

PITTS CAUTIONS AGAINST RAIDING "UNION"

A threat to the unity instrumental in winning outstanding economic gains for California's tunnel and rock workers in the Laborers' Union was spotlighted this week in a warning by California Labor Federation Secretary-Treasurer Thomas L. Pitts.

In response to reported activities of the so-called "Tunnel and Rock Workers of America," Pitts declared:

"The potential disruptive effect of this newly created paper 'union' upon the impressive gains achieved by the International Hod Carriers', Building and Common Laborers' Union of America, AFL-CIO, has put all laborers firmly on guard against any cooperation with this independent organization which has been courting workers throughout the state."

Pitts noted that the raiding organization was not a bona fide AFL-CIO group and urged Federation affiliates to withhold any form of recognition.

The Federation had been advised by Laborers' Union vice president Lee Lalor of the new organization's attempts to undermine collective bargaining agreements held by the Laborers' Union. Lalor asserted:

"The existence of this group is
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CRANSTON OPPOSES STATE TAX WITHHOLDING

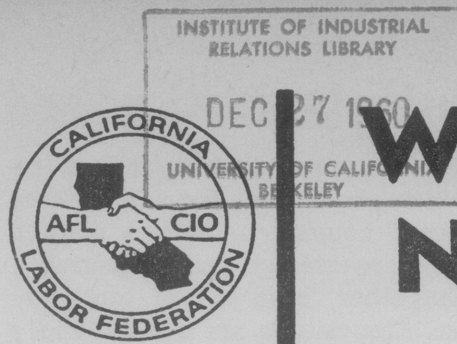
A plan for payroll withholding of state personal income taxes in California was branded as "unwise" by State Controller Alan Cranston before a recent hearing of the Assembly Interim Committee on Revenue and Taxation.

As chairman of the Franchise Tax Board, which administers the state income tax law, Cranston has devoted months of study to this subject.

He indicated that California's present high personal exemptions and low tax rates, combined with the Franchise Tax Board's highly effective enforcement procedures, create "a situation wherein California would not derive sufficient advantages to offset the disadvantages that would result from a full withholding system."

Cranston cited these additional reasons to support his conclusion:

- (1) A full withholding system
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THOS. L. PITTS
Executive
Secretary-Treasurer

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Fed Tells Solons Elderly Housing Legislation Need

The grave need for effective state legislation in 1961 to cope with the urgent housing problems of California's over-65 population of 1.25 million was portrayed by the California Labor Federation, AFL-CIO before the State Senate Interim Committee on Housing and Recreational Needs for the Elderly.

At the invitation of the committee, which is chaired by Senator Hugh M. Burns, the statement was presented in behalf of the Federation's executive officer Thos. L. Pitts on December 12 in San Francisco.

The Federation testimony asked the legislature to enact a program along the lines of the proposals advanced in 1959 by Senators Burns, Collier and Richards. These proposals, coinciding closely with organized labor's program, were at that time embodied in Senate Bill 802 and Senate Constitutional Amendment 10.

The Burns Committee was advised that the state's enormous body of elderly citizens was growing at the rate of 30,000 annually due partially to increased longevity. It heard of the extensive displacement of the elderly from their places of shelter by reason of freeway and community redevelopment programs.

Noting that these factors contribute to an increasing housing shortage for older persons and seriously menace the health, safety and welfare of the general public, the Federation testimony declared:

"What is disturbing to us is not the number of elderly persons, but their generally low income levels from which they are expected to maintain themselves, their health and their dignity. The Governor, in addressing his aged conference, noted that 'three-fifths . . . of the persons over 65 years old in the United States have money incomes of less than \$1,000 a year. Another
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AEC FUNDS FOR C. U. FOOD RADIOACTIVITY STUDY

The U. S. Atomic Energy Commission has awarded Consumers Union a \$20,000 contract to help finance a study of the presence of strontium-90 and other radioactive elements in typical daily diets in 25 cities across the country, including Los Angeles and San Francisco.

The world's largest non-profit, non-commercial consumer organization, publishers of **Consumer Reports**, announced that the principal financial support for the new research project will be provided by CU itself.

Scheduled to start in January, the new study will represent a greatly expanded follow-up to CU's recent pioneering studies on strontium-90 in milk and the total diet.

In addition to strontium-90, seven other radioactive elements will be included in the government-aided project. Although some of them occur naturally in nature, they include cerium 144, cesium 137, lead 210, plutonium 239, potassium 40, radium 226 and zinc 65.

To obtain samples of food normally eaten in typical daily diets, home economists in the 25 test cities will prepare representative meals, package them in special containers and ship them to CU's consultant radiochemistry laboratory.

As in the case of CU's earlier total-diet test samples, these will consist of the total food and water intake, including snacks of teen-agers. This age level is used, according to a CU spokesman, because of the
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Fed Tells Solons Elderly Housing Legislation Need

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fifth of them have less than \$2,000.'"

The Federation cited statistics prepared for the San Francisco Conference on the Aging earlier this year indicating that one-third of that city's 74,000 older persons live on less than \$100 per month. Monthly incomes of the middle third range up to only \$150. It was clear from this testimony that housing represented the major problem confronting the majority of these people.

The Federation reminded the Burns Committee of the finding in

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lending aid and comfort to some general contractors performing this type of work who claim this is a jurisdictional dispute, and in some cases it is preventing our local unions from enforcing our recognized agreements."

The record of accomplishment of the Laborers' Union was summarized by business representative Charles Robinson, who recalled the varying wage rates paid on the half dozen tunnels under construction in 1951.

Robinson noted that the \$2.25 hourly rate for miners negotiated under the first master tunnel agreement in that year has been raised by the union to a rate of \$3.775 in 1961.

On top of this solid evidence of an economic job well done, tunnel workers have also shared in the liberal health, welfare and death benefits available to Laborers' Union members.

Laborers' Union representatives also spoke of the job opportunities made available in the general building and construction industry for tunnel workers when tunnel work is not available as another major benefit of membership in the AFL-CIO affiliate.

Robinson also stressed the thorough representation available to tunnel workers through their affiliation with the Laborers' Union. In northern California alone, there are approximately 75 full-time paid officials available, many of them tunnel workers of long experience.

San Francisco that "although incomes are indeed too low to find decent housing in today's market, they are steady and measurable. Altogether, nine out of ten older San Franciscans are receiving OASDI, OAS, or some civil service, private retirement or pension benefits.

"A steady, measurable income... at least reduces the basic problem of housing to one of determining on balance what these people can afford to pay for housing and still meet the essentials of other living expenses for food, clothing, transportation, and health care. The need is clearly for the low cost and low rent housing that Senator Burns' proposal seeks to come to grips with in California.

"With this vehicle, we need another essential ingredient to get on with society's obligation to provide a means for satisfying this basic need of the elderly. We need the will and courage to take action."

The disparity between the cost of adequate housing and the income levels of the elderly necessitates state initiative in California comparable to that undertaken by New York and Massachusetts in recognition of their responsibility to aid in securing safe and sanitary shelter for this group, the Federation stated.

Labor's wholehearted support was pledged to legislation requiring every redevelopment program to make a portion of the project available to older persons.

It was also urged that for those individuals preferring not to be isolated in communities segregated on the basis of age, every effort should be made to keep our senior citizens an integral part of normal residential neighborhoods.

This was desirable not only for the well-being of the older persons, the Federation statement declared, but also because senior citizens can make a real contribution to the community itself.

The Federation also urged that the Burns Committee insure that housing developments for the elderly comply with the needs of older citizens for easy access to transportation, shopping, recreation, health care and similar facilities.

CRANSTON OPPOSES STATE TAX WITHHOLDING

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would not necessarily produce a net increase in revenue to the state and might actually result in a net loss.

(2) It would not lead to any significant increase in compliance with the state income tax law.

(3) It would deprive many wage earners and other taxpayers of the use of their money while failing to collect on a pay-as-you-go basis from those whose income is derived from dividends, rents and other sources beyond the effective reach of the withholding system.

(4) It would needlessly harass a million individuals who owe no income tax under present state law.

(5) It would impose a cost burden of from \$2 million to \$6 million annually on California employers.

Cranston stated that 80 per cent of the state's taxpayers pay under \$50 annually in state income tax under the present scale of low rates and high exemptions. He attributed the success of the withholding system at the federal level to the fact that the federal income tax law reverses this balance in favor of high rates and low exemptions.

The state controller noted that other states, with enforcement programs less effective than those in force in California, have found benefits and advantages in a withholding system. But he said the Franchise Tax Board estimates it now collects over 99 per cent of all state income taxes which would in any way be affected by adoption of a withholding plan.

The state official estimated that California would realize maximum revenue of approximately \$2.4 million under a withholding plan but that administrative costs entailed might run in excess of \$3 million.

Cranston also posed the question of double collection in the first year of a withholding plan. The collection of the prior year's tax on the April 15 deadline would take place during the beginning stages of collecting the current year's tax through withholding.

"I question whether California would wish at this time to make all or any part of a double collection in a single year," he said.

Mandate of People to Kennedy In Employment Act of 1946

A set of measures for immediate action "to reverse the slump" were urged upon the new administration by AFL-CIO Research Director Stanley H. Ruttenberg, in a recent talk before the Commonwealth Club of California. He urged the following:

A two-month suspension of withholding taxes, unemployment benefits for jobless whose benefits are exhausted, increased aged benefits, a lowered small business tax, accelerated government contracts, and substitution of an "open market" policy of buying securities of varying maturity for the Federal Reserve "bills only" or "bills usual" policy.

Ruttenberg told the Club's Sheraton-Palace Hotel luncheon that "a very positive mandate does, indeed, exist" on President-elect Kennedy. He said the American people specifically laid down such a mandate in the Employment Act of 1946, "to utilize all of the great powers at their disposal... to achieve and to maintain maximum employment, production, and purchasing power."

Ruttenberg declared the American economy "for the third time in seven short years is in a recession. About 20 per cent of our industrial plant stands idle. At latest count, 6.4 per cent of the civilian labor force is unemployed.

"There is nothing on the horizon to give confidence a turnabout soon will be under way," he advised the Commonwealth Club. "The more than a million stock of unsold automobiles is a record for this time of the year.

"Unemployment on a straight seasonal basis will increase to more than 5 million in early 1961. I am firmly convinced unemployment will reach at least 6 million, more than 7 per cent of the labor force.

"Our boom periods are getting shorter. The rate of remaining unemployment has been growing. In 1959, even though our national output reached another all-time high, 5½ per cent of the labor force still remained without jobs.

"We are failing to effectively utilize America's unmatched human and physical resources. In the last six months, the idle steel capacity and manpower could have produced steel equal to the entire production of the Soviet Union over the last half year.

"The 1960 balance of payments deficit is due primarily to declining optimism about the state of the economy at home. Movement of dollars overseas essentially reflects the judgment of foreign investors that greater financial security and opportunity now exists overseas. We can reverse the outflow by taking action to improve prospects here.

"In this process, far wiser action by the Federal Reserve Board can make a greater contribution not only to improving the short run balance of payments problem but the serious economic recession in the United States as well.

"We must emphatically resist panicky and misguided proposals to slash our

foreign aid commitments. We must not be beguiled by the self-defeating argument that American labor standards must be undermined to encourage exports.

"Decent American wages and salaries are the essential underpinning that supports sale of 95 per cent of our total output which we market in the United States.

"I do not believe this recession was caused by inadequate savings.

"With so much productive capacity already idle, an effort to divert income from consumption in order to increase an already ample supply of savings certainly would not increase investment.

"It would be equally foolhardy to reduce personal consumption by drawing off more family income to meet the cost of expanding public outlays. Professor Galbraith has made a significant contribution to increased awareness of the

need for more investment in the public sector. I do not agree, however, that most of our 55 million families have reached affluence.

"In 1958, 41 million Americans lived close to or under the poverty line. In 1959, the 20 per cent of our families at the bottom received less than 5 per cent of total family income; the 20 per cent at top received over 45 per cent—and 43 per cent even after federal income taxes.

"Vast needs of millions of our families for goods and services still remain unmet.

"During the 1960s, economic demand must grow sufficiently to generate 13½ million new jobs to meet employment needs of young Americans. Demand for goods and services must also be adequate to stimulate re-employment of millions displaced by technological advance.

"Our recent 2½ per cent growth rate just cannot provide the jobs America needs. A 4½ to 5 per cent annual increase will hardly guarantee enough jobs for all those seeking work."

Besides short-range measures to "restore business confidence," Ruttenberg proposed as "longer range measures," an increase in the minimum wage to \$1.25 an hour, liberalized Social Security ben-

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California Labor Federation, AFL-CIO "We Don't Patronize" List

(Please Read in Your Union Meeting)

The following is the official "We Don't Patronize" list of the California Labor Federation, AFL-CIO as revised in December, 1960.

Bakeries—

Helms Bakery, Long Beach

Bottled Water—

Arrowhead-Puritas Water Company, Los Angeles

Department Stores and Mail Order Houses—

J. M. McDonald Company, Sacramento

Sears, Roebuck & Company

Electrical Auto Parts—

Partex Corporation of America, Fresno

Lumber and Lumber Products—

E. F. Quiram and Sons, Porterville

Rembac Blockyard, Visalia

Newspapers and Periodicals—

Los Angeles Times

Los Angeles Mirror-Daily News

The Curtis Company, Philadelphia (includes Saturday Evening Post, Ladies

Home Journal, Holiday, Jack and Jill, and American Home)

Paint—

E. I. DuPont de Nemours Company (Duco-Dulux enamels, paints, varnishes, lacquers and marine finishes)

Plumbing Ware—

The Kohler Company, Kohler, Wisconsin

Radio, T-V, Hi-Fi—

Packard-Bell Electronics Corporation (installation, servicing and repair of radios, television receivers and hi-fi's in San Francisco, Oakland, and San Mateo and Santa Clara counties)

Station KXTV, Channel 10, CBS affiliate, Sacramento

Restaurants—

Country Maid, Sacramento

Lawry's Prime Rib Restaurant and all Lawry products, Los Angeles

Pen and Quill Restaurant, Manhattan Beach

Richlor's Cafe, Los Angeles

Stear's for Steaks, Los Angeles

Sheet Metal Products—

Glendale Sheet Metal and Manufacturing Company, Glendale

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SECOND CLASS CITIZENSHIP ON WAY OUT, SAYS AJC HEAD

"Second class citizenship, based on such extraneous factors as race, religion and national origin, is on the way out," according to American Jewish Committee president Herbert B. Ehrmann. He made this analysis on the basis of the 12th edition of **The People Take the Lead**, AJC's annual roundup of civil rights advances in the United States.

Labor's participation in this forward march, Ehrmann said, is evidenced by the removal of the color bar in the constitution of the Brotherhood of Railroad Trainmen and the merger of Negro and white locals by the American Federation of Musicians and the National Association of Letter Carriers.

The pamphlet also hails the employment of Negro musicians by nine symphony orchestras, nine Broadway musicals and 13 television orchestras in New York during the past year. It notes further progress in the forms of hiring of the first Negro electrician on federal construction in Washington, D.C. and in Labor Department approval of a trusteeship by the United Auto Workers to enforce its non-discrimination policy at the local union level.

Ehrmann asserted that this year's record reveals further "evidence of the civil rights revolution, peaceful for the most part, that has occurred in this country during the past decade." He added, "While much re-

mains to be done, it is safe to predict that in the decade of the '60s Americans will come closer than ever before to the democratic ideal of equal opportunity for all."

Some of the highlights of this year's edition of **The People Take the Lead** are:

(1) The student "sit-in" movement which has brought about the desegregation of chain-store lunch counters in over 100 Southern cities.

(2) Congressional passage of the second federal civil rights law in 85 years, with particular emphasis on protecting the right of every American to vote.

(3) Delaware's joining 16 other states with enforceable fair employment practices laws.

(4) Desegregation of public schools in 17 new school districts, bringing an additional 100,000 Negro children and some one-half million white children into "integrated situations."

(5) Emphasis in the platforms of both major political parties upon our nation's continuing commitment to civil rights in the years ahead.

The People Take the Lead reviews legislative, administrative, judicial and voluntary civil rights advancements in the United States. It is issued annually in connection with Human Rights Week. This observance marked both Bill of Rights Day (December 15), the 169th anniversary of the Constitution's first ten amendments, and Human Rights Day (December 10), the 12th anniversary of the U.N.'s adoption of the Universal Declaration of Human Rights.

The publication was initiated shortly after the President's Committee on Civil Rights issued its call in 1947 for action leading to greater equality of opportunity for all Americans. At that time, the United States armed forces drew a color line. Millions of skilled workers were barred from jobs because of color, creed or national origin. Racial or religious quotas were the

People to Kennedy

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effits, financing medical care "particularly for the aged and without a means test" under Social Security, federal school aid, federal assistance for distressed areas, "an expanded federal effort to provide better housing," increased urban renewal, federal loans to local communities to build essential facilities, and revitalization of the Council of Economic Advisors.

"The quick restoration now of a high level of employment and production—plus essential tax reform—will increase public revenues sufficiently to underwrite the cost of higher public spending," he said.

"America's need in 1961 is energetic leadership by the federal government to get our manpower fully employed, idle plants to work, and to provide essential public services to meet needs of a growing and confident nation. This, I believe, is the economic mandate of the American people to our President-elect."

rule at many colleges and professional schools. The lives of one-tenth of the United States' population were restricted by segregation in schools, housing, restaurants, theatres, buses, parks, playgrounds, hotels and hospitals.

In the past 13 years, **The People Take the Lead** has listed the following major gains: all citizens in uniform are treated and trained alike; the right of a worker to be judged on his merits is enforced in 17 states and by federal contract in all firms doing work for the government; racial and religious quotas are on the way out at most top ranking universities; non-white interstate travelers are no longer forced into separate sections of trains and buses as they cross certain state lines; laws requiring racial segregation in public accommodations have been struck down in one state after another.

On the basis of this record Ehrmann stated that "America's forward thrust toward greater opportunity and equality for all its citizens has maintained a heartening momentum during the past twelve months."

AEC FUNDS FOR C. U. FOOD RADIOACTIVITY STUDY

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wide variety of food included in teen-ager diets, making the samples fairly representative of the diet of somewhat younger children and older persons who drink milk.

Additional samples, representing various age and economic levels, will be prepared in the test cities of New York, Chicago and San Francisco.