a dozen years ago."

Farm Labor Talks Dominate Opening Session

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"They get only what the growers decide to pay them."

He would have to say this to Khrushchev, Henning added: "The growers determine their pay rate.' And he would have to say this to Khrushchev: 'Mr. Khrushchev, in the 1959 session of the state legislature, a measure was introduced to provide these unfortunate people with at least 90 lousy cents an hour,' and he would have to say, 'Mr. Khrushchev, I realize with that 90 cents an hour they could never buy any of the attractive facilities, homes and appointments that are on display in the American exhibit in Moscow. They couldn't buy the things we displayed in Moscow on 90 cents an hour, Mr. Khrushchev.

But unfortunately, even this minimum was destroyed. It was destroyed, Mr. Khrushchev, by the action of my own political party, the Republican Party, and by the action of some Democrats who joined with them in an action contemptuous of human decency.'"

Henning concluded by pointing out that the opportunity exists here in California whereby the labor movement may reclaim the position of moral leadership "which it has held so long in this country." Henning added, "Brothers and Sisters, in serving the agricultural workers of California, you will show to the people of all America that the labor movement was born to honor and serve the abandoned, the forgotten, the poor."

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Veto Sparks Renewed Labor Demand For Housing Legislation

Branding the recent veto of the modest housing bill "a grave blow to California's urgent housing needs and to its economy," the California Labor Federation, AFL-CIO, has strongly urged every member of the state's congressional delegation to lead the way toward overwhelming passage of legislation at least as strong as the vetoed S. 57.

In a letter from Federation Secretary-Treasurer C. J. Haggerty, California congressmen were reminded of the unusual importance of housing and construction to this state's economy and well-being. He noted that, in spite of President Eisenhower's allegation that the vetoed measure would have been inflationary, the housing bill's cost during the present fiscal year would have amounted to no more than .1 per cent of the federal budget.

Haggerty stated that high interest rates and charges amounting to a prohibitive 6.6 per cent to 6.7 per cent, together with uncertainty for lenders created by the lack of legislation, are rapidly bringing residential and non-residential building to a standstill. He pointed to a drop-off in applications in Northern California for new FHA construction commitments from 3250 in June to only 1045 in July, 1959. This was buttressed by a typical report from a Bay Area builders' association indicating its members planned only 9250 new housing units this year, compared to 16,000 built in the year ending June 30.

Beyond the damage which can be expected in terms of reduced employment in construction and in its related industries, Haggerty noted that the lag in the building industry is already being felt in another way: "Pressure is being placed on available rental units and undoubtedly will result in another round of rent increases. In other words, the lack of legislation making possible the building of moderate and low priced

homes is in itself inflationary."

Emphasizing the need for stability in construction programs, the AFL-CIO officials cited a Home Builders Council study, prepared by UCLA's Associate Professor James Gillies, which attributed the creation of 2,463,700 jobs and over \$13 billion income in California during 1956 either directly or indirectly to the initial expenditures involved in the state's construction activities.

The consequences of a decline in residential building particularly reach far beyond those people immediately involved in the industry, Haggerty stated. It directly affects much of non-residential building which takes the form of new stores, schools, churches and other facilities needed to serve new suburban developments. Non-residential building accounted for 24 per cent of all the state's construction in 1956. Such declines are also directly reflected in employment levels in the state's lumber and wood products industry, which employed over 61,000 in June, and in other areas of California's economy such as transportation and services as well as the manufacture of cement, appliances, steel, aluminum, glass and paint. The further impact on the general prosperity and purchasing power of our communities is almost incalculable.

Haggerty wrote: "Housing is our number one multiplier industry and, as such, deserves much more consideration than it received in the veto decision. The vetoed bill itself provided only the most minimal approach to solution of the nation's desperate housing crisis. Its minimal nature is well illustrated by the fact that its public housing features, a small part of the bill, would not even have provided sufficient units to house families displaced by critically needed urban renewal programs.

"It is worth noting," he added,

"that a National Housing Conference study found that the median price nationally for the cheapest three-bedroom homes was \$10,990 at the beginning of 1958. Since an annual income of \$6400 was needed to afford such a purchase, this meant that three-fourths of our families were excluded from the market for lack of adequate income."

The congressmen were also advised that much of the building in the near future will only take place by covering at least 20 per cent of the value by second mortgages. Haggerty warned, "More of it is going into higher priced housing with financing from life insurance companies which require from 25 to 30 per cent down. This places the type of housing available on the market farther than ever beyond the reach of low and middle income families."

The valuation of building permit activity in California for 1958 covered \$3.5 billion worth of building construction. In addition, public works construction in southern California was reported to be in excess of \$3 billion for the year. Haggerty observed that the "effect of initial annual expenditures of these dimensions becomes greatly magnified throughout California's economy as it utilizes vast amounts of materials and services while creating additional jobs and purchasing power in allied industries as well as encouraging capital investment in new plants." He observed that 304,500 were directly employed in California's construction industry in June, 1959, compared to 321,600 in June, 1956.

An attempt this week to override President Eisenhower's veto of S. 57, the \$1.37 billion housing bill, mustered only a 55-40 Senate vote in its favor. Lacking the necessary two-thirds majority to override, it is expected that an effort will be made to pass an even weaker bill which the President would sign.