



Retraining Program

Bills to do something about retraining of jobless workers displaced by automation have begun to inch forward in the cumbersome legislative process. There is a long road ahead, however, with only three weeks of the 1961 session left.

*AB 379 (Waldie), the Federation's vocational training and retraining program measure placing responsibility in the Department of Employment with full authority to cooperate with other state and federal agencies, has been approved by the Assembly Finance and Insurance Committee but is waiting hearing in Ways and Means Committee. This bill focuses on vocational training and retraining services for individuals 40 years of age and over. It is an important piece of legislation which would place the state in a position to immediately implement a new federal program enacted by Congress making federal funds available.

Also, AB 2171 (Hawkins), has received the green light from a subcommittee of the Industrial Relations Committee and may soon join the Federation's bill in Ways and Means. The Hawkins bill gives the California Apprenticeship Council authority to cooperate with the Departments of Education and Employment to promote on-the-job training programs to (1) keep journeymen in apprenticeable occupations abreast with technological advancements and (2) develop labor management programs in non-apprenticeable occupations for workers entering

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SO-CALLED "RESPONSIBLE LIBERALISM" REVEALS ITS ANTI-LABOR FANGS

In a shocking display of so-called "responsible liberalism", would-be leaders of the Democratic Party in the state Assembly, this Monday, dumped the Rumford fair labor standards act, marking the second defeat within a week of major labor-sponsored legislation in Sacramento.

Following on the heels of last Wednesday's rejection by the Assembly of the state "Little Norris-LaGuardia Act", the Democratic-controlled Ways and Means Committee with 13 Democrats present sent AB 682 back to the Industrial Relations Committee, thus killing it for the 1961 session. Only 12 votes were necessary for committee clearance of the bill for floor action.

Authored by Assemblyman William Byron Rumford of Alameda County, AB 682 would have established a \$1.25 minimum wage within the framework of a state fair labor standards act with provision for time and a half beyond forty hours a week, and double time for in excess of 10 hours a day and 48 hours a week.

The Ways and Means action killing the bill was taken without any consideration of the cost of administering the proposed legislation, which was the

only reason for referral of the bill to the Ways and Means Committee after winning policy approval in the Industrial Relations Committee.

Instead of restricting its consideration to reviewing of administrative costs to the state, the committee delved deeply into the policy aspects of the bill, first removing coverage for farm workers and then deciding after lengthy discussion of policy provisions that the bill should be referred to Industrial Relations.

Here is the sequence of action that marked Monday's display of "responsible liberalism":

1. Ways and Means chairman Jesse

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Disability Insurance and Workmen's Compensation Benefit Bills Move to Assembly Floor

Benefit bills in unemployment disability Insurance and workmen's compensation, supported by Governor Edmund G. Brown, moved to the Assembly floor this week as the lower house Committee on Finance and Insurance all but cleared its deck of social insurance bills which have been bottled up in subcommittees since the beginning of the 1961 state legislative session.

The basic disability insurance measure is AB 234, a package proposal developed in subcommittee by Finance and Insurance chairman Thomas M. Rees (D., Los Angeles). It combines a \$5 increase in the maximum weekly benefit to \$70 with an annual benefit escalation clause; adjusts the financing of the program to overcome a large, current operating deficit and fund future benefit increases; and enacts provisions designed to remove state plan subsidies to the so-called voluntary plans of private carriers permitted under the program.

The workmen's compensation benefit bill is AB 329, authored by Jerome R. Waldie (D., Antioch), which provides for an extremely modest benefit increase for temporary disability benefits only, raising the maximum from \$65 to \$70 a week and the minimum from \$20 to \$25 a week.

(Movement of these measures left the unemployment insurance program completely bottled up in committee in-so-far as any jobless benefit increases are concerned.)

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FACT SHEETS ON ISSUES

The national AFL-CIO has issued a new set of fact sheets on legislative issues before Congress. They have been developed for use by local unions to stimulate a greater volume of letters to Representatives and Senators.

Currently available are one-page fact sheets on: Health Benefits for the Aged through social security; Crises in Education; Housing and Urban Development — an Unfinished Task and an Unfilled Promise; Health Personnel, Facilities, and Services; and Civil Rights. Additional fact sheets on key issues are in the process of being prepared.

Bulk supplies for local use may be obtained free from the Pamphlet Division, AFL-CIO Department of Publications, 815 16th Street, N.W., Washington, D.C. A limited supply is also available from the California Labor Federation office, 995 Market Street, San Francisco.

LEGISLATIVE NOTES

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the labor market for the first time or workers entering new occupations because of displacement by technological advancements. All programs under the Hawkins bill would be required to conform to collective bargaining agreements where they exist. *AB 379 and AB 2171 are totally compatible measures.

Housing Study

The Governor's proposed study commission on housing, AB 814 (George E. Brown), is on the floor of the Assembly. The purpose of this measure is to develop programs for recommendation to the Governor and legislature to help meet the housing needs of the state's growing population supplemental to federal programs. The key to anything the state can do lies in making low-cost money available for moderate-income families and supplementing federal public housing. Whether the commission can come up with any workable programs after study is extremely doubtful as long as the state's credit is tied up with the landed monopolists in the water program.

Civil Rights

Civil rights measures are continuing to pile up on the Senate side with no evidence of action as of this late date. This week the Assembly approved and sent to the upper house AB 1304 (Burton) by vote of 54 to 14. The bill prohibits a state agency which issues any license or other type of authorization to engage in an activity within the state from discriminating because of race, creed, color or national origin.

Teachers Credentials

SB 57, the Fisher credential reform bill, finally cleared Assembly Education Committee this Wednesday after prolonged hearings. It was a close vote and the battle now shifts to the Assembly floor. As indicated previously, this may be the major education bill of the session in that it places emphasis on subject matter knowledge in the training and credentialing of teachers. The bill is backed by the Federation and AFL-CIO teachers, and is a major item on the Governor's legislative list.

*AB 337 (Elliott), the probationary protection bill for teachers supported by the Federation, is still on the Senate floor waiting final action. This is another important measure for teachers.

Recreation

Assemblywoman Pauline Davis has secured Assembly approval of AB 261, which establishes state policy to provide for maximum recreation development and fish and wild life enhancement in the development of water pro-

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COMMITTEE HEARINGS

Assembly

Tuesday, May 30th

Governmental Efficiency and Economy, 3:45 PM, Room 2170

AB 3125 (Meyers) Disciplinary action against contractors. **Good**

AB 3132 (Meyers) License professional inspectors. **Watch**

SB 823 (McCarthy) Bidding procedures on public works. **Watch**

SB 916 (McCarthy) Review of registrar of contracts decisions. **Watch**

AB 1601 (Burton) Prohibits discrimination by real estate associations in membership. **Good**

Finance and Insurance Subcommittee on Auto Insurance, 1:30 PM, Room 2170

AB 2605 (Leggett) Prohibits discrimination in auto insurance premiums based on race. **Good**

Fish and Game, 3:45 PM, Room 5168

AB 257 (Thomas) Sardine season. **Good**

AB 535 and 536 (Thomas) Purse and round haul nets in Districts 19A and 20. **Good**

AB 537 (Thomas) Sardines. **Good**

AB 619 and 819 (Thomas) Sardine season. **Watch**

AB 1314 (Thomas) Bait nets. **Good**

Government Organization, 1:30 PM, Room 5168

SB 311 (Gibson) Review of ABC Department decisions. **Watch**

AB 2996 (Leggett) Youth conservation corps. **Watch**

SB 325 (Rattigan) "Medical indigent" health care for the aged. **Watch**

Rules, 9:00 AM, Room 3188

SJR 41 (Burns) Confidential communications to protect newspapermen. **Good**

Water, 1:30 PM, Room 4202

SB 163 (Cobey) Power subsidy to irrigators without limit. **Bad**

SB 611 (Cobey) Negate any controls of unjust enrichment. **Bad**

SB 692 (Cobey) Interest-free money for irrigation use without anti-monopoly protections. **Bad**

Wednesday, May 31st

Agriculture, 1:30 PM, Room 4202

AB 3082 (Burton) Applies labor laws to all packers and stockyards. **Good**

*AB 545 (Mills) Prohibit tolerances in net weights. **Good**

AB 2887 (Lunardi) Creates public livestock market board regulating and chartering livestock markets. **Watch**

Education, 3:45 PM, Room 4202

AB 19 (Charles H. Wilson) Public supported bands—furnishing music for commercial events. **Bad**

SB 828 and 829 (McCarthy) School district contracts—force account work. **Bad**

AB 832 (Miller) School district aid for portable buildings. **Watch**

Judiciary, 2:30 PM, Room 4164

AB 2795 (Burton) Civil rights—use of publicly owned property. **Good**

AB 2989 and 2992 (Hanna) Attachments. **Good**

Livestock and Dairies, On adjournment of Agriculture, Room 4202

AB 2237 (Mills) Declaration of chemical preservatives in poultry. **Good**

AB 2535 (Britschgi) Fresh eggs—storage limit. **Good**

Public Health, 1:30 PM, Room 5168

SB 81 (Regan) Registration of narcotic offenders—authority. **Bad**

AB 2550 (Grant) Gas appliances and vents—exemptions from safety requirements. **Bad**

Public Utilities and Corporations, 3:45 PM, Room 5168

AB 2943 (Bagley) Non-application of contractors bond requirements to public utilities. **Bad**

AB 3079 (Lowrey) Expands definition of pipeline for public utilities regulation. **Watch**

AB 154 (Lowrey) San Francisco Harbor. **Watch**

AB 81 and 82 (Francis) Pay TV. **Watch**

SB 941 (Short) Rate increases of public utilities. **Watch**

SB 575 (McCarthy) Revisions in San Francisco Bay rapid transit district law. **Watch**

Thursday, June 1st

Industrial Relations, 1:30 PM, Room 5168

AB 2515 (Leggett) Twice a month payment of hourly and per diem employees in State civil service. **Watch**

AB 2516 (Leggett) Friday payment for State employees when last day of month falls on Saturday or Sunday. **Watch**

Judiciary, 2:30 PM, Room 4164

Holdovers from meeting on May 31st.

Municipal and County Government, 1:30 and 8:00 PM, Room 2170

AB 2728 (Rees) Multipurpose districts. **Watch**

AB 2813 (George E. Brown) Group insurance plans for public employees. **Good**

AB 2932 (Knox) Annual filing of statements showing location and plans for public works in counties. **Good**

AB 2971 (McMillan) Enforcement of regulations of State Fire Marshal. **Bad**

SB 1080 (Miller) Force account work upon county highways. **Watch**

SB 251 (Miller) Sanitary district force account work. **Bad**

Monday, June 5th

Constitutional Amendments, 1:30 PM, Room 4164

SCA 9 (Gibson) ABC Department decision review. **Bad**

Criminal Procedure, 3:45 PM, Room 5168

SB 859 (Richards) Revision of arrest law. **Bad**

Tuesday, June 6th

Governmental Efficiency and Economy, 3:45 PM, Room 2170

SB 940 (Gibson) Qualifications for contractors license. **Watch**

SB 599 (Thompson) Duration of barber college course of instruction. **Watch**

SB 600 (Thompson) Instructors in barber colleges. **Bad**

SB 1264 (McAteer) Public purchases. **Bad**

Senate

Tuesday, May 30th

Business and Professions, 1:00 PM, Room 3191

AB 1730 (McMillan) Barber school courses of instruction. **Watch**

AB 2133 (Hanna) Contractors — exemptions from licensing and application after suspension or revocation. **Good**

AB 1498 (Reagan) Barber college instructors. **Watch**

AB 858 (Hanna) Bond requirement for persons engaged in business of home improvement. **Watch**

AB 1610 (O'Connell) Cosmetology examinations. **Watch**

AB 2169 (Leggett) Actions against contractors. **Bad**

AB 1633 (Lunardi) Proof of nurse's license. **Watch**

Fish and Game, 1:30 PM, Room 4040

AB 1965 (Thomas) Pacific Maritime Fisheries Compact. **Good**

Education, 9:00 AM, Room 4202

SB 1267 (McAteer) Use of Federal funds for support of public schools. **Good**

SB 32 (Farr) Educational TV. **Watch**

(Continued on Page 3)

COMMITTEE HEARINGS

(Continued from Page 2)

SCA 31 (Fisher) Appointive State Superintendent of Public Instruction. **Bad**
AB 626 (George E. Brown) Rights of school teachers to inspect personnel records. **Good**

AB 762 (Wolfrum) Lease of high school textbooks and audio-visual materials. **Bad**

AB 870 (Hanna) Jury duty leaves of absence for school employees. **Good**

AB 2280 (Z'berg) Cost of transportation of pupils. **Good**

AB 2392 (Casey) Prohibit waiver of benefits re contract rights for teachers. **Good**

Wednesday, May 31st

Education, 9:00 AM, Room 4202

AB 2268 (Casey) Employment of classified personnel. **Watch**

AB 2274 (Hegland) Review of conditional school apportionments. **Watch**

AB 817 (George E. Brown) Vacation employment of teachers. **Watch**

AB 2001 (Conrad) Educational TV. **Watch**

AB 2390 (Garrigus) Continuance of employment rights of classified school employees. **Good**

AB 1013 (Winton) Teacher certificates in schools administered by State agencies outside school system. **Watch**

AB 1596 (Winton) Increases suspension period for pupils. **Watch**

AB 1352 (Winton) Denies credential renewal for felony conviction. **Watch**

Governmental Efficiency, 9:30 AM, Room 4203

AB 815 (George E. Brown) Abolishes commission on housing. **Watch**

(This bill goes with AB 814 which would create a housing study commission.)

AB 1833 (Coolidge) Abolition of special state funds. **Watch**

AB 1879 and 1887 (Unruh) Transfer of special funds to general fund. **Bad**

AJR 35 (Beaver) Memorialize Congress to oppose repeal of 6% shipbuilders differential for West Coast. **Good**

Thursday, June 1st

Judiciary, 9:00 AM, Room 4202

AB 612 (Bradley) Restrictive covenants outlaw. **Good**

AB 1660 (Waldie) Effectively prohibit restrictive covenants in real property transfers. **Good**

Local Government, 1:00 PM, Room 4040

AB 1114 (Lantermann) County employees retirement. Repeals presumption re heart trouble for certain safety members. **Bad**

AB 1706 (Bradley) Road blocks in functioning of redevelopment agencies. **Bad**

Public Health and Safety, 1:30 PM, Room 2040

AB 1739 (McMillan) State building standards commission. **Watch**

Monday, June 5th

Revenue and Taxation, 1:30 PM, Room 3191

AB 1769 (DeLotto) State uniform sales tax collection schedule. **Good**

AB 1166 (Thomas) Property taxation—imports. **Watch**

AB 1961 (Charles H. Wilson) Cigarette tax collection. **Watch**

AB 60 (Rumford) Prescription drugs exemption from sales tax. **Good**

Tuesday, June 6th

Business and Professions, 1:00 PM, Room 3191

AB 2360 (Belotti) Qualifications for barber licensing. **Bad**

AB 1155 (McMillan) Practice of cosmetology—educational requirements. **Good**

AB 602 (Bee) Temporary permits for practice of cosmetology. **Watch**

AB 1065 (McMillan) Cosmetology junior operators. **Watch**

AB 1153 (McMillan) Licensing fees for barbers. **Watch**

Disability Insurance and Workmen's Compensation Benefit Bills Move to Assembly Floor

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Disability Package

Although still facing strenuous opposition from the private insurance lobby in the long legislative road ahead, the Rees disability insurance package may well be the only major social insurance measure of the session.

Its provisions contain new program concepts at both the benefit and financing end.

The \$5 boost in the maximum, effective January 1, 1962, would be accomplished by merely adding five steps at the top of the liberal benefit schedule already in the law. Thereafter, by annual computation based on average weekly wages in covered employment, the maximum would be increased automatically to assure that the top benefit is equal to two-thirds of average wages as pay scales increase.

The automatic increases, like the initial \$5 boost, would be added to the present schedule in the same uniform steps consisting of a \$1 increase in benefits for each added \$25 of high quarter earnings. Maintenance of the uniform step schedule assures workers in the lower income brackets that they will always be compensated for lost wages at a higher rate than disabled workers in the higher benefit brackets. Individual rates of compensation would range from close to 100% at the lower end of the benefit schedule to 56% at the top.

In order to overcome the large current operating deficit and finance built-in future benefits so as to maintain an actuarially computed operating reserve, AB 234 proposes three changes in the law:

1. The present taxable wage base of \$3600 for employee contributions would be increased \$500 in each of four years to \$5,600 by 1965.

2. Starting in 1966 the wage bases would be escalated with the escalation of benefits by increasing the tax base \$100 for each step increase of \$1 in benefits. Each \$100 added to the tax base increases the contribution by \$1 for those who have earnings as high as the tax base. A ceiling would also be placed on the tax base escalator so that reserves would not go above a 45% solvency level computed on total benefit payments.

AB 1156 (McMillan) Enrollment fee to State Cosmetology Board for student enrollment. **Watch**

AB 1658 (Pattee) Training hours in schools of cosmetology. **Watch**

AB 1297 (Pattee) Ratio of barber colleges in county. **Good**

3. In the interim period while the tax base is being increased on a gradual basis to achieve an operating solvency level in the state disability fund, added funds would be made available for the payment of state plan benefits by an initial transfer of some \$70 million to the disability fund from worker contributions in the unemployment insurance fund which are presently "also available" for disability benefits.

The funds to be transferred consist of worker contributions made into the U.I. fund during 1944 and 1945 before the D.I. program was enacted and later made "also available for disability benefits" with the enactment of the DI program. They total some \$140 million with earned interest, less amounts transferred recently by the Director of Employment to pay D.I. benefits under current deficit financing.

Organized labor has consistently demanded that the entire amount of these worker contributions be transferred. AB 234, however, transfers only half of them, leaving the remainder permanently in the U.I. fund on the premise that "also available" means available to both the U.I. and D.I. programs.

Apart from the failure of the Rees package to transfer the entire amount of the "also available" funds, the other financing provisions relating to the tax base employ a principle of contributions geared to the wage level of individuals within the tax ceiling. The benefit formula, in turn, would provide payments on a wage loss formula, but one that provides a higher rate of wage loss compensation for lower paid workers than high paid workers.

The remaining provisions of the Rees package are aimed at removing state plan subsidies to the voluntary plans on the premise that the private carrier plans should be allowed to participate in the program to the extent that they are truly more efficient.

These provisions include:

(1) Re-establishment of a provision prohibiting the Director of Employment from approving voluntary plans so long as they impose an "adverse risk" to the state plan through the selection of preferred risks by the private carriers. The Director would be required to consider sex, age, wage discrimination and other relevant factors. The exact wording of this provision to accomplish its declared purpose, however, is still unsettled.

2. Require "voluntary plan" carriers to pay for their full share of benefits charged against the state plan when an unemployed person becomes disabled and draws benefits. This would be accomplished by private carriers

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DIGEST OF BILLS

D-46

ASSEMBLY BILLS

AB 632 (Rees) As amended in Assembly 5-17-61, allows forced account work up to \$100,000 for the construction of park, beach or institutional roads or surfaced parking facilities. **CW—Bad**

ACR 100 Leggett (Rls.) Expresses the intent of the Legislature, in connection with federal financial assistance for education which may be received following enactment of proposed legislation in the Federal Congress, to have five-sixths of the moneys received allocated to the payment of teachers' salaries and one-sixth allocated to construction of public school facilities, and to vest in the State Board of Education and the Superintendent of Public Instruction the authority to exercise the judgments concerning local need for purposes of complying with criteria prescribed by any federal law which may be enacted. April 27. **SC—Good**

ACR 121 Gaffney (Rules) Expresses the intent and direction of the Legislature to the State Board of Education and the Superintendent of Public Instruction that, to the extent that no conflict arises with federal laws under which grants of federal funds for education may be received, one-sixth of such funds shall be allocated to construction of school facilities and five-sixths shall be allocated for payment of teachers' salaries, with the latter amount to be apportioned to school districts in proportion to the principal apportionment from the State School Fund. May 18. **SC—Good**

SENATE BILLS

SB 1523 Miller (Lab.) Employment agencies. Exempts from the law licensing and regulating private employment agencies any person employing individuals to render temporary service to or under the direction of a third person in business or industry, if the person employing, in addition to wages or salaries, pays federal social security taxes, state and federal unemployment insurance, carries workmen's compensation insurance as required by state law, and sustains responsibility for the acts of his employees while rendering services to, for or under the direction of a third person. April 21. **EA—Bad**

SB 1524 Miller (Lab.) Employment agencies. Exempts from all provisions of the law licensing and regulating private employment agencies, other than a requirement of posting a \$10,000 surety bond with the Labor Commissioner, any person employing individuals to render temporary service to or under the direction of a third person in business or industry, if the person employing, in addition to wages or salaries, pays Federal Social Security taxes, State and Federal Unemployment Insurance, carries Workmen's Compensation Insurance as required by state law, and sustains responsibility for the acts of his employees while rendering services to, for or under the direction of a third person. April 21. **EA—Bad**

SB 1530 Miller (Ins. & F.I.) Group life and disability insurance. Requires every group life or disability insurance policy where the premium is paid in whole or part by an employer pursuant to the terms of a collective bargaining agreement to contain a provision providing for the continuation of coverage of employees during periods of work stoppage caused by a labor dispute with premium payment to be made by the individual employees. Specifies that such insurance shall not continue in effect for more than six months and authorizes the commission to approve surcharges for the additional expense of administering the group policy on an individual basis. April 21. **LU, LC—Good**

SB 1543 Dolwig (Wat. Res.) Oroville Dam and Reservoir. Requires Department of Water Resources to immediately undertake revenue bond financing and construction of Oroville Dam and Reservoir and related power facilities pursuant to statutory provisions governing state-authorized Central Valley Project. April 21. **WP—Watch**

SB 1544 McCarthy (B. & P.) Cities: building permits. Requires city issuing a business license as a condition precedent to engaging in a business within the city regulated by the contractors' law to have applicant file specified information with the city. April 21. **WC—Good**

SB 1548 Miller (Ed.) County superintendents of schools. Allows county superintendents of schools of counties of the first to third class to qualify by holding an elementary and secondary administrative credential, as well as a general administrative credential. April 21. **SC—Bad**

Disability Insurance and Workmen's Compensation Benefit Bills Move to Assembly Floor

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contributing 15% of their tax collections to the state plan at the outset while the tax base is low, with a graduated cut back to 12% for 1964 and thereafter as the tax base increases.

3. Assessment of voluntary plan carriers for the added cost of administration incurred by the state plan due to voluntary plan participation.

Under these provisions of the bill, Department of Employment estimates on the Rees package assume that the percentage of workers covered under voluntary plans will be cut from 29 to 5 percent of total program coverage.

The lower house is expected to vote on the Rees package in the coming week along with several other measures on disability insurance sent to the floor this week by the Finance and Insurance Committee.

Although the additional D.I. bills are generally minor in nature, there are two which would accomplish important changes if they survive the session on the Senate side.

One of these is **AB 1663 (Hawkins)** which would extend the disability insurance program to cover farm workers. The other, **AB 222 (Crown)**, would eliminate the waiting period in the

case of an accident that does not require hospitalization.

Workmen's Compensation

Release from committee of AB 329, providing for the \$5.00 increase in the temporary disability maximum and minimum, leaves the great bulk of the Federation's liberalization program in workmen's compensation behind in committee, virtually dead for the session. These include basic bills on permanent disabilities, death benefits, etc.

One measure still alive is AB 278 (Waldie) which will carry the Governor's proposal to establish a long overdue program of rehabilitation benefits for injured workers unable to return to their former jobs.

Unemployment Insurance

A few generally minor measures in unemployment insurance have been released from committee and approved by the Assembly this week. Some of these are listed below.

The fate of unemployment insurance legislation, however, is recognized in this session to rest with the Senate Insurance and Financial Institutions Committee, which to date has indicated no interest whatsoever in any measures to improve the badly lagging basic benefit structure.

The Senate committee's attention is focused on employer financing schemes being devised to protect big employers from going to a 3 percent contribution rate required by the past

operation of so-called experience rating, which has drained the fund of reserves necessary to finance benefits in the current recession.

Big employers who have milked the fund in the past through experience ratings are trying to avoid the 3 percent contribution rate by soaking other employers as much as 4.2% of taxable wages. This is the substance of SB 994 (Dolwig), which this Wednesday was greased for release to the floor, backed by a lengthy report of experts hired for the occasion.

Fortunately, the financing scheme was so raw that the bill fell short by one vote of gaining approval. Employer efforts to resurrect the measure are in the mill, however.

The Federation strongly opposed the measure before the committee, pointing out that it represented an attempt to prevent the full operation of the very experience rating system which the employers themselves devised in order to avoid paying the full unemployment tax imposed by the Federal government in establishing the federal-state unemployment insurance program.

SB 994 would have allowed each employer to stay on his present contribution rate by imposing a surtax of up to 1.2% on each employer. Thus, employers at the 3% rate would be required to pay up to 4.2% while the

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FIGHT TO PRESERVE STATE TEXTBOOK LAW

The California Labor Federation is vigorously opposing two bills before the state legislature which would virtually destroy the purpose of the state school textbook law.

The two measures, AB 526 and ACA 16, have been passed by the Assembly over Governor Brown's opposition and are currently waiting a hearing before the Senate Education Committee.

They would substitute a "multiple adoption" plan for the traditional single adoption plan of selecting basic elementary textbooks for the public schools.

In a statement issued this week, state AFL-CIO Secretary-Treasurer Thos. L. Pitts said:

"These measures, although advanced on the argument that they will improve the quality of education, would actually have a reverse effect, and at the same time rob many of our school children of an opportunity to maintain a semblance of continuity in their education.

"A return to multiple adoptions would result in wide variations in textbooks used by various school districts. Thus, some twenty per cent of our school children whose families move each year would find themselves at a serious disadvantage if with every move they are likely to run into different school textbooks.

"We find it difficult to understand how bills producing this kind of disruptive influence for so large a segment of our school age population can be advanced as measures to improve the quality of education.

"Equally important is the added expense that would result from multiple adoptions. Our public school system is literally at the crossroads. Its needs are many, and all require vast increases in public expenditures.

"Thus, as we strive to meet these needs, we constantly face the issue of priorities in expenditures. The proponents of these bills seem to think that a textbook which may be slightly better than another textbook is in itself going to improve the quality of instruction. This is sheer nonsense, and every teacher knows it.

"The quality of education will be improved only to the extent that we meet our varied needs with balance. Even if these bills should result in the improvement of some textbooks (an assumption that has not been demonstrated), we believe that the added cost of such improvement would be a waste of taxpayer funds in the face of many other needs of high priority which would be compromised out of balance.

"Among the latter, we would place higher priority on providing all our children with fully qualified teachers. Textbooks are only as good as our teachers, and it is a fact that far too many teachers in California do not have the training necessary to meet the mounting demands of our school system.

"The alleviation of our tremendous shortage of fully qualified and credentialed teachers is a problem of major proportions, but only one aspect of the total problem. The existence of double sessions in many parts of California serves as a daily reminder of equally vast deficiencies in our school plants. Ever increasing expenditures are necessary in this area, likewise, not only to fill the present gap but also to expand available school facilities to keep pace with our projected school age population growth.

"Yet, in the face of these priority areas of expenditures, we are being asked in AB 526 and ACA 16 to engage in a wasteful expenditure of taxpayer dollars which would accrue largely to the benefit of private textbook publishers, with only a dim hope of possibly im-

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M. Unruh (D., Los Angeles) called up AB 682. Assemblyman Rumford rose to present the bill before the committee, requesting the assistance of Federation representatives.

2. Before any part of the bill could be explained, Assemblyman Lloyd W. Lowrey (D., Rumsey) asked if the measure would cover farm workers. Upon receiving an affirmative answer, Lowrey moved, with a second by Assemblyman Gordon H. Winton, Jr. (D., Merced), that agricultural coverage be removed from the bill. At no time did the proponents offer any justification for the exemption, nor were they asked to justify the motion.

3. Assemblyman Rumford and a representative of the Federation argued against the motion, pointing out that minimum wage legislation relates to social and humanitarian consideration; that minimum standards demanded by society apply equally to employer-employee relationships in agriculture; and that coverage would not adversely affect the competitive position of California agriculture because in almost all major crops grown in the state of California farmers enjoy a monopoly or near monopoly position in the market. Official figures of the U.S. Department of Agriculture by

proving the quality of textbooks. Such nonsense should not be tolerated.

"California labor's dedication to the public school system requires that we rise in opposition to these measures. We owe this much to our predecessors in the trade union movement who were largely responsible for the establishment of the public school system, and also to the children of our members who have perhaps the most vital stake in the balanced growth of the school system. The children of working people remain almost totally dependent upon the public schools for the quality in education that our free society demands. This quality cannot be achieved, however, if we permit the dissipation of sorely needed school funds by yielding to the whims of those private textbook publishers whose dedication to the school system as a whole does not extend beyond their bank accounts.

"In the consideration of these bills, therefore, we urge the Senate Committee on Education to recognize the needs of the public school system as a whole, rather than accepting the dubious and shallow promises advanced by the supporters of these measures which would only lead to windfalls for the private publishers at the expense of pressing unmet needs of the system."

major crops in fruits, vegetables and nuts were presented to the committee, demonstrating the degree of monopoly domination. By voice vote, however, the committee took policy into its own hands and removed agricultural coverage with a few scattered "no" votes.

4. Following this action Rumford and a Federation representative were allowed to proceed with the presentation of the bill. Exemptions in the bill relating to executives, volunteer workers of non-profit organizations, newsboys, outside commission salesmen, baby sitters and public employees were explained, as well as the scope of the bill's application to the great bulk of employees in the state who have no substantial protection under the federal minimum wage law.

5. Further discussion focused on these policy aspects of the bill. Figures were presented showing the number of employees in several industries who currently receive less than a \$1.25 per hour. These included the restaurant industry, where 45% of the women and 16% of the males earn less than this amount, including the value of meals, and also private hospitals, where 15% of males and 20% females earn less than \$1.25 per hour.

6. Without even inquiring into the administrative cost of the measure, (assessed by the legislative auditors office at only \$174,000) Assemblyman Winton then moved that the bill be re-referred to Industrial Relations, declaring that the Ways and Means Committee had "no business" going into policy aspects of the bill. Winton had previously seconded the policy motion which removed agriculture from the bill.

7. The Winton motion to re-refer was seconded by Carley V. Porter (D., Compton), and was put to a voice vote over the strenuous opposition of Rumford, the bill's author. Although the "no" vote clearly carried, Chairman Unruh announced that the bill was re-referred.

The Ways and Means Committee action squelched virtually all hopes that the Democrats in the 1961 session will give any serious consideration to their campaign promises supporting a \$1.25 state minimum.

The defeat of AB 682, however, leaves standing another bill by Rumford, AB 684, which would establish the \$1.25 minimum without the framework of a fair labor standards act embodied in the defeated, broader measure.

AB 684 is on "inactive file" on the Assembly floor. It is expected that the measure will be taken up in the near future now that the broader bill has been killed.

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FORM 3547 REQUESTED

Disability Insurance and Workmen's Compensation Benefit Bills Move to Assembly Floor

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employer who has been milking the fund at a low experience rate, for example, .3% could continue to pay 1.5%.

Experience rating has little or nothing to do with stabilization of employment. In fact, an employer who is hiring people and expanding his payroll is almost sure to pay the full 3% rate.

Other Social Insurance Bills

The following are some additional social insurance measures which have started to move:

*AB 910 (Munnell) Provides that if the Unemployment Insurance Appeals Board issues a short-form decision, anything incorporated in the decision must be attached and be a part of the decision. Passed by the Assembly.

*AB 911 (Munnell) Eliminates requirement that U.I. regulations by the

Director of Employment must be delivered to the State Advisory Council prior to filing with the Secretary of State. Passed by the Assembly.

*AB 913 (Munnell) Makes a technical change regarding the maximum employer tax rate when experienced rating is suspended because of insufficient funds. Passed by the Assembly.

AB 942 (Leggett) Makes it a misdemeanor for an employer to willfully fail to transmit trust deductions from remuneration paid to workers. On Assembly floor.

*AB 968 (Elliott) Eliminates a provision in the U.I. Code fixing at \$250.00 the maximum amount of the penalty to be imposed upon an employer for failure without good cause to file wage reports within the required time. Passed by the Assembly.

*AB 1093 (Unruh) Provides that an individual with seniority who is laid-off and recalled less than 14 days prior to leaving because of a trade dispute is not disqualified from U.I. benefits for such leaving. Passed by the Assembly.

*AB 1095 (Unruh) Revises U.I. provision fixing disqualification for misconduct, discharge or voluntary leaving without good cause to fix it at the week in which the individual first registers for work and for not more than four weeks immediately following. Passed by the Assembly.

AB 1405 (Waldie) Repeals lag-quarter disqualification provision. Passed by the Assembly.

AB 1604 (Burton) Imposes an employer reserve account charge of twice the maximum amount of U.I. benefits payable to an individual during a benefit year, if the employer, in submitting information concerning termination of employment, makes a willful false statement or representation or willfully fails to report a material fact. On the Assembly floor.

AB 1744 (Z'berg) Specifies for U.I. eligibility purposes that the individual's work search during any week be directed to suitable employment, and that it be conducted pursuant to specific reasonable local office instructions rather than to regulations of the Director of Employment. Passed by the Assembly.

AB 1811 (Hicks) Specifies that if any person in any calendar year serves the

waiting period required for unemployment benefits, unemployment disability benefits or workmen's compensation disability benefits, he shall be deemed to have served the waiting period for all three types of benefits for that calendar year. Passed by the Assembly.

AB 2342 (Rees) Provides for U.I. and D.I. coverage of employees' non-profit organizations on a cost basis if federal conformity legislation is enacted by Congress. Passed by the Assembly.

*AB 319 (Waldie) Provides that workmen's compensation awards for temporary disability shall carry interest at 7% per year from the last day in each week for which compensation is found to have been payable but not paid. Cleared by Finance and Insurance Committee and sent to Ways and Means Committee.

*AB 378 (Waldie) Provides, if a petition by the employer to reduce an award of workmen's compensation based upon a final permanent disability rating is denied, for payment by the employer of a reasonable attorney's fee to the injured employee. Cleared by Finance and Insurance Committee and referred to Ways and Means Committee.

*AB 380 (Waldie) Eliminates the exemption of agricultural employers from the provision which requires an employer of an employee under 16 years of age and illegally employed at the time of injury, to pay 50 percent more than the entire workmen's compensation otherwise recoverable. Passed by Assembly.

AB 643 (Hicks) Adds provision that the Industrial Accident Commission may resort to interest on, or in addition to, deposited securities when self-insurer becomes liable for compensation claims. Identifies surety as released from liability by payment. Passed by Assembly.

*AB 1862 (Waldie) Provides that unpaid death benefits are to be deposited in a special fund entitled "Uninsured Employees' Fund," administered by the State Compensation Insurance Fund, from which payments are to be made to any industrially injured worker who suffered injury while employed by an uninsured employer. Cleared by Finance and Insurance Committee and referred to Ways and Means Committee.

LEGISLATIVE NOTES

(Continued from Page 2)

jects. This was a long hard struggle trying to overcome the opposition of the Department of Water Resources. The big problem is to secure money to make sure that the full potential for recreation development will not be lost in the planning and development of the state water program. The Federation is a strong advocate of the Davis bill on the grounds that if the state is to go into the water and power business, it must assume responsibility for sorely needed recreational development in connection with multiple-purpose water projects. If it can't afford to do this, then it can't afford to forego federal funds to provide water benefits for big landholders in order to free them of anti-monopoly protections for the tax payers.

Aged Medical Care

The state Senate has given approval to SB 325 (Rattigan), which establishes a state program to provide health care for the aged who are "medically indigent." This is designed to utilize the federal funds made available by the passage of the medical indigents bill in Congress last year in lieu of the social security approach supported by labor.