

## High Level Joblessness Longest Since '30s

Adjusted for normal seasonal increases in employment, August marked the ninth successive month of joblessness in the immediate vicinity of 7 per cent of the U. S. labor force and ushered in the most sustained period of this type since the 1930s.

According to a summary report for the month released by Secretary of Labor Arthur J. Goldberg, a decline of 598,000 in the ranks of the unemployed between July and August reduced the idle portion of our civilian labor force to 4.5 million.

This improvement, it was noted, was largely attributable to seasonal factors and left the adjusted rate of unemployment unchanged from its July level of 6.9 per cent. The adjusted rate has fluctuated between 6.6 and 6.9 per cent since December, 1960.

The number of unemployed in August had grown by 754,000 over the year-earlier level, at which time the rate was 5.8 per cent.

The deteriorated unemployment picture continued despite the achievement of record-level non-farm and total employment for the month. Non-farm jobs inched ahead to 62.2 million, while the number of jobholders in all areas swelled to a 68.5 million total, both figures surpassing the peaks achieved in any previous August.

**A drop-out of 200,000 workers**

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## Automation Conference Call by Governor Brown

Governor Edmund G. Brown announced this Thursday he has called a statewide conference of business and labor leaders to discuss the impact of automation on California's workers and economy.

The conference will be held in Los Angeles on November 27 and 28.

About 400 representatives of labor, industry, education and state government will be invited to attend the meeting at the Biltmore Hotel.

"We will explore every factor involved in automation to help us develop means to counteract any adverse effect this development of our times may have on our people and our economy," the Governor said.

"The impact of automation on our workers, their job security, their income, their skills and their education is of great concern to all of us.

"We must examine our resources to determine how we can help management and our workers meet the problems created by technological changes."

The Governor said he is confident that discussions among labor lead-

ers, management specialists, industrialists, technicians, educators and representatives of state agencies "will produce some guidelines for action."

While details on the conference are still to be announced, Brown said he will speak at the opening session the morning of November 27. That afternoon and the next morning the conferees will attend special sections covering all phases of automation. The sectional discussions will be summarized and recommendations for solutions to the various problems will be made at the November 28 afternoon session.

In the Governor's announcement of the conference, Brown pointed to several steps already taken by the state to help workers affected by automation.

At its 1961 session, the legislature enacted two measures supported by the Governor to alleviate problems created by automation.

Under the first, workers who lose their employment because of automation and who are eligible for unemployment benefits can receive up to \$55 a week for 26 weeks while attending school to learn new skills. (See Page 3 story on bill.)

The second measure provides that journeymen workers whose jobs are threatened by automation may study new skills on-the-job. Thus, journeymen threatened by automation have the chance to re-train before, instead of after, their skills become obsolete because of automation.

"While these steps are important," Governor Brown said, "they

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## Williams Farm Labor Bills Pass Senate

Significant steps toward closing a shameful gap in American legislation came this week when the U. S. Senate completed favorable action on five farm labor bills introduced by Senator Harrison A. Williams, Jr. (D., N. J.).

Although the Williams farm labor package originally consisted of 11 measures, those surviving upper house action dealt with some of the most thorny problems with which America's "forgotten people" have had to contend over the years. As sent to the House, the five Administration-backed bills provided for:

1. Federal registration of farm labor contractors. Senate hearings, according to Senator Williams, received "many complaints from farmers as well as workers, about the sharp practices of some crew leaders. Sometimes, farmers have been left without a work crew at harvest. Often, workers claim they have been cheated out of a large part of their earnings."

2. Establishment of a federal as-

sistance program to help states and local communities provide better educational opportunities to adults who flock within their borders during peak work weeks of the growing season. Grants totaling \$750,000 annually over a five-year period would be authorized.

3. Prohibition of farm labor on the part of children under 14 outside of school hours, except for those working on their parents' farms. Present federal restriction of child labor on farms is limited to school hours. A special census re-

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## Senate Unit Hears Consumer Complaints on Packaging

A brief but penetrating glimpse of the mass bilking of the entire consuming public through deceptive packaging and labeling practices resulted from a three-day preliminary hearing conducted by a special committee of the U. S. Senate's Subcommittee on Antitrust and Monopoly.

Headed by Senator Philip A. Hart (D., Mich.), the investigating unit was told by consumer experts that the deliberately created confusion and uncertainty characterizing the thousands of items found in the modern supermarket could be offset by a housewife only if she were armed with a slide rule, magnifying glass, computer, abacus, or a university graduate.

In addition to making it impossible for consumers to exercise a rational choice, consumer witnesses noted that the honest merchandiser is losing his market to the unscrupulous packager as a result of the anarchy fostered by the \$10 billion packaging industry.

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from the total unemployed for at least 15 weeks, reducing that group to 1.4 million, was one of the few encouraging aspects of the report. Some 900,000 persons, down 100,000 since July, remained in the group out of a job for 27 weeks or more.

Although the report viewed the improvement in long-term unemployment as "better than seasonal," a discouraging element was the rise of part-time employment for non-farm workers by 100,000 in August to a level of 3.1 million.

Goldberg, in releasing the report, forecast a decline in the unemployment rate to a level of 5.5 to 6.0 per cent by December unless "unforeseen circumstances" arose. In making the prediction, he made clear that such a rate was still "too high" in the Administration's eyes.

Responding to a query as to the Administration's course of action if a high rate of unemployment persisted into 1962, Goldberg stressed President Kennedy's declaration of support in such circumstances for public works grants and loans as proposed in the legislation drafted by Senator Joseph S. Clark (D., Pa.).

As reported by *Consumer Reports*, the principal areas in need of corrective action, according to testimony before the committee, were as follows:

1. Reducing contents without corresponding price adjustments.
2. Using misleading quantity terminology such as "Jumbo Quart" or "Imperial Quart" when both packages contain a simple quart.
3. Printing and placing required net weight declarations in the most inconspicuous possible manner.
4. Packaging in odd sizes such as 15 oz. pints and using fractions of ounces to make price comparison difficult.
5. Using misleading sizes and shapes such as skillful use of color, elongated bottles and indented containers.
6. Packaging in over-sized containers.
7. Using misleading art on the label to convey a glorified image of the contents.
8. Unfounded claims on the label.
9. Pawning off the regular price of a product as a sale price through month-after-month use of a printed "cents off" sales legend as an integral part of the package.

Rather than proposing to throw large stones at the free enterprise system, Senator Hart indicated he hoped to determine instead "whether the system is suffering because every day millions of grains of sand are being thrown in consumers' eyes."

Senator Alexander Wiley (R., Wis.) told the committee, "Today the scales and weights are only rarely seen by the purchaser. Instead, he picks up a prepackaged parcel, can, box or other container, often judging them in a hurry on external appearances.

"We have long recognized the legal doctrine of 'let the buyer beware'—but it is another thing to require the buyer to become a part-time detective."

Extensive testimony was also submitted by Senator Maurine B. Neuberger (D., Ore.), who reminded the committee, according to *Consumer Reports*, that the packaging problem seemed most grievous in the food industry since its impact was felt severely by low income groups.

The committee also received detailed testimony from Consumers

## Williams Farm Labor Bills Pass Senate

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port in 1957 estimated that over 450,000 hired farm workers were between 10 and 15 years of age. Over 235,000 were reported to be under 14 years.

4. Presidential authority to appoint a National Citizens Council on Migratory Labor to keep Congress and the public informed about problems and progress among the transient farm workers.

5. Annual grants up to \$3 million to public or other nonprofit agencies to pay part of the costs of special projects to improve health services and conditions amongst migrant farm families.

The Federation is pressing for quick House action on these bills. In a letter to Congressman John E. Moss, the only California member on the committee considering the bills, particular attention was drawn to the federal farm labor health services bill by state AFL-CIO head Thos. L. Pitts, who pointed out:

"As you know, the 1961 session of the California legislature enacted SB 282 which appropriated \$75,000 to implement a pilot health care program for farm workers. The program and staff personnel . . . have already been determined and the limited funds available for the program have been fully allocated under contracts with 11 of the state's counties.

"There is a general consensus of opinion that the success of this effort in California depends substantially on the passage of (the Williams health services bill)."

In commenting on the Senate's passage of the five bills, Senator Williams noted:

"Congress has passed legislation to help the migratory farm worker in the U. S. only twice in its entire history. One bill extended spotty social security coverage to all farm workers, including the migrants. A few years ago, when vehicles carrying migratory workers were involved in particularly bloody highway mishaps, new interstate regulations were enacted."

Union, National Consumers League, and New York's former consumer counsel Dr. Persia Campbell.



## Automation Conference

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are not the total answer. We should attempt to build the kind and level of skills necessary to keep pace with our growing technology.

"We should seek what we can do through our apprenticeship training program, the National Defense Education program, vocational guidance and counseling and our schools and colleges."

### Setback in Congress

On a related front, however, there was bad news from Washington, D.C. on the prospects for Congressional action this year on the Kennedy retraining program.

Jobless workers in need of retraining may be forced to wait another year for any federal assistance program.

Dimming hopes that were brightened last week by the Senate passage of the Kennedy retraining program, a coalition of conservative Democrats and Republicans in the House Rules Committee this Wednesday sidetracked a House version of the Administration program by declining to back a Democratic move to clear the legislation for floor action.

The House retraining measure, considered certain to pass the House if it is allowed to reach the floor, calls for a two-year, \$300 million program to help pay for vocational training and assist unemployed persons to meet their living expenses while undergoing retraining. The Kennedy Administration had recommended a more costly four-year program along the lines of the measure approved by the Senate. (See Newsletter, September 1 issue.)

It is reported that even though the sidetracked measure had been tailored in the House Labor Committee to pick up GOP support, none of the five Republican members of the rules unit would join liberal Democrats in sending the bill to the floor.

The bill would probably have received clearance had Rep. Madden (D., Ind.), one of the committee's eight liberals, been present when the Rules Committee brought the bill up for consideration. His absence left liberals and conservatives deadlocked on a 7 to 7 tie vote, which holds a bill in committee.

Unless the measure can be

## STATE RETRAINING PROGRAM MOVES FORWARD

Positive steps to utilize the unemployment insurance amendment permitting payment of benefits to unemployed workers undergoing job retraining were announced this week by state employment director Irving H. Perluss.

Perluss emphasized that his department "will not sit back and wait for displaced workers to apply... but will actively promote the program and seek out workers for retraining." The agency is cooperating now, he stated, with state vocational rehabilitation and apprenticeship standards personnel to establish suitable training courses.

"This service to workers will not stop there, however," Perluss indicated. "In addition to considering the individual for retraining, the department of employment will make every effort to place him in a new job."

Under amendments to the unemployment insurance code passed by the 1961 legislature and signed by Governor Edmund G. Brown, jobless workers as of September 15 will be relieved of the obligation to be available for, and actively seeking, employment if they are undergoing a course of retraining to fit themselves for new occupations.

The purpose of the amendments, submitted to the legislature this year as SB 20 with the backing of the state administration and organ-

brought to another vote, the Rules Committee action means the sorely needed retraining assistance from the federal government will be delayed at least until the next session of Congress in the current rush for adjournment. The only alternative for action before adjournment is use of the cumbersome "calendar Wednesday" procedure to bring the measure to a floor vote.

It is recognized that the minimum retraining legislation approved by the 1961 legislature is grossly inadequate without the financial assistance of a federal program.

While Governor Brown with the cooperation of California labor will do everything possible to promote the use of these limited tools, it is recognized that the major problem lies in developing the retraining programs for the skills in short supply. Federal financial assistance under state legislation is essential.

ized labor, is set forth in section 1266 of the code:

"Experience has shown that the ability of a large number of the population of California to compete for jobs in the labor market is impaired by advancement in technological improvements and the widespread effects of automation and relocation in our economy.

"It is the policy of this state to assist such individuals, by providing unemployment compensation or extended duration benefits during a period of retraining to fit them for new jobs and thus avoid their being forced to remain in a job classification where work opportunities no longer exist or are diminishing."

The employment director declared that "the measure reflects Governor Brown's and the legislature's concern for the problems of the unemployed in California and demonstrates the Governor's leadership in seeking to redirect the skills and abilities of California workers to occupations where they can best produce for their own good and the good of our business and industry."

The policy of the employment department under the new legislation will be to make retraining benefits available potentially to any individual who has been displaced from his job, and for whom reasonable employment opportunities do not exist or are substantially diminished.

"It makes sense to offer a man, whenever practical, the opportunity to be retrained for a new job whereby he can support himself," Perluss said, "rather than to leave him with no alternative but to exhaust his unemployment insurance benefits because there are no job opportunities calling for his old skill."

The department's trained job placement interviewers will make determinations of potential eligibility for retraining benefits. The claimant must be enrolled in an approved course of instruction for an occupation or skill for which there are reasonable opportunities for employment in the labor market. When submitting their weekly benefit claims, claimants will be required to present a certificate indicating that they are enrolled in and satisfactorily pursuing the retraining course.

California's training benefits are described under Article 1.5, Sections 1255 through 1273 of the unemployment insurance code.

FORM 3547 REQUESTED

## Wage-Hour Law Amendments Now Effective

The 1961 amendments to the federal wage-hour law went into effect on Labor Day with an immediate estimated impact on the wages and working conditions of 2.5 million low-paid workers.

### NLRB Asserts Data Processing Job Coverage

The inclusion of the new jobs spawned by automation under the jurisdiction of the National Labor Relations Board has been announced by the federal agency in a case processed by the Office Employees International Union against the Remington Rand Division of the Sperry Rand Corporation, a leading manufacturer of computers.

The board's decision held that computer operators, peripheral equipment operators, junior librarians and Univac control clerks were subject to collective bargaining. Union spokesmen expressed the belief that the development would "once and for all stop employers from attempting to exclude data processing operations from the appropriate collective bargaining unit."

At the time the case was heard, Remington Rand sought to establish the precedent that work transferred to a newly created data processing department and all positions within that department were not subject to the terms of the existing collective bargaining agreement, even though a number of the employees working in the data processing department had been transferred from other sections of the corporation covered by the collective bargaining agreement.

The NLRB ruling followed an earlier position it had taken along identical lines in a case involving the Hollywood firm of Loews, Inc.

In the greatest advance since the Fair Labor Standards Act was enacted in 1938, the new amendments:

- Bring 3.6 million men and women within the protection of the law for the first time.

- Raise the pay floor of the 23.9 million workers already covered from the present \$1 an hour to \$1.15 immediately and to \$1.25 an hour in two years.

These gains, adopted earlier this year by Congress after long pressure from organized labor, leave in greater prominence those workers in industries which remain exempt: hotel and restaurant employees, farm workers, laundry workers and others.

The federal wage-hour law had been amended in 1949 when the minimum wage was boosted to 75 cents but some 1 million workers were eliminated from coverage. In 1955 the minimum was raised to \$1 an hour. The law also requires overtime pay of time and one-half for over 40 hours in a workweek.

The 1961 amendments thus represent both a raising and a broadening of protection.

The 3.6 million workers newly covered will be subject to the following schedule:

- Beginning Sept. 3, 1961, \$1 an hour for all hours worked; no overtime pay.

- Beginning Sept. 3, 1963, \$1 an hour and overtime pay at time and a half after 44 hours a week.

- Beginning Sept. 3, 1964, \$1.15 an hour and overtime after 42 hours a week.

- Beginning Sept. 3, 1965, \$1.25 an hour and overtime after 40 hours a week.

The newly protected workers include: retail and service 2.2 million; construction 1 million; seamen 100,000; suburban and interurban trans-

it 93,000; gasoline service stations 86,000; fish processing 33,000 and telephone operators 30,000.

An additional 100,000 workers are located in firms where other workers are already covered and which do \$1 million or more in annual sales.

The largest group of the newly covered workers—those in the retail and service area—are in large companies. Only those firms are covered which have \$1 million or more in annual sales, exclusive of retail excise taxes, and which handle goods moving across state lines in an annual volume of \$250,000 or more.

The new retail amendments, however, exclude hotels and restaurants; motels; movies; hospitals and nursing homes; auto dealers and farm implement dealers; schools for handicapped or gifted children; seasonal amusement operations and small stores with less than \$250,000 in annual sales even if part of an enterprise with \$1 million or over in annual sales.

On the exemptions concerning the hotel and restaurant industry and the so-called "seasonal" phase of the canning and food processing industry, the amendments instruct the Secretary of Labor to study both problems and make recommendations to Congress in 1962.

Organized labor struggled for 15 years to extend the coverage of the wage-hour law.

Of the 3.6 million newly covered workers, it is estimated by the Labor Department that some 663,000 will receive pay increases when the \$1 minimum is applied to them from Sept. 3 on. Of the 23.9 million presently covered, it is estimated some 1.9 million had been earning less than \$1.15 an hour and so will have their wages increased.