

Amundson Joins Staff of Labor Center

Norman E. Amundson, former Assistant Secretary of the Alameda Central Labor Council, has joined the Center for Labor Research and Education as Associate Coordinator of Labor Programs.



Amundson

Amundson's appointment marks the fifth addition to the staff since the Center was created two years ago as part of the Institute's plan to expand programs in cooperation with the labor movement. Current staff members are Don Vial, Director; William Rentfro,

Coordinator of Labor Programs; Oliver McMillan, Associate Coordinator; and Sara Behman, Research Director.

Amundson, a University of Washington graduate, brings to the Center an excellent working knowledge of unions at the local and central labor council levels of operation. He will be involved primarily in developing and teaching labor courses in the Bay Area where he has many long-established relationships with local labor leaders.

Before joining the Central Labor Council in 1962, Amundson was an organizer and business representative for the Electrical Workers' Local 1245, and for two

years edited the local's newspaper, *The Utility Reporter*.

Earlier, Amundson worked as an organizer for Local 29 of the Office and Professional Employees. In 1958 he received a Fulbright Scholarship at Manchester University in Great Britain, where he studied white-collar unionism.

Prior to his first work with the labor movement as a shop steward, he taught high school in San Leandro.

In addition to his work at the Institute, Amundson is currently Chairman of the MDTA Advisory Committee for Alameda County and a member of the Hayward Human Relations Commission.

UNIVERSITY OF CALIFORNIA, BERKELEY

INSTITUTE OF INDUSTRIAL RELATIONS

BULLETIN

Vol. 9, No. 2

November 1966

Hislop Consultant On Disability Insurance Study

John K. Hislop, Coordinator of Management Programs, has been appointed Consultant to the Joint Interim Committee on Unemployment Compensation Disability Insurance.

The Joint Committee was created by the California Legislature at the 1965 General Session and is authorized and directed "... to ascertain, study and analyze all the facts relating to unemployment disability compensation benefits in California, including, but not limited to, the operation (both through the Department of Employment and voluntary plans), effect, administration, enforcement, and needed revision of any and all laws and administrative procedures in any way bearing upon or relating to this matter, and to report thereon. . . ."

Research includes an analysis of State Plan experience from 1955 to 1965 and an investigation of a sample of 1964 claimants by earnings, sex, age, and employment status at onset of disability. Particular attention is being given to claimants who are disabled for as long as 26 weeks.

The present state program is financed by a one per cent tax deducted from the first \$7,400 of annual wages and provides weekly cash benefits, plus a 20-day hospitalization allowance, to eligible workers who are unable to work because of non-occupational illness or injury.

Institute Begins Intensive Analysis Of Labor Market in S.F. Bay Area

A detailed, long-term study of the labor market in the San Francisco Bay Area has been started by the Institute.

The five-year project will include studies of several interrelated aspects of the local labor market, as well as an analysis of this labor market compared with others in the United States.

The major aim of the program, which is supported by a grant from the U. S. Office of Education, is to make a significant contribution to knowledge in the areas of labor markets and labor mobility.

The project is also intended to give advanced graduate students an opportunity to participate in survey research and analysis and to provide data for certain specialized studies being done by the Institute's Center for Labor Research and Education.

The interrelated local studies will include: (1) analysis based on existing data; (2) a survey of employer labor market policies and practices; (3) a survey of union policies; (4) a survey of employment and placement agencies, including school placement services; (5) a survey of labor mobility, to be conducted on a household basis under contract with the Bureau of the Census; (6) studies of the impact of automation on skill requirements, to be conducted in cooperation with E. R. F. W. Crossman of the School of Engineering; and (7) specialized studies of the Labor Center, which will be

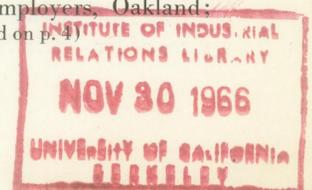
concerned initially with (a) decentralization of industry in the Bay Area and its impact on workers in central cities, and (b) changing skill requirements in the building trades.

Margaret Thal-Larsen, former Regional Economist for the U. S. Bureau of Employment Security (Western Region), has joined the Institute's staff to direct the various field surveys. The first of these, now in an advanced planning stage, is concerned with employer policies and will involve interviews at roughly three hundred Bay Area firms. The survey will cover policies on such matters as recruitment, selection, collective bargaining, wages, training, and technological change.

Lloyd Ulman and Margaret S. Gordon, Institute Director and Associate Director, will supervise the overall project and Sara Behman will direct the Labor Center's special studies.

Community advisory committees are to be appointed for the various field surveys. Employer representatives who have been consulted on the employer policy survey include Leonard Beanland, Director of Employee Placement and Development, PG&E, San Francisco; Harold Buma, Associate Director, Economic Research Department, Bank of America, San Francisco; John Cantwell, Executive Vice President, United Employers, Oakland;

(Continued on p. 4)



COMMUNITY SERVICE PROGRAMS

Labor Center

New Brochure

A new brochure — “Education for Union Leadership”—has been issued by the Center for Labor Research and Education.

The leaflet describes the programs offered by the Center and suggests that labor education is primarily concerned with meeting “the challenge of change.”

“A changing, dynamic society is straining the fabric of collective bargaining, demanding new skills and responses from labor leadership—from the steward in the shop to local and international officers at the top.”

The brochure notes that it was “these challenges and the role education might play in meeting them” that led to the formation of a Labor Center on the Berkeley campus.

Negotiated Health Plans

Union leaders who have joined together to form a statewide California Council for Health Plan Alternatives have expressed concern over the adequacy and performance of negotiated health care plans.

At four regional conferences sponsored this summer in cooperation with the Berkeley and Los Angeles Labor Centers, union representatives were sharply critical of their own efforts.

For example:

1. Although contributions have increased over 300 per cent during the past 15 years, increases have frequently been used merely to maintain existing benefits.

2. Negotiated plans are collecting and disbursing a half billion dollars a year, but little has been done to use this purchasing power to improve the quality of medical care or encourage better organization and planning of health care facilities and services.

3. Negotiated plans may be contributing to cost escalation by encouraging overuse of hospitals and not developing programs for surveillance of care.

The participating union leaders have requested research assistance from the University to conduct an independent evaluation of negotiated programs. President Clark Kerr has designated a University-wide committee to meet with Council representatives and explore areas of mutual interest.

Mental Health Project

The Labor Center has engaged the services of Dr. Irwin Shapiro, Associate Di-

Management

Public Welfare Executives

“Executive Administration and Management,” a seminar for public welfare executives, was held November 13–18 at the Claremont Hotel in Berkeley. The conference was arranged by Social Welfare Extension and the Institute and was sponsored by the American Public Welfare Association.

The seminar was one of a series being held throughout the country for public welfare executives to keep them informed on advanced techniques in administration and management. The Berkeley conference was concerned, in part, with the structure of an organization in relation to its functions and individuals’ perceptions of their organizational roles. The participants also discussed how changing public policy relates to public welfare issues and how sociological and economic variables affect the organizational environment of public welfare agencies.

Approximately sixty representatives of state and local public welfare agencies

rector of the Center for Training in Community Psychiatry in Berkeley, to help launch the San Francisco Labor Mental Health Guidance Center.

The Guidance Center is being developed in cooperation with the San Francisco Central Labor Council and the city’s Mental Health Association.

The project is a preliminary step toward expanding mental health services for union members and their families through the collective bargaining process.

The Guidance Center will combine counseling, guidance, and treatment services in an experimental research setting in an effort to identify the extent of present utilization problems, the kinds of services that are effective, and how they should be organized and related to community mental health programs.

Labor Studies Programs

Nearly two hundred paid union representatives and top local leaders are currently attending classes in five Northern California communities—San Rafael, Santa Rosa, Redding, Eureka, and Sacramento.

Under the sponsorship of local Central Labor Councils, the Labor Center is providing two hours of instruction a week in such subjects as Labor Law, Labor History, Arbitration, Leadership Psychology and Communication, Labor and Politics, Collective Bargaining, and Economics.

throughout the country attended the seminar.

Professors L.V. Blankenship, James M. Carman, Robert C. Goshay, Raymond E. Miles, and George Strauss led sessions on various aspects of organizational environment and management tools and techniques.

Special addresses were given by Mitchell I. Ginsberg, New York City Commissioner of Welfare, and Fred H. Steininger, Director, Bureau of Family Services, U.S. Department of Health, Education, and Welfare.

Bargaining in Public Agencies

Representatives of Bay Area public agencies, both local and federal, have been exploring the possibilities for training sessions on collective bargaining procedures and techniques, grievance handling, and related industrial relations problems.

With the issuance of Executive Order 10988 by President Kennedy and legislation at the state level which facilitates the creation of formal organizations of employees to bargain collectively with public agencies, a new interest has developed in learning how to use bargaining procedures more effectively.

The Institute expects to arrange several programs early next year.

PG&E Workshops

The series of two-day workshops for middle management personnel of the Pacific Gas and Electric Company has been continued this fall.

The programs are oriented to supervisory and leadership techniques and to the economic principles underlying the financing of public utilities. Professors Frederick Morrissey, Robert Goshay, and Raymond Miles have been participating in the workshops.

Philosophy of Management

A new series of Philosophy of Management seminars is scheduled for late fall and early spring.

The seminars, which are for senior executives from major Bay Area enterprises, consider various facets of broad social and economic questions and the relationship of management as an institution to these issues.

Reading for past seminars has included *Modern Capitalism: The Changing Balance of Private and Public Power* by Andrew Shonfield; the Fall 1965 issue of *Daedalus*, which was devoted to the American Negro; and selected papers related to the specific subject areas discussed.

NEGROES AND INDUSTRIAL DECENTRALIZATION

Margaret S. Gordon

Riots in San Francisco—and on a more limited scale in Oakland—have once more dramatically called attention to the critical problem of Negro joblessness. Probably a certain amount of short-run progress can be made through the types of measures that are being undertaken in San Francisco to open up employment and training opportunities—acceleration of public works programs, employer pledges of jobs for Negroes, provision of worker-trainee jobs in government agencies, and the like. But this effort is being launched at a time when nonwhite-white unemployment differentials are showing signs of increasing nationally, and probably also in the Bay Area. Moreover, imbalance between racial residential patterns and employment trends in the Bay Area greatly enhances the difficulties involved in expanding job opportunities for Negroes. Employment has been expanding chiefly around the southern rim of the Bay, whereas the Negro population is heavily concentrated in San Francisco and Oakland.

Unemployment Differentials

Despite the substantial drop in the national unemployment rate in the last few years, and a considerable decline in the nonwhite rate, recent evidence indicates that the labor market situation has been worsening for Negroes and less skilled workers in 1966. Between April and August the national unemployment rate for whites remained steady at 3.4 per cent, but gradually increased from 7.0 to 8.2 per cent for nonwhites. Moreover, according to the U. S. Bureau of Labor Statistics, employment of 16 to 19 year olds during the summer months showed a "sharp improvement in the teenage job picture" that was "heavily concentrated among white youth."

Recent unemployment data for the Bay Area are extremely limited, but the overall unemployment rate in the San Francisco-Oakland Metropolitan Area was 4.5 per cent in September, as compared with a nationwide rate of 3.8 per cent. San Francisco's rate is probably above that of the Metropolitan Area, as it was at the time of the 1960 Census. In fact, according to the California Department of Employment, the city's rate may well have worsened relative to that of the area since 1960. Various newspaper reports have estimated the rate for Negroes at 25 per cent and for Negro youths in the ghettos as high as 50 per cent.

As for Oakland, the Alameda County

Health Survey of April-July 1965 indicated an unemployment rate of 5.6 per cent for males and 5.9 per cent for females (16 years of age and over). Corresponding rates in South County (all of Alameda County south of Oakland) were 2.5 per cent for males and 5.5 per cent for females. But in the "target" areas of Oakland—most of which are heavily Negro—the jobless rate was 10.4 per cent for men and 10.9 per cent for women. Rates for nonwhite teenagers—probably much higher—were not revealed.

Stagnating Employment

Particularly in San Francisco—and probably to a less critical extent in Oakland—a stagnating employment situation greatly exacerbates the problem of opening up jobs for Negroes. In part, the stagnation is associated with the leveling off of San Francisco's population growth, in contrast with the growth of the suburbs.

But this is by no means the whole story. Industrial decentralization is also stimulating a much more rapid growth of employment opportunities outside the central cities. In the last decade or so, most of the industrial expansion in the Bay Area has taken place in southern Alameda County, southern San Mateo County, and the San Jose Metropolitan Area (Santa Clara County).

Lack of comparable statistics makes it difficult to document this industrial decentralization fully, but the 1960 Census showed that the number of employed civilian workers residing in San Francisco declined from 331,000 to 329,000 between 1950 and 1960, whereas in the surrounding five-county area (Alameda, Contra Costa, Marin, San Mateo, and Santa Clara counties), the number increased from 584,000 to 896,000 in the same period. Among major industry groups, the contrast was greatest in manufacturing, in which the number of employed workers in San Francisco declined by 2.5 per cent, as compared with an increase of 82.0 per cent in the surrounding five counties.

Establishment statistics—much more satisfactory for our purposes—are available on a comparable basis for recent years and show that employment increased only slightly in San Francisco in the first half of the sixties.

For a detailed look at manufacturing employment trends, reasonably satisfactory data are available over a longer period. Between July 1950 and July 1965, manufacturing employment declined 9.2 per cent in San Francisco County, as com-

pared with an increase of 81.0 per cent in the surrounding five-county area. Moreover, in San Francisco employment fell off in *almost every* manufacturing industry group, whereas in the five-county area, there were sizable percentage increases in 10 industry groups and moderate increases in several others.

There is little question that manufacturing firms are moving out of San Francisco to a certain extent, but the *main* reason for San Francisco's relative industrial decline is simply that most of the expansion is occurring around the southern rim of the Bay. The reasons are many—the growth of truck transportation, the expansion of freeways, the availability of vacant and relatively cheap land in outlying areas, the development of industrial parks, and perhaps tax or labor cost advantages in some situations. The Institute is studying this phenomenon as part of its five-year program of labor market research.

All this is a further complication in a situation in which San Francisco, as a commercial and financial center, has long had a high proportion of white-collar jobs. In other words, the occupational structure of employment in the city *also* compounds the difficulty of expanding job opportunities for unskilled and relatively uneducated Negroes.

Residential Patterns

The vast majority of Negroes in the Bay Area are heavily concentrated in San Francisco and Oakland, along with several smaller cities with long-established Negro areas, such as Berkeley, Richmond, and Vallejo. Such recent evidence as is available suggests that this pattern has not changed appreciably, and that the relative concentration may even have increased since the 1960 Census. The Alameda County Health Survey showed that from 1960 to 1965 the Negro population of Oakland rose from 22.1 to 30.0 per cent of the total, while that of the Berkeley-Albany area rose from 17.4 to 20.6 per cent. On the other hand, the proportion of Negroes in South County fell from 1.3 to 0.1 per cent.

In San Francisco, also, the proportion of Negroes has been rising—from 10.1 per cent in 1960 to 12.1 per cent in 1965. Recent data are not available for San Mateo and Santa Clara counties, but their percentages of Negroes in 1960 were very small—2.4 per cent in San Mateo County and 0.6 per cent in Santa Clara County.

(Continued on p. 4)

RECENT INSTITUTE PUBLICATIONS

BOOKS

Prosperity and Unemployment

Edited by Robert Aaron Gordon and Margaret S. Gordon

(New York: Wiley, 1966; \$6.95, hard cover; \$3.95, paperback)

A collection of papers presented at the third annual conference conducted by the Institute as part of its research program on Unemployment and the American Economy. The authors deal with the forces which have been determining the course of employment and unemployment in the United States and make suggestions regarding the kinds of policies needed to achieve and maintain full employment.

Managerial Thinking: An International Study

By Mason Haire, Edwin E. Ghiselli, and Lyman W. Porter

(New York: Wiley, 1966; \$7.95)

A comparative study of managerial attitudes in 14 countries. Data were collected from 3,600 managers on leadership

policies, the managerial role, and the satisfactions and motivations associated with managerial positions. The authors interpret the significance of their findings.

The Validity of Occupational Aptitude Tests

By Edwin E. Ghiselli

(New York: Wiley, 1966; \$7.95)

Ghiselli summarizes the scientific literature on the effectiveness of different types of tests in the selection and placement of personnel in a wide spectrum of jobs. The book is testimony to the fact that occupational behavior is predictable and that it is possible by objective and impartial means to assess aptitudes for different kinds of work.

REPRINTS

Personnel Management: A Review of the Recent Psychological Literature, by Lyman W. Porter (No. 278)

What Can We Expect From a Theory of Development? by Harvey Leibenstein (No. 279)

The Purge of the Trotskyites From the Teamsters, by Ralph C. and Estelle James (No. 280)

The Affluent Organization, by Raymond E. Miles (No. 281)

The British Post Office Strike of 1964, by B. V. H. Schneider (No. 282)

Class, Class Consciousness, and American Workers, by Harold L. Wilensky (No. 283)

Incremental Capital-Output Ratio and Growth Rates in the Short Run, by Harvey Leibenstein (No. 284)

Allocative Efficiency vs. "X-Efficiency," by Harvey Leibenstein (No. 285)

Politics of Professionals, by Seymour Martin Lipset and Mildred Schwartz (No. 286)

(Single reprints are free; additional copies are 20 cents each.)

Negro Unemployment

(Continued from page 3)

It is difficult to say how much Negro residential segregation is attributable to discrimination in the sale of tract housing and how much to an extremely limited supply of low-cost rental housing in the southern part of the Bay Area. Some Negroes commute to the areas of expanding job opportunities. However, the distances involved tend to be shorter in the East Bay than in the West Bay. The Bay Area Rapid Transit System will doubtless improve the situation in Alameda County, but will not operate in San Mateo or Santa Clara counties.

Conclusion

There appears to be considerable agreement among civil rights workers and anti-poverty warriors that breaking down the barriers to Negro employment should re-

ceive No. 1 priority over such problems as housing discrimination and school segregation. This view is probably correct, and yet the trends discussed in this article suggest that the job problem may be very difficult to solve through efforts limited to the central cities. It may well require a much broader attack on employment, housing, and transportation problems in large labor market areas to correct existing imbalances between residential patterns and job opportunities.

Labor Market Study

(Continued from p. 1)

A. E. Ellison, Chief Statistician, Pacific Telephone, San Francisco; Harry Erickson, Executive Director, Associated General Contractors, San Francisco; Jack B. McCowan, Vice President, Fireman's Fund American Insurance Company, San

Francisco; Clarence Mellman, Director of Labor Relations, California Trucking Association, Berkeley; Warren Philbrook, Director of Personnel Administration, FMC Corporation, San Jose.

John B. Richards, Director of Employee Relations Services, California Metal Trades Association, South San Francisco; Donald Rutledge, Director, Personnel and Public Relations, Varian Associates, Palo Alto; John A. Scalone, Executive Director, California Processors and Growers, Oakland; Angelo Siracusa, Vice President, S. F. Bay Area Council; William Smith, Executive Vice President, Federated Employers of the Bay Area, San Francisco; Stephen Snow, Northern California Motor Car Dealers Association, San Francisco; Percy Steele, Executive Director, Bay Area Urban League, San Francisco; G. Luther Weibel, Personnel Director, Macy's, San Francisco.

INSTITUTE OF INDUSTRIAL RELATIONS **BULLETIN**

Published by the
Institute of Industrial Relations
University of California
Berkeley, California 94720
Director: Lloyd Ulman
Editor: B. V. H. Schneider

Nonprofit Organization
U. S. Postage
PAID
Berkeley, Calif.
Permit No. 1