

# Alliance to Rally Over Budget

A major demonstration Tuesday, May 21, on the steps of the State Capitol at Sacramento is the first public event scheduled by the labor-community alliance that is campaigning for just solutions to the California budget crisis.

The demonstration, called by the AFL-CIO California Federation of Teachers, will start at 11:45 a.m. on the east steps of the Capitol, according to Jack Henning, executive secretary-treasurer of the California Labor Federation.

Members of unions from

throughout the state will be joined by persons from other groups fighting for justice in the state budget. Hundreds of delegates to the annual state AFL-CIO Legislative Conference will be there.

Organization of the alliance and strategy planning sessions continued meanwhile, spurred by reports that the joint Assembly-Senate budget conference committee still had proposed no significant closing of corporate tax loopholes and had not taken a firm stand on restoring income taxes for the wealthy.

All legislators on the conference committee except for one Assembly Republican approved new taxes worth \$2.2 billion proposed by Gov. Pete Wilson for phone calls, snack foods, candy bars, newspapers and liquor, most of which are expected to impact more upon low- and middle-wage Californians than upon the well-to-do.

The committee withheld approval of Wilson's proposal for a regressive 1.25 percent hike in the sales tax, and one Democrat, Assembly Member John Vascon-

cellos of San Jose, said the group wanted "some agreement on the personal income tax."

Henning called the conference committee position unsatisfactory, pointing out that the labor-community alliance demands restoration of the pre-Deukmejian state income tax of 11 percent on single persons with more than \$100,000 a year and families with more than \$200,000.

Corporations, beneficiaries of tax breaks over the past eight years, also must shoulder an equitable share of the cost of balancing Cali-

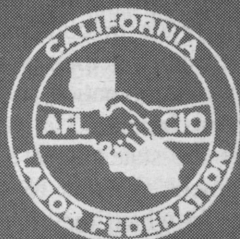
fornia's budget, Henning said.

Trade union delegates from throughout California adopted a six-point statement for the alliance last week during an organizational meeting held in San Francisco on the call of the state AFL-CIO.

Blocking conservative efforts to use the budget crisis as an excuse for destroying social programs is a key goal, along with just distribution of the new taxes that must be raised.

The six points are:

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# Capitol Conference Crucial

Issues certain to shape the lives of California workers for years to come will confront delegates to labor's 1991 Legislative Conference May 20-22 at Sacramento.

The state budget crisis imposes an entire new agenda on top of the array of bills vital to wage-earners that will be up for action, Jack Henning, executive secretary-treasurer of the California Labor Federation, pointed out.

"The question is whether conservatives will succeed in using this budget crisis to wipe out social programs and to unfairly shift tax burdens onto low- and middle-income wage earners," Henning warned.

"The labor movement's participation in the legislative process has never been more important to the future of California."

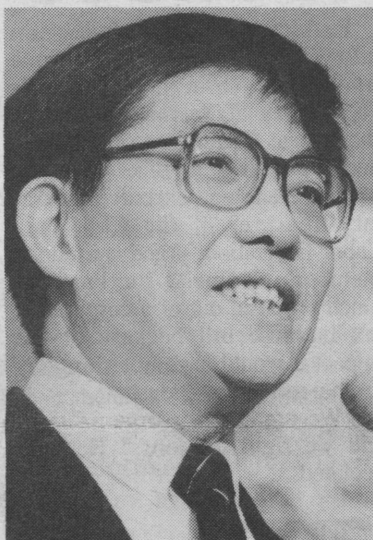
The 1991 Legislative Conference is sponsored jointly by the state federation and the State Building and Construction Trades Council of California.

Delegates will be called to order at 9:30 a.m. Monday, May 20, at the Radisson Hotel, where conference sessions will take place.

Monday will be devoted to reviews of legislation that participants will discuss with Assembly members and state Senators during visits to the Capitol on Tuesday.

There will be addresses Monday by key legislators. Carl Covitz, secretary of Business, Transportation and Housing, is scheduled to speak for the Pete Wilson Administration.

Tuesday's visits with legislators will be interrupted at 11:45 a.m. for a mass rally on the east steps of the



Chang-Lin Tien



Bev Hansen



Carl Covitz



Kathleen Brown

Capitol by the labor-led alliance campaigning for just solutions to the budget crisis. (See story elsewhere in this edition.)

The conference will conclude on Wednesday following reports on the visitations with legislators during a general session at the Radisson.

Speakers on Monday will include Lieut. Gov. Leo McCarthy, Controller Gray Davis, Assembly Speaker Willie L. Brown, Jr., and Senate President Pro-Tem David Roberti.

Assembly Member Bev Hansen of Santa Rosa, chair of the Republican Caucus, will address the delegates.

Chancellor Chang-Lin Tien of the University of California at

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## Facts Derail 'Fast Track'

An ad in the New York Times has laid out in simple words what George Bush's plan to ram his North American Free Trade Agreement through Congress on a legislative "fast track" means to wage-earners in this country.

"Save up to \$25,000 per assembler (worker) per year," states the ad, which promotes seminars for business operators.

"Learn how to start up and operate in Mexico. You can be in operation in 90 days or less without red tape or long-term commitments."

An AFL-CIO public opinion poll, meanwhile, demonstrates that most Americans are against the free trade treaty once they hear all

the facts about the impact upon workers in the U.S.

The poll, released by AFL-CIO Secretary-Treasurer Tom Donahue encouraged labor activists fighting to derail Bush's fast track campaign.

"When people have heard arguments on both sides, 58 percent are opposed to the so-called 'free trade' agreement," Donahue pointed out.

"An overwhelming majority — 72 percent — say that it is a bad idea for Congress to give fast-track authority to the Bush Administra-

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# Cal-OSHA Bosses Back Down

It appears that Cal-OSHA administrators won't be attempting after all to get instant enactment of ergonomic standards that would immediately invalidate San Francisco's new VDT worker protection ordinance.

Michael Mason, Cal-OSHA chief legal counsel, said Wednesday that there would be at least one additional meeting of the ad hoc advisory group that was hurriedly assembled week before last.

As for the ergonomic standards that would pre-empt the new San Francisco ordinance and all others like it, Mason insisted that "fast track" approval as an emergency measure was only one of several options under consideration at Cal-OSHA.

That wasn't the message that

labor representatives understood when Frank Ciafola, Cal-OSHA deputy director, assembled the ad hoc group on April 25.

Ciafola told them then that Cal-OSHA intended to forge ahead regardless any objections they might voice. He indicated his office might even try to put the proposals on the agenda of the Cal-OSHA Standards Board meeting scheduled for next Thursday, May 16, at Los Angeles.

The new assurances by Mason were welcomed by VDT activists who had labored for years to achieve protections for the growing legions of workers subjected to repetitive trauma disabilities and other ailments while earning their livings at computer terminal keyboards.

Hurrahs over passage of the S.F. ordinance still are echoing.

Leaders in the VDT Coalition, including Kathleen Kinnick of the California Labor Federation, who fought for the ordinance are to be honored tonight by the Coalition of Labor Union Women (CLUW) during an awards banquet at the Claremont Hotel in Berkeley.

State regulation of VDTs is a goal of organized labor, but seeing the S.F. ordinance pre-empted by obviously inferior worker protections would be bitterly ironic.

Local worker safety and health ordinances are valid only as long as the state agency does not exercise its prior right by enacting standards of its own.

Mason said the ad hoc advisory group would be called back into

session "as soon as possible." He said the goal was to hold the meeting within two to three weeks.

The Cal-OSHA lawyer said the decision to hold another meeting was made "in light of comments at the first meeting and written comments received later."

The ergonomic standards unveiled two weeks ago are without any of the mandatory safeguards contained in the S.F. ordinance, other local ordinances under consideration in California, or the labor-sponsored bills that have failed in the past six sessions of the Legislature in the face of intensive lobbying by employer organizations and the computer industry.

For instance, the American

(Continued on page 4)



# Workers' Comp Study Clears Committee

The bill that will enable a special commission to complete its study of workers' compensation insurance rates finally has broken through a roadblock thrown up by insurance industry lobbyists at the State Capitol.

**Assembly Bill 1560** cleared the Assembly Insurance Committee and was sent to Ways and Means on Tuesday after Burt Margolin, D-L.A., the author and also the committee chair, was able to muster a bare majority.

The measure had failed for two weeks in a row to get enough votes to move out of committee. Labor wants the bill passed. The insurance industry wants it killed.

**AB 1560** will give the Workers' Compensation Insurance Rate Study Commission until next Feb. 22 to report back to the Legislature with alternatives to the law guaranteeing profits to even the most inefficient private carriers operating in California. Without the bill, the commission will go out of business in September.

Establishment of the commission to critically examine California's compensation insurance rate-setting procedures was a key part of the Workers' Compensation Insurance Reform Act passed in 1989 with AFL-CIO backing.

**AB 1095**, the bill sponsored by the California Labor Federation to lower the unemployment rate that triggers supplemental jobless benefits, also was approved by the Insurance Committee and sent to Ways and Means on Tuesday.

The measure, authored by Assembly Member Dick Floyd, D-Carson, would lower the trigger

from six percent to four percent unemployment. The Employment Development Department, whose gubernatorially appointed administrators oppose **AB 1095**, concede that the bill would pump a welcomed \$280 million a year into California's ranks of the unemployed when there are surges in the numbers of unemployed.

Action was delayed on a number of bills critical to working people.

The Senate Judiciary Committee put over for one week action on **Senate Bill 486**, by Nick Petris, D-Oakland, which make California law conform to federal statutes on liability of a union for individual acts of members.

The bill is aimed at halting harassment suits seeking to bankrupt unions by forcing them to pay out of their treasuries any time damages are attributed to persons belonging to the union.

**Senate Bill 956** by Art Torres, D-L.A., the state AFL-CIO bill to halt legislation of the 12-hour day without overtime pay, was placed in the suspense file of the Senate Appropriations Committee for late consideration in light of its possible impact upon the state budget.

The measure aims at preventing the Industrial Welfare Commission from wiping out historic eight-hour day protections in any more of the state's industrial work orders and replacing them with 12-hour work days without overtime pay. It also would restore the eight-hour day in four wage orders already altered by the majority of the gubernatorially appointed IWC.

The Wilson Administration sent Department of Finance spokes-

## Cal State Agency Shop Wins Assembly Approval

The "fair share" bill authorizing an agency shop agreement between the California State University system and the California Faculty Association was approved by the Assembly yesterday.

**Assembly Bill 166** by Jack O'Connell, D-Carpinteria, passed on a party-line ballot with opposition by Republicans.

A similar measure was passed by the Legislature last year but was vetoed by then-Gov. George Deukmejian.

Assembly Member Gil Ferguson, R-Newport Beach, advocate of so-called right-to-work legislation, argued against passage.

"The unions want this Legislature to act as their goons to force people to pay union dues," he declared.

Ferguson's own anti-labor bill, an attempt to outlaw the union shop for all public employees in California, was killed last month by the Assembly Committee on Public Employees,

Retirement and Social Security.

**AB 166** goes to the Senate where another higher-education agency shop bill awaits a floor vote.

That measure, **Senate Bill 1012** by David Roberti, D-L.A., would authorize agency shop agreements on campuses of the University of California. It is sponsored by the American Federation of State, County and Municipal Employees.

In another floor vote yesterday, the Assembly passed **AB 1330** by John Burton, D-San Francisco, the measure calling for investment of state retirement funds in companies that adhere to the MacBride Principles as a means of ending sectarian discrimination and halting violence in Northern Ireland.

The bill requires the state public employee and teacher retirement systems to consider whether companies in which they invest pension reserves have subscribed to the MacBride Principles.

persons before the committee to argue that it would cost the state \$200,000 to reprint wage orders if the 12-hour-day were rolled back, and this provided grounds for the delay.

Also sent to the Appropriations Committee suspense file after testimony by Department of Finance was **SB 729** by Milton Marks, D-S.F., the anti-carpetbagger bill that would require minimum percentages of jobs on public works contracts to be filled by California residents.

Action was delayed Tuesday in the Assembly Public Safety Committee on one bill staunchly opposed by labor.

That measure is **AB 2144** by William P. Baker, R-Danville, which would enable any non-profit organization to make use of prison labor.

## Deduction Debate Focuses on Jobs

Reducing the tax deduction allowed for business meals came under fire from labor leaders Wednesday at Sacramento before the Senate Committee on Revenue and Taxation.

Jack Henning, executive secretary-treasurer of the California Labor Federation, urged committee members to amend the business lunch proposal out of a corporation tax increase bill because of the impact it would have upon workers in the restaurant industry.

"We are a labor organization, and we fight for jobs," Henning declared.

Also arguing against reducing the business lunch tax deduction was Teddy Hansen, vice president of the state federation and head of Local 49 of the Hotel Employees and Restaurant Employees at Sacramento.

Appeals for preservation of the deduction came also in letters and telegrams from Ed Hanley, international president of HERE, and from local unions throughout the state.

The proposal is contained in **Senate Bill 292** by Daniel Boatwright, D-Concord, which was approved without amendment.

The bill has three distinct parts, two of which Henning praised during the committee hearing. These call for restoring higher taxes for single persons with incomes above \$100,000 and couples above \$200,000, and increasing bank and corporation taxes.

The part of the measure that affects restaurant workers calls for reducing from 80 to 70 percent the portion of a business meal bill that can be declared as a tax deduction. Henning pointed out that banquets would be impacted as well as business lunches.

## Health Care Debate takes Shape

Three health care bills including one supported by the California Labor Federation were approved by the Assembly Insurance Committee Wednesday in action setting the stage for a major debate later in the legislative session over the growing problem of workers without any medical coverage.

Approval was voted with the understanding that all three bills eventually will be submitted to an Assembly-Senate conference committee along with other health care measures originating in the Senate.

Approved Wednesday were:

• **Assembly Bill 14** by Burt Margolin, D-L.A., the so-called "play or pay" plan supported by the California Labor Federation. Employers not providing medical plans would be assessed to pay for coverage through a state-operated fund.

• **AB 755** by Bev Hansen, R-Santa Rosa, supported by small employers and some segments of

the insurance industry, which would provide some insurance law reforms but would mandate no coverage.

• **AB 2070** by Phillip Isenberg, D-Sacramento, which would require some insurance reforms and cost containment without imposing any mandatory coverage.

The only health care measure in

the Senate currently supported by the state federation is **SB 1048** by Art Torres, D-L.A., which would take some initial steps toward controlling costs and assuring quality of care.

Its provisions include requirements that doctors and outpatient facilities report their services and

charges, and that hospitals provide information on severity of patient condition.

On Wednesday, the Senate Rules Committee referred **SB 1048** to the Health Committee where it met its demise last year. Advocates for the bill were attempting to get a referral to the Insurance Committee.

## Labor Bills Go to Full Assembly

Three additional bills sponsored or supported by the California Labor Federation have been sent to the full Assembly by the Committee on Ways and Means.

Cleared for debate and voting on the floor of the Assembly are:

• **Assembly Bill 1545**, sponsored by the state federation and authored by Terry Friedman, D-L.A., chair of the Assembly Committee on Labor and Employment. **AB 1545** will bring penalties for violating a number of Cal-OSHA workplace safety and health regulations into compliance with

those mandated by federal OSHA.

• **AB 1546**, also by Friedman, requiring employers to allow workers to use accumulated sick leave when they must remain at home to care for ailing children.

• **AB 713** by John Burton, D-San Francisco, requiring regional hearings concerning the impact on free workers of any hiring out of convicts under the initiative sponsored last November by then-Gov. George Deukmejian. The measure would block any convict labor project that costs the jobs of 20 or more free workers in any county and would

require any such project to be halted if 20 free workers lose their jobs because of it in any county.

The Ways and Means Committee placed **AB 101** by Friedman, the measure prohibiting discrimination in employment or housing on the basis of sexual preference, in its suspense file for action later in the session when bills with direct impact upon the state budget will be considered.

Jack Henning, executive secretary-treasurer of the California Labor Federation, testified in favor of **AB 101**.

## Court Scolds Sweatshop Operator

Lawyers for the San Francisco sweatshop operator slapped with a court order to cease harassing his employees got a scolding from a federal judge yesterday when they went shopping for a friendlier venue.

The lawyers tried to persuade the federal judge to take over the case of Wai Fung Investments, Inc., from the S.F. Superior Court in which the garment manufacturer faces contempt charges for violating an earlier order.

What they got was a reprimand and orders to pay court costs incurred by the Garment Workers Center, an outreach center operated by the International Ladies Garment Workers in cooperation with the Asian Law Caucus.

Wai Fung faces contempt proceedings for continuing to violate the earlier Superior Court order to stop threatening workers over unpaid overtime and to cease trying to get them to sign documents surrendering their rights.

"Wai Fung's actions demonstrate

defiance of the court order and contempt for the rights of their workers," said David Bacon, organizing director for the Pacific Northwest District Council of the ILGWU.

Full-page ads placed in a number of Chinese language newspapers by Wai Fung but attributed to unnamed employees, continue to accuse the Garment Workers Center and the Asian Law Caucus of stirring up trouble among sewing factory employees.

Katie Quan, ILGWU district

council manager, says the ads help rather than hinder.

"We're grateful to Wai Fung for advertising the services and advocacy that our center offers to workers," Quan said. "We could never have afforded to buy so much advertising ourselves."

"But the ads also show clearly that while Wai Fung spends thousands to repair its public image, it won't spend a penny to compensate workers for their thousands of hours of unpaid overtime," Quan added.

### Datebook

California Labor Federation and State Building and Construction Trades Council of California Joint Legislative Conference: May 20-22, Radisson Hotel, Sacramento.  
Executive Council, California Labor Federation: June 5 and 6, Capitol Plaza Holiday Inn, Sacramento.

### Publisher's Notice

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# HERE Protests at Three L.A. Hyatts

Hundreds of hotel workers were backed by other union members and community activists in a massive protest May 1 against the Hyatt Corporation's attempt to cut benefits, reduce wages and impose substandard conditions upon employees at three Hyatt hotels in Los Angeles.

Affected by the confrontation are some 600 members of Local 11 of the Hotel Employees and Restaurant Employees who work at the Sunset Boulevard Hyatt, the Hyatt Wilshire and the downtown Hyatt Regency.

The May Day rally was held at the downtown Hyatt Regency. The Rev. Luis Olivares, Dr. Mark Ridley-Thomas and other community leaders called upon the Hyatt Corporation to agree to the same collective bargaining terms that have been accepted by competing luxury hotels in Los Angeles.

Hyatt's decision to cut off paid health coverage was defined as a major issue.

"Only a company as arrogant as Hyatt would cut off the medical benefits of low-paid, hard-working people," said Maria Elena Durazo, president of HERE Local 11.

"Hyatt's action only intensifies the crisis facing L.A. County health facilities. There's no reason the taxpayers should pick up the financial burden caused by the callousness of this wealthy company," Durazo



**Members of HERE Local 11 demonstrate outside L.A. Hyatt Regency in protest against the corporation's cutting off of health care benefits and refusal to sign collective bargaining agreement at three L.A. hotels.**

added.

Hyatt stopped making full contributions to the union health plan for employees of the three hotels last October, forcing the workers to make up the difference out of

pocket. Two weeks ago the workers voted to stop making the out-of-pocket payments, and now Hyatt is demanding payment of \$105 per month from each person for participation in a new, company-spon-

sored health plan. It is more than most of the low-paid hotel workers can afford to pay.

"It is a disgrace," Durazo declared. "Our members just went three years without a wage increase. Now they're being forced to choose between getting decent medical care and feeding their families."

Rally speakers urged Los Angeles residents to support the 600 Local 11 members by withholding patronage from the three affected hotels and by protesting directly to Jay Pritzker, 200 West Madison Ave., 40th Floor, Chicago 60606.

Union members, borrowing from the corporation's advertising slogan, displayed banners proclaiming "The Hyatt Touch Hurts," and "The Real Hyatt Touch: An Assault on Los Angeles Workers."

The touch, workers charge, has meant:

- No pay increases since April, 1989, and no retroactive payment of the hundreds of dollars owed to each of the Hyatt employees, who now are the lowest-paid union hotel workers in L.A.
- The health care take-away.
- Arbitrary firing of workers without appeal.
- The so-called "Hyatt Work Week," enabling the company to schedule work weeks back-to-back

and to keep employees on the job for 10 days straight without overtime pay.

• Halt in contributions to such negotiated benefits as the union-employer legal plan.

Literature distributed by rally participants laid out charges of sexism, discrimination in promotions, racism in hiring, and uncorrected health and safety hazards.

Also charged was bountiful use of public funds by Hyatt to finance hotel projects and by the Pritzker family to increase its vast wealth, estimated by Fortune Magazine at more than \$6 billion.

Purchase by the Pritzkers of the bankrupt Lyons Savings and Loan at a fire-sale price was cited.

The bankrupt thrift, now resurrected as the Pritzker-owned Superior Bank, was purchased with 645 million federal dollars, or 15 U.S. dollars for every dollar put up by the Pritzkers and their partners according to the Fortune Magazine article.

Ironically, the magazine reported, what money the Pritzkers did put up was obtained by mortgaging the Hyatt Wilshire Hotel, one of the three where low-paid workers are being asked to reduce their living standards even further.

## Paperworkers Campaign in S.F.

The case against International Paper Corp. for union-busting, community-bashing, environment-polluting and OSHA-scoffing will be presented by the United Paperworkers International Union at 11 a.m. Tuesday in San Francisco.

The occasion is the annual IP shareholders meeting, set to open at 9:30 a.m. at the Mark Hopkins Hotel.

Paperworkers plan to post their informational picket line at the hotel at 8:45 a.m. to provide full details of the history of worker abuses that have landed the corporation on the AFL-CIO national boycott list.

At 11 a.m., or as soon as the stockholders' meeting adjourns, union representatives will start the citizens' meeting in the Golden Gate Room at the Mark Hopkins.

Some of the organizations co-sponsoring the event are the California Labor Federation, International Longshoremen's and Warehousemen's Union, S.F. Labor Council, AFL-CIO Industrial Union Department, AFL-CIO Region VI, Greenpeace, National Toxics Campaign, American Committee on Africa, Free South Africa Labor Committee, and S.F. Anti-Apartheid Committee.

## Workers Applaud As Merger Fails

Rejection of the merger that would have created the largest public utility company in the country was celebrated this week by union members employed at Southern California Edison and San Diego Gas and Electric.

The California Public Utilities Commission decision turning the deal down on Wednesday was total victory for Local 465 of the International Brotherhood of Electrical Workers, representing 5,000 employees of SDG&E; IBEW Local 47, with 2,200 members there, and Local 246 of the Utility Workers, representing employees of the much larger SCE, with a service area centering on Los Angeles.

SDG&E employees erupted into celebrations when the PUC's unanimous decision was announced.

"If you ever were at Times Square in New York on New Year's Eve, then you know how it was around here," David Moore, business manager of IBEW Local 465, said at San Diego.

There was celebrating also among members of the broad coal-

ition that joined with the unions to fight the merger.

"They (Southern California Edison) were essentially the state's power bullies," said Audrie Krause, executive director of Toward Utility Rate Normalization (TURN), the San Francisco-based consumer watchdog group that coordinated coalition actions.

Besides labor, the Sierra Club and Greater San Diego Chamber of Commerce were among the leaders in the coalition that brought together organizations seldom allied.

They overcame a three-year campaign on which the two utility companies spent nearly \$300 million of their stockholders' funds.

The PUC ruled that the merger failed to meet seven specifications approved by the Legislature in 1989, shortly after the two corporations announced their intentions.

One of these was benefits to employees, which the commissioners decided the merger could not promise.

## L.A.'s Nellie Crowley to Be Honored

Nellie Crowley will be honored for her 43 years as a union leader and community activist during a testimonial dinner Thursday evening, May 16, at Steven's Steak House in Commerce.

Crowley, a long-time member of the Executive Board of the Los Angeles County Federation of Labor, is an international vice president of the Laundry and Dry Cleaning International union.

She's held every office in Laun-

dry Workers Local 52 at Los Angeles, from shop steward to president. Currently she is the local's executive secretary-treasurer emerita.

Crowley has served on numerous

### SEIU Local 535 Seeks Field Rep

Service Employees Local 535, the statewide social service and health care workers union, is seeking a full-time field representative at Oakland.

community organizations, including the Los Angeles Mayor's Commission on the Status of Women. She's also been president of the Los Angeles Branch of the A. Philip Randolph Institute.

Job announcements are available from Regional Director David Kramer at 661 27th St., Oakland 94612. The phone is (415) 893-8766.

## Cinco de Mayo Fête for LCLAA

The new Ventura County Chapter of Labor Council for Latin American Advancement (LCLAA) received its charter from national officers of the organization and congratulations from Jack Henning, head of the California Labor Federation, during a Cinco de Mayo celebration held last Saturday at Laborers Local 585 Hall in Ventura.

Al Montoya, national executive director of LCLAA, presented the charter to Vincent Ruiz, chapter president and president of the Ventura County Board of Education.

Oscar Sanchez, secretary-treasurer of national LCLAA, presented certificates to chapter members who participated in a successful get-out-

the-vote campaign prior to last November's general election.

Honored were Hank Lacayo, president emeritus of national LCLAA and chapter vice president; Leo Valenzuela, chapter treasurer and business manager of Local 585, and David Valenzuela, Local 585 president.

Henning compared contributions of varying cultures to the American society to the weaving of fabrics into a tapestry.

Ruiz noted that Henning's father was a native of Ventura and that a local school was named for one of Henning's aunts who taught in the county for half a century. He presented the labor leader with a photo of the May Henning School and a



**Members of the Laborers Local 585 'Los Coyotes' band are, from left, Miguel Angel Preciado, Manuel Cordero and Humberto Preciado.**

1936 photo of Miss Henning and the last class she taught before her retirement.

The state federation also was rep-

resented by Tony Castillo, field representative and state LCLAA coordinator.

Nearly 300 persons participated

in the celebration and a barbecue.

Music was provided by Los Coyotes, a musical trio composed of members of Local 585.



# CSEA Leader Asks Budget Justice

All workers must get behind the campaign for a just solution to the state's budget crisis, President Yolanda Solari of the California State Employees Association declared this week.

Solari noted that the governor has proposed solving the budget crisis in part by raising a significant amount of new tax revenue, something opposed by the governor's Republican Party. Instead, the GOP right-wingers want to seize the crisis as an excuse for wholesale stripping away of social programs.

Solari, a vice president of the California Labor Federation, said Wilson should be applauded for proposing to raise taxes.

"However, the applause stops there," the CSEA president declared.

"His proposal would eliminate

all the statutory cost of living allowances (COLAs), having the impact of placing the burden of cuts on the least fortunate in our society.

"His proposal not only freezes grant levels to the poor, but actually decreases the help the state would provide in the face of higher living costs.

"Calling this draconian would be charitable," Solari continued.

"The tax side of his proposal also is unfair. Barely any attention at all is paid to the wealthy and special interests while in area after area he is increasing taxes on moderate- and middle-income people.

"An increase in the sales tax, motor vehicle fees, a sales tax on telephone calls...these are all regressive tax increases."

Solari cited tax loopholes that are benefitting corporations and the

wealthy at the expense of other California residents.

"Over the past several years we have cut back the bank and corporation tax, lowered the top tax rate on our wealthiest individuals, rolled back the unitary tax on multinational corporations and expanded business tax write-offs through the net operating loss provisions," Solari pointed out.

"But now that it is time to increase taxes, do we look to these same people?" Solari asked.

"No. Apparently tax cuts are only for the wealthy. The rest of us get tax increases.

"The priorities need to be re-focused," Solari said.

"We must fight for a full service California with a fair tax code.

"California used to be a model state for public service, and our economy reflected it.

"Now critical local government services go unfunded. California ranks 49th of the 50 states for the number of its state employees on a per capita basis, so obviously we aren't providing the state services we need."

She called for concerted action to send a clear message to the Legislature.

"We must all unite to show 120 legislators and the governor that working people will stand together for a just society.

"We are willing to pay our fair share of taxes, but the wealthy and special interests must pay their share too," she concluded.

"And we are determined to provide quality service to all Californians."

Solari also declared that cutbacks focused exclusively on state workers would be opposed strenuously

by CSEA, Local 1000 of the Service Employees International Union.

The Wilson Administration has proposed shifting \$80 million a year in health care premiums from the state to individual state employees by freezing state contributions at current levels.

Announced earlier was the assent of a budget conference committee including Democrats to the Wilson Administration proposal to take a total of \$351 million out of state employees' pockets through pension plan cutbacks and mandatory furloughs as well as through the health care cost shift.

"CSEA will be proposing alternative cost savings that don't negatively impact on state employees," Solari said. "These include a voluntary work reduction program.

## Alliance...

(Continued from page 1)

- Restoration of cuts proposed by Wilson for schools, community colleges and universities.

- Protection of vital social services and health care for poor families, seniors and the disabled through restoration of Wilson's proposed cuts.

- Opposition to transfer of any state service to the counties, and insistence that service levels must be maintained if the transfers do occur.

- Opposition to unfair attacks on worker rights under the guise of budget-balancing.

- Insistence that wealthy individuals and corporations produce the taxes needed to protect vital services and balance the budget.

- Opposition to increases in the sales tax that taxes the poor and rich alike without reference to the ability to pay.

The statement declares unanimously that labor will not, "under any circumstances, tolerate the governor or the Legislature telling the working people of California that they must provide the financial means required to balance the budget."

The statement argues also that education is essential to future growth of California's economy, and that the state's schools cannot withstand the further reduction of \$2.2 billion that Wilson is proposing.

Cutting Aid to Families with Dependent Children and Supplemental Security Income grants, destroying the state homeless assis-

tance program, and reducing support services for seniors and the disabled ask sacrifices of persons who can less afford to make them, the statement argues.

Wilson's proposals to shift services to the counties will create the temptation for some jurisdictions to pocket revenues and unfairly shift burdens to neighboring counties unless strong guarantees are included, the statement says.

Attacks on worker rights were denounced at last week's meeting. Included are proposals to suspend collective bargaining rights, take away pension and health care benefits for retirees, impose furloughs, layoffs and salary reductions, and contract out work historically performed by state employees.

Also criticized were the governor's **defunding of the state apprenticeship program** and proposals to weaken workers' compensation.

Restoring income tax levels for the wealthy to at least what they were before 1987 is a top priority, especially in the light of new statistics showing that the top 10 percent of Californians control more than 40 percent of the state's income.

The alliance is calling also for setting the bank and corporation tax rate at no lower than 11 percent, closing the real estate reassessment loophole that has saved corporations billions since the passage of Proposition 13, elimination of the net operating loss loophole created in 1987, imposition of a severance tax on oil companies, and imposition of a transfer tax on sales of stocks and bonds.

## Free Trade...

(Continued from page 1)

tion, and only 21 percent say it is a good idea."

There is opposition once people understand that the agreement would export U.S. jobs to Mexico, bump American workers down the economic ladder, exploit Mexican workers, and damage the environment on both sides of the border," Donahue said.

"Those of us who oppose an agreement — including the AFL-CIO, environmentalists and religious leaders around the nation — have pointed out that such an agreement would help the rich get richer and the poor get poorer in the United States, Canada and Mexico," the

AFL-CIO secretary-treasurer added.

Labor and its allies are calling the "fast track" proposal a "shortcut to disaster."

Environmentalists point out that border cities, such as El Paso, Texas, are exempt from the new federal Clean Air Act because polluted air blows freely across the border from the hundreds of maquiladora plants operating without controls on the Mexican side.

Mexican authorities are candid about this. One of them recently was quoted as saying, "Mexico does not want industries that pollute, but we must remain competitive, and that's why we don't push enforcement"

## Pope Cautions Capitalists

The major new encyclical by Pope John Paul II warning capitalist nations not to let the collapse of Communism blind them to their economic injustices was praised this week by Lane Kirkland, president of the AFL-CIO.

The encyclical, entitled Centesimus Annus (The Hundredth Year), comes on the centennial of Rerum Novarum (Of New Things), in which Pope Leo VIII endorsed the right of workers to organize and condemned "inhumanity of employers."

"The American labor movement welcomes the papal encyclical... as a powerful reaffirmation of the rights of workers," Kirkland declared. "... the pope's words will be a substantial lift to worker and trade union rights around the world."

History of the 20th Century clearly demonstrates that a free economy provides the best prospects for well-being of all citizens, Kirkland noted.

"But that should not obscure the encyclical's powerful point that an unfettered free market provides

employers as clear an avenue to tyranny as any other government-imposed system," the AFL-CIO leader said.

"Centesimus Annus is a rich and valuable contribution to the quest for a just and decent society."

## Capitol...

(Continued from page 1)

Berkeley will deliver a major address during the conference banquet on Tuesday evening at the Radisson.

State Treasurer Kathleen Brown will speak at the banquet as well.

Henning and Jerry P. Cremins, state building trades council president, will lead discussions of pending legislation at the opening ses-

sion on Tuesday morning.

The newly established statewide chapter of the Federation of Retired Union Members (FORUM) will convene at the Radisson at approximately 3 p.m. Tuesday, President Bill Price announced.

FORUM members will be participating in the conference as full voting delegates, Price pointed out.

## Standards Board Ponders Prop 65

The Cal-OSHA Standards Board will take another look at proposals for including Proposition 65 carcinogen and reproductive toxin protections under its workplace health and safety standards during a regular monthly meeting next Thursday, May 16, at Los Angeles.

A court order obtained by the AFL-CIO mandates inclusion of the Proposition 65 toxics under Cal-OSHA Standards.

Yesterday in Sacramento, an Ad Hoc Advisory Board for Cal-OSHA met urging full inclusion of Proposition 65 through an emergency regulation.

The California Labor Federation was represented at the hearing by Charles P. Scully, the state federation's general counsel.

Also on the agenda for Thursday is a hearing on extensive revisions of safety regulations covering ditches, trenches and other excavation.

The meeting in Room 1138 of the State Building at 107 South Broadway in L.A. will open at 10 a.m. with a public session at which all comers will be given an opportunity to speak.

The hearing on excavation standards is next, and the business meeting will follow.

Two of the board's seven seats will remain vacant on May 16 unless Gov. Pete Wilson moves quickly on appointments.

One labor position has been unoccupied since George J. Evan-

kovich, retired president of Laborers' Local 261 in San Francisco, resigned in January.

Also vacant is the safety professional seat from which David Smith resigned in January.

Smith, who had served on the Standards Board since 1984, said he was quitting because of the demands made upon his time by his job safety consulting business.

His resignation came after the California AFL-CIO News published a story questioning the propriety of permitting someone

dependent on patronage of employers to approve or disapprove worker safety regulations binding upon the companies paying his fees.

Smith was safety director for Producers Cotton Oil Co. of Fresno when he joined the Standards Board in 1984. He subsequently went into the consulting business on his own.

Other questions persist concerning ex-Gov. George Deukmejian's pro-business appointments to the board.

The member named to represent the general public is John T. Hay, retired president of the California Chamber of Commerce, who had a long and notable career lobbying against labor bills at Sacramento.

He supported Deukmejian's attempt to kill Cal-OSHA and signed ballot arguments against Proposition 97, the initiative sponsored by the California Labor Federation that overruled Deukmejian

and restored the state occupational safety and health agency.

The board seat reserved for an industrial health specialist is occupied by Jere W. Ingram, safety director for the Clorox Corporation. He's also a Deukmejian appointee.

The two business seats are occupied by Mary Lou Smith, the chairperson, a corporate personnel official, and James Gorbaty, an executive with Fremont Compensation Insurance Co., a major underwriter of workers' compensation policies.

The one labor representative currently on the board is James P. Baird of Bakersfield, who comes from the California Correctional Peace Officers Assn., the unaffiliated group of prison guards who allied themselves politically with Deukmejian and saw their pay scales rise to surpass those of teachers and California Highway Patrol officers.

## Cal-OSHA...

(Continued from page 1)

National Standards Institute (ANSI) worker protections are mentioned only as "a guideline."

The words "where feasible" negate other worker safeguards. Workers who complain would be placed at the mercies of their

employers.

Drafters of the Cal-OSHA proposals treaded heavily on workers' compensation turf by calling for employer-provided doctors to determine whether a worker has been injured and, if so, whether the injury is work-connected.