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California AFL-CIO News

#### Vol. 18-No. 25

# **Ford Urged To Sign Big Housing Bill**

The California AFL-CIO this week urged President Ford to sign the Emergency Housing Act of 1975, a measure aimed at easing the depression in the nation's housing industry and creating needed homes for low and middle income families.

The measure, which would create some 800,000 jobs in the construction industry and increase residential construction starts by about 400,000 units during 1975-76, won approval of both Houses of Congress by large majorities.

It also contains provisions to protect jobless workers from mortgage foreclosures. John F. Henning wired Pres-

ident Ford early this week say-

ing: "In behalf of California's 1.7 million AFL-CIO union members, I urge you to sign the Emergency Housing Act of 1975.

"Depression of the housing industry in California has re-sulted in joblessness ranging to 30 and 40 percent in building trades unions. State's 10.6 percent jobless rate last month leaves California with nearly a (Continued on Page 2)

### Santa Barbara **Fire Fighters OK** New Contract

Santa Barbara County fire fighters ended a nine - day strike last week after ratifying a new contract that includes a five percent pay increase and a reduction in the fire fighters' workweek from 66 to 60 hours effective September 8.

The contract also calls for a further reduction from 60 hours to 56 hours in the workweek effective January 12, 1976.

Michael Bennett, president of Fire Fighters Local 2046, said the new contract represented the culmination of more than five years of effort to get the Santa Barbara County Board of Supervisors to a,gree to bring the fire fighters' work-week into line with the 56-hour workweek enjoyed by 96 percent of the fire departments in other cities throughout the

### AT SAN DIEGO **CWA Leader Hits Soviet** Labor Fronts

Glenn E. Watts, president of the AFL-CIO Communications Workers of America sharply underscored the differences between the U.S. labor movement and the government-controlled unions of the Soviet Union in the course of a wide ranging opening address to the union's annual convention in San Diego last week.

While voicing support for that aspect of detente that opens up communications and "permits us and the Russians and the Chinese to learn more about each other's culture," Watts said:

"We must stop short of exchanging visits with what the Communists call labor unions. They are not free unions, they are instruments of the state, and as such they should be dealing with our government.

"Surely this is true when we know, as an example, that the so-called trade unions in Russia have for years been headed up by the former top man in the Russian KGB-their secret police. And now, as he has been deposed for some mysterious reason — of all things — he has been replaced, not by a work-er, but by the head of one of the largest industries in the U.S.S.R.

"We can only wonder how it would look to us and the world for Harold Geneen (board chairman) of ITT to be designated president of the AFL-CIO, let (Continued on Page 2)

### **New Postal Rate Hike Plan Perils Labor Papers**

A proposal to cut the cost of mailing a first-class letter from 10 cents to 8½¢, making up the lost revenue by raising rates on other types of mail including labor publications, has aroused strong opposition from users of the U.S. Postal Service and from the service itself. Among other things, the recommendation poses the prospect of sharply higher mailing costs for union publications.

The proposal was advanced v Seymour Wenner, chief ad-(Continued on Page 3)



INSTITUTE OF INDUSTRIAL

The California Labor Federation, AFL-CIO, has urged Governor Brown to call a special session of the legislature "to consider and enact" legislation to extend collective bargaining

rights to California's 1.2 million public employees so that such a law can be in effect by next January. (See text of wire, Page 1)

John F. Henning, executive

# Text of Wire to Gov. Brown Here is the text of the wire sent to Gov. Brown Sunday,

June 22, to urge him to call a special session of the legislature to enact a collective bargaining law for public employees.

"The California Labor Federation AFL-CIO believes it imperative you call a special session of the legislature to consider and enact a collective bargaining law for public employees. It is essential that such a law become effective in January of 1976 rather than in 1977. The crisis in public employment labor relations is acute. Thus the need for special session action.

"Our State AFL-CIO organization representing 1.7 million workers in California regards collective bargaining for public employees as a critical issue facing state government. Public employees must no longer be denied rights given virtually all workers in the private sector 40 years ago by Franklin Roosevelt and a New Deal Con-gress."

Legislature OKs Big

ifornia Labor Federation, AFL-CIO, wired Governor Brown Sunday (June 22) to urge him to take such action, after two major public employee bargaining measures (AB 119, SB 275) failed to clear their house of origin fiscal committees by the legislative calendar's June 20 deadline due to conflicts between the executive and legislative branches. Failure to meet the deadline

means that unless the Governor calls a special session, no collective bargaining bill for public employees could go into effect before 1977.

(Continued on Page 3)

#### **Publication Delayed**

Publication of this issue of the California AFL-CIO was delayed to permit coverage of the latest action on the collective bargaining bill for public employees.

# **Tips Bill Up for Floor Vote in Senate Monday**

Far reaching legislation that

could significantly boost the

take-home pay of some 200,000

California culinary workers who

receive tips is expected to be

taken up on the Senate floor

The landmark legislation AB

232 sponsored by the California

AFL-CIO and carried by As-

(Continued on Page 2)

**RUNOFF JULY 15** 

early next week.

California AFL-CIO-backed legislation to set up a \$950 million program to provide lowinterest home loans for California taxpayers and ease the depression in the state's housing industry won final approval this week and was sent to the Governor for signature.

**State Housing** 

The bill, which has Governor

### Labor Officials Meet Viet **Refugees at Camp Pendleton** nity Services of the AFL-CIO.

Base.

A group of California labor officials, AFL-CIO staff members and labor community services representatives toured the Vietnamese refugee camps at the Marine Corps Base, Camp Pendleton on Friday, June 13.

The tour was arranged at the request of Leo Perlis. Director of the Department of CommuBrown's support, won Senate approval yesterday by a vote of 33 to 6.

It had won Assembly approval Monday by a 67 to 8 vote.

The legislation calls for the sale of up to \$450 million in state revenue bonds to finance new housing starts and the ren-

(Continued on Page 4)

is Senior Civilian Coordinator

at the camp, and by Brigadier General Paul C. Graham, Com-

mander of the Marine Corps

Thorne emphasized that be-

(Continued on Page 3)

**Teresa Hughes Wins Demo Nod** The delegation was briefed by Nicholas Thorne, a U.S. State Department official who

**In Assembly Race** 

Dr. Teresa Hughes defeated seven other candidates this week to win the Democratic nomination to the 47th Assembly District seat vacated by the election of Bill Greene to the State Senate earlier this

state.

### Deadline Near for Union Art Show in L.A.

The deadline for delivering works for the Sixth Annual 'Union Artists'' Show at the California Museum of Science and Industry in Los Angeles is June 28 and 29.

All works should be delivered to the museum at 700 State Drive, Exposition Park in Los Angeles between 10 a.m. and 5 p.m. on those dates.

A preview and "Meet the Artists" reception will be held on Friday, July 11 from 7 to 9 p.m. The free show will open July 12 and continue through September 4. It will be open daily from 10 a.m. to 5 p.m.

# Labor Urges O.K. of On-Site **Picket Rights for Bldg. Trades**

Building trades unions have been joined by the AFL-CIO and the Industrial Union Dept. in a call for legislation allowing picketing at a construction site by a union that has a dispute with one of the subcontractors working on the job.

Congressional action is "long past due," AFL-CIO President George Meany contended at House hearings. He said "every segment of the labor movement" supports the bill to remove picketing restrictions imposed by a 1951 Supreme Court decision.

Meany's testimony was pre-

sented by AFL-CIO Legislative Director Andrew J. Biemiller. Sec.-Treas. Jacob Clayman of the Industrial Union Dept. testified for IUD President I. W. Abel in support of the bill.

"Industrial workers possess the right to strike and picket the work site," the IUD said. "Building and construction tradesmen need and are entitled to this same . . . basic freedom."

Earlier, President Robert A. Georgine of the Building & Con-struction Trades Dept. told the panel that the jobsite picketing restrictions had left building

crafts and their members "legally powerless to protect themselves" while giving construction employers "a virtual license to destroy unions."

The thrust of the legislation was endorsed also by Secretary of Labor John T. Dunlop, who noted that similar bills have been backed by the Secretaries of Labor of the past five administrations, Democrats and Republicans alike.

Dunlop suggested some changes in the bill but he stressed his belief that "a construction site should have a

(Continued on Page 4)

year.

Dr. Hughes, who ran with the recommendation of the Los Angeles County COPE General Assembly, polled 36.1 percent of the votes.

She will face Republican Henry W. Sellers in a special runoff election on Tuesday, July 15.

Registration in the District totals 56,820, including 47,054 Democrats and 7,800 Republicans.

#### Norway's Right to Strike

Norway's Public Service Disputes Act of 1958 established the right of Norwegian public employees to bargain collectively over wages and conditions, and provides them with the same trade union rights, including the right to strike, as employees in the private sector.

# **Tips Bill to Come Up for Final Senate Floor Vote Next Week**

(Continued from Page 1) semblyman Leroy F. Greene (D-Sacramento), will require employers to let workers keep all tips they receive.

It passed the Senate Finance Committee on a 9 to 4 vote on June 3 and is scheduled for a senate floor vote on Monday. It won Assembly approval on

March 20 by a vote of 76 to 0. The measure states that tips and other gratuities are "the sole property" of the employee to whom they were paid, given or left for and prohibits employers from crediting any portion of tips received by employees against wages owed to them.

Existing state laws permit employers to credit a maximum of 25 cents an hour in tips received by a worker against wages due the worker so long as the employer complies with the State Industrial Welfare Commission's rules requiring that a notice be conspicuously placed in the place of business spelling out the extent to which the employee is required to credit tips against wages.

The existing limit on the amount of a worker's tips that an employer could confiscate resulted from legislation sponsored by the California AFL-CIO and enacted in 1973.

Prior to 1973, employers were permitted to take all tip money.

### **\$170 Million in Sewage Projects OK'd for Calif.**

Grants totaling \$658 million, including \$170,127,017 for California, were awarded last month by the Environmental **Protection Agency to construct** sewage treatment facilities in municipalities throughout the nation.

These are some of the funds impounded by the Ford-Nixon Administrations that were part of an \$18 billion program authorized by Congress to im-prove water quality and safeguard the health of U.S. citizens.

President Ford had authorized release of \$4 billion last February but it took a ruling by the U.S. Supreme Court to release the remaining \$5 billion which was among the funds impounded by the Ford-Nixon Administration in what some critics maintained was an effort to hold down federal spending at the expense of safe drinking water.

**EPA** Administrator Russell Train noted that there is a statutory deadline for the use of these funds of September 1977.

He indicated that enforcement action would be urged against municipalities reluctant to apply for construction grants even though facilities are needed to meet water quality standards as well as against those municipalities that have already received grants but are slow to put the funds to work.





THE REV. ANDREW BOSS

**Father Boss**,

**Labor School** 

Founder, Feted

The Reverend Andrew C.

Boss, S.J., founder of the La-

bor-Management School at the

University of San Francisco, was honored at a testimonial

dinner at the Fairmont Hotel in

Father Boss, who founded the

school in 1947 and served as its

director from 1953 until his re-

tirement last January, was

hailed as a pioneer in labor

education in a speech by W. J.

Usery, Director of the U.S. Mediation and Conciliation

Service. Usery was unable to

attend the dinner but his speech

was read by Sam Kagel, a

noted attorney and labor arbi-

trator in San Francisco, who

**Proceedings Sent Out** 

Printed copies of the Proceed-

ings of the 1974 Pre-General

Election Convention of Califor-

nia Labor COPE have been sent

to all California AFL-CIO affili-

The report details the changes

made in the constitution of the

California Labor Federation as

a result of rules adopted by the

national AFL-CIO Executive

Council governing committees

on political education on Febru-

Basically, the new rules made

California Labor COPE, which

had been a separate entity, a

Standing Committee on Politi-

cal Education of the Federation.

ates.

ary 26, 1973.

served as dinner chairman.

San Francisco yesterday.

(Continued from Page 1) alone for him to have succeeded J. Edgar Hoover."

Watts was referring to Alexander Shelepin, who until re-cently was head of the Soviet Trades Union Congress. Earlier Shelepin had been head of the KGB, the Soviet secret police.

Watts' statement was in line with a policy resolution adopted by delegates to the last Na-tional AFL - CIO Convention which reiterated the AFL-CIO's oppositon to "the idea of free labor sending delegations to any country which prohibits free trade unions, outlaws all free trade union activities and penalizes workers for advocating free trade unionism-whether such countries be Communist or Fascist or any other totalitarian hue."

"The CWA," Watts said, "is committed to assist the development of free trade unions in other countries but we should do nothing that will help legitimize the labor fronts the Communists use for their own purposes."

In commenting on what he termed "the whole sorry Watergate Affair," Watts said that he thought it was "disconcerting that so little significance was attached to Watergate at the time it occurred," noting that it was dismissed by Nixon spokesmen as a "third rate burglary" and that most U.S. citizens were willing to accept that.

"I hope that we have learned that our national leaders are real people, and that they can have feet of clay just as anyone else. We cannot put them on a pedestal and bow down to them and accept what they say—and do—without question," he said.

"Surely we know by now that just moving into that oval office in the White House does not bestow upon any person any special qualities placing them above the requirement to act with morality and wisdom," he added.

While not questioning President Ford's morality, Watts said:

"After watching him bob, weave, duck and reverse himself for months on the economy, we can certainly question not only his wisdom, but his sympathy for little people.

"We need to keep one fact clearly in mind—the economic mess this country is in today is the direct result of six and one-half years of systematic, deliberate, shameful misman-agement of the economy by the current and former big business administrations.

# **Labor Urges Ford To Sign Housing Bill**

(Continued from Page 1) million jobless workers, 11 percent of the national total.

"Your signature on the **Emergency Housing Act would** significantly increase employment, cut jobless relief expenditures and boost tax revenues. It would also result in a net

# **Dinner to Honor Tom Rotell of Metal Trades**

Thomas Rotell, president emeritus of the Pacific Coast Metal Trades Council, will be honored at a testimonial dinner at the TowneHouse Hotel in San Francisco on Saturday, August 16.

Rotell, a member of the Molders and Allied Workers International Union for nearly 40 years, served as chairman of the International's Board of Trustees and was one of the founding members of the Pacific Coast Metal Trades Council.

He served as the Council's executive officer for years, a post in which he handled the negotiations and policing of contracts for workers in 11 crafts in shipyards from Wilmington, Calif., to the Canadian border.

Unions involved in these contracts include: the Molders; Boilermakers; Carpenters; International Brotherhood of Electrical Workers; Operating Engineers; Laborers; Machinists; Painters; Plumbers and Pipefitters; Sheetmetal Workers; and Teamsters.

Further information on the

reduction in the budget deficit. "The bill's below-market interest rate provisions are vital to bring housing within reach of U.S. workers' ability to pay. The nation desperately needs both the jobs and the homes this bill would create.'

Following reports Tuesday that Ford would veto the bill, Henning also wired California's Congressional delegation urging them to override any such veto.

Last week the AFL-CIO President George Meany sent a letter to Ford pointing out that the nation needs some two million new housing units each year to meet the growth in American families and to replace units lost through deriolition and catastrophes.

But Meany pointed out that housing starts were at an annual rate of less than one million during the first three months of 1975.

of unemployed workers and inadequately housed families would be relieved if the provisions of the Emergency Housing Act of 1975 were made op-

"The plight of large numbers

erative," Meany said.

The following firms are cur-rently on the "We Don't Pat-ronize" list of the California La-

bor Federation, AFL-CIO. Firms

are placed on the list in response

to written requests from affili-

ates and only after approval by

All trade unionists and friends

Affiliates involved are urged

of organized labor are urged not

to patronize firms listed here.

2500 East Slauson Ave., Huntington Park;

California AFL-CIO's 'We Don't Patronize' List

2890 South La Cienega Blvd., **Culver City:** 

8500 South Figueroa St., Los Angeles;

4700 Sunset Blvd., Los Angeles; 270 North La Cienega Blvd., Los Angeles:

6353 Sunset Blvd., Los Angeles; 13636 Sherman Way, Van Nuys. Other Norm's Restaurants in

**Coffee Cantata** Vintners **Hudson Bay West** Perry's Victoria Station The Dell The Godfather

Mingai-Ya

**Jim's Grill** Restaurants in Ghirardelli Square, San Francisco:

Magic Pan

dinner may be obtained from Clarence E. Briggs, secretarytreasurer, Pacific Coast Metal Trades Council, 8150 Baldwin Street, Oakland, Calif. 94621 (telephone 415-636-1381).

#### **Norway's Health Care**

Norway has had a universal health insurance program financed by employers, workers and the government since 1956 which covers all residents citizens or not-as long as treatment is required.

#### **Publisher's Notice**

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to inform the Federation of any future contract settlements or other developments that would warrant, the removal of any of these anti-union firms from the Federation's list.

Unfair firms are:

the Executive Council.

Broadway Theatre, 4th and

Broadway, Santa Ana. Gaffers & Sattler products Hertzka and Knowles, San Francisco architects.

Kindair Theater Corporation. operators of the following antiunion theaters in Santa Cruz and Monterey Counties;

**Cinema 70 in Monterey; Steinbeck Theater in Monterey;** Valley Cinema in Carmel Valley; **Globe Theater in Salinas;** Cinema Theater in Soquel; and, Twin I & II in Aptos. Montgomery Ward in Redding. Newporter Inn, Newport Beach

Norm's Restaurant at the following locations in the Los Angeles area;

1270 South Crenshaw, Los Angeles;

Los Angeles County excluding the eight listed above, are in good standing with organized labor.

Pemko Mfg. Co., Emeryville, Calif.

R & G Sloane Mfg. Co., 7606 Clybourne Ave., Sun Valley, Calif.

San Rafael Independent-Journal.

Sea World, San Diego

The following San Diego area motels:

Bahia Motel and Motor Lodge, Catamarran Motor Hotel and Restaurant.

The following: Queen Mary -Specialty Restaurants in Long Beach:

The Lord Nelson Room

The Lady Hamilton Sir Winston Churchill's

The Verandah Grill

All banquets and fast food stands.

The following restaurants on Union Street in San Francisco:

**Thomas Lords Mother Lode** Cooperage

·香港 ?

The Mandarin Ghirardelli Wine & Cellar Cafe Other eating places in San Francisco:

McDonald's Hamburger (all); **Colonel Sanders Kentucky** Fried Chicken (all); H. Salt Esquire Fish & Chips (all); Jack In The Box (all);

Benihana of Tokyo; Head Hunter Amusement Park

of San Francisco;

Kau Kau Gardens;

Carol Doda's; Mabuhay Restaurant; and

The Casbah.

**Tennessee Plastics** of Johnson City, Tennessee.

The Nut Tree and the Coffee Tree Restaurants on Highway 40 between San Francisco and Sacramento.

In addition the Federation is supporting such national AFL-CIO sponsored boycotts as those in progress against the Los Angeles Herald-Examiner and the Kingsport Press of Kingsport, Tenn., publishers of the "World Book" and "Childcraft" series.

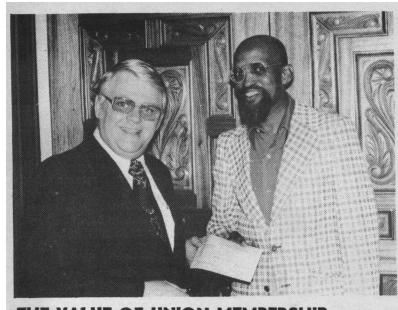
"Those in the administration now holding the welfare of all the working people of this country in their hands sit in splendid isolation in Washington and devise one contradictory 'game plan' after another — and the name of the game is corporate profits and special privilege," Watts warned.

The CWA leader also attacked President Ford's opposition to deficit spending to create jobs.

He pointed out that in 1974 the nation's total public debt was only 27 percent of the nation's Gross National Product and noted that at the end of World War II, in 1947 it was 102 percent and the nation still managed not only to survive but prosper.

He also noted that the total debt of A.T.&T. in 1974 was 41 percent of its total assets and 115 percent of its total operating revenues.

June 20, 1975



**THE VALUE OF UNION MEMBERSHIP** was demonstrated again recently when Marzie Walker (at right), a member of Operating Engineers Local 501 in Los Angeles received a check for \$8,133 and reinstatement to his job following a long arbitration in which Local 501 Business Manager Bob Fox (at left) personally represented Walker and the union in the proceedings. Walker is employed by a contractor at the Los Angeles Air Force Station and had been discharged on charges of violating company rules.

# Labor Officials Meet Viet Refugees at Camp Pendleton

(Continued from Page 1) fore the refugees leave the camp, they are required to take a course in basic English and American customs. General Graham noted that 400,000 legal emigrants have come to this country every year for several years and said that the Vietnamese refugees total no more than 140,000.

He said that only about 40,-000 nationwide will enter the labor market immediately. Only about 20,000 are expected to settle in California. Camp Pendleton has spent \$10,000,000 on the refugee program so far, most of it in the form of pur-

### Senate Panel OKs Bill to Protect Movie Workers

California AFL-CIO-backed legislation to prevent the unjust prosecution of workers in the entertainment industry has won the approval of the Senate Judiciary Committee by a 6 to 2 vote and been sent to the Senate floor.

The bill, SB 128 introduced by Senator Milton Marks (R-S.F.) is designed to protect janitors, stage hands, ticket takers and other employees from prosecution if the theater owner is convicted for showing obscene films.

Present law exempts motion picture projectionists from such prosecution. The Marks bill would expand the law so that all entertainment employees chases in Southern California, he said.

Members of the delegation walked through the tent city, where 18 to 20 people live in each tent, talked to refugees and ate the same lunch that the refugees had.

The highlight of the tour was a meeting with those leaders and members of the Vietnamese Confederation of Labor who are in Camp Pendleton.

Albin J. Gruhn, president of the California Labor Federation, greeted these trade unionists in the name of the California AFL-CIO and urged them to keep in touch with the labor movement and not to allow themselves to be exploited by anti-union employers.

The delegation consisted of Gruhn; R. R. Richardson, Secretary-Treasurer of the San Diego-Imperial Counties Central Labor Council; William L. Gilbert, Regional Director, **AFL-CIO Department of Orga**nization and Field Services; A. H. "Bill" Gallardo, field coordinator for the California Labor Federation; Ted Caldes, National AFL-CIO Field Representative, and the following local central body community services representatives: Miss Laurel Burley, Alameda Coun-ty; Edward H. Camunez, Santa Clara County; Robert H. Moeller, San Diego-Imperial Counties; Ms. Gertrude M. Stone, Los Angeles County, and William V. Wheatley, Director of Labor Participation, Southern California Division, Red Cross. James Price of the United Way of San Diego County accompanied the delegation. Hugh Sheehan, AFL-CIO Community Services Liaison Representative with Red Cross, coordinated the tour.

### For Public Employees

# Labor Urges Brown to Call Special Session on Bargaining

#### (Continued from Page 1)

Earlier in the week, as a result of efforts of Governor Brown in private sessions with major organizations involved in the public employment field — including the California Labor Federation, the League of California Cities, the California Supervisors Association and others — agreement had been reached on compromise legislation.

But a number of legislators objected to this process, viewing it as an end run around the legislative process.

Although s o m e legislators were involved in the negotiations, others apparently felt that their role was being eroded by the Governor's action and appeared to be looking for a way to scuttle the bill.

An amendment was offered by Senator Nicholas Petris (D-Oakland) in the Senate Finance Committee Thursday which would have permitted student representation in collective bargaining in higher education. This is at odds with historic national policy that has limited free collective bargaining to the two principals involved. But it was approved over the objection of the California AFL-CIO.

A similar amendment was tacked onto the Assembly bill Friday and the measure remained in committee.

After the amendment of the Senate measure Thursday, Senator Collier moved to put the bill over until August, a motion that was approved by a 9 to 3 vote.

"Both bills died because the fiscal committees in both houses were in rebellion against the executive branch," Henning said.

Earlier the California AFL-CIIO had successfully opposed another amendment proposed by Senator Donald L. Grunsky (R-Watsonville) that would have barred student workers or teaching assistants from joining unions.

In his wire to the Governor Sunday, Henning said that "the crisis in public employment labor relations is acute" and declared that "Public employees must no longer be denied rights given virtually all workers in the private sector 40 years ago by Franklin Roosevelt and a New Deal Congress."

Basically, the compromise bills call for the creation of a five-member Public Employment Relations Board appointed by the Governor with the advice and consent of the Senate which would oversee public employee elections of bargaining representatives and determine the size of bargaining units. It would also rule on unfair labor practices of public employers and public employee organizations.

# New Postal Rate Proposal Perils Union Publications

(Continued from Page 1) ministrative law judge (hearing officer) for the Postal Rate Commission, who for the last 20 months has been hearing testimony on an application by USPS for a higher rate schedule.

In accordance with the terms of the Postal Reorganization Act of 1970, the rates asked by USPS back in 1973 have been in effect on a "temporary" basis ever since.

It had been expected that they would be made permanent, with minor modifications, by the rate commission and the USPS board of governors—and that after a 100-day wait required by law, USPS would petition for a new rate increase, featuring a 13 cent stamp for letters.

Wenner's decision, if it survives the review and appeals procedures ahead, would block that plan. The law limits any single hike on first-class mail to one-third the old rate; 8½ cents could go only to 11-1/3.

However, most of the controversy involves the impact of Wenner's proposal on other classes of mail. For example:

• The present schedule of rate increases on trade union periodicals and others that travel under non-profit second class permits, which provides for annual increments through 1987, is already considered by the International Labor Press Association, AFL-CIO, to be a severe burden on most unions. Wenner would raise that

schedule at an accelerating pace—20 percent this year, 42 percent next year, 63 percent by 1987, at which time a oneounce labor paper would cost about 4.2 cents to mail. (In 1970 it cost 0.2 cents.)

• Parcel post, though suffering from the competition of the privately-run United Parcel Service, would have to raise its rates 57 percent.

• Air mail letters which USPS wants to abandon in favor of an all-air first class now the general practice would go to 15 cents an ounce, but airmail post cards would drop from 11 cents to 10.

• Third class bulk mail, mostly "occupant" advertising, would rise only 7 percent.

• Regular second class mail, nearly all made up of commercial magazines, would pay 24 percent more on editorial content immediately, and 51 percent more—15.7 cents a pound total—at the end of its fiveyear phasing period. The perpiece charge would reach 3.5 cents. Advertising content would pay proportionate increases on a substantially higher base.

Wenner arrived at these proposals by dismissing the USPS system of calculating postal attributable to it, plus a "reasonably assignable" share of other costs. But certain preferred classes—non-profit second class and in-county second class are the major ones—only need to pay their attributable costs.

USPS has calculated attributable costs at just under 50 percent. Wenner says they are 98 percent. Thus the "preferred" classes would get scarcely any preference. Ultimately, under Wenner's theory, a one-ounce labor paper would pay only a bit less than a one-ounce letter.

Wenner's decision is now open to the various parties in the rate case—USPS and nearly 40 private organizations, including ILPA—to file their views with the Postal Rate Commission and argue them orally.

Some time in August, unless a form of court action intervenes, the commission will deliver a decision. This, in turn, will go to the USPS board of governors, which can reject or modify it only by unanimous vote.

Women's Bureau Duties

who have no financial interest in the establishment are also exempted from such charges.

SB 128 was introduced at the request of the California State Theatrical Federation and is supported by the California Labor Federation, AFL-CIO. costs and substituting his own.

The key to both systems is how much of each postal cost is "attributable" to the various classes of mail.

The 1970 postal act says that each class of mail must bear the direct and indirect costs The U. S. Labor Department's Women's Bureau is responsible for developing standards and policies to promote the welfare of wage earning women, improve their working conditions, and advance their opportunities for employment.

# **Housing Needs Survey Sent to Union Families**

A nationwide survey of union families' housing needs is being conducted by the AFL-CIO as part of its campaign to continue and intensify labor's fight for better housing and increased job opportunities.

In a letter accompanying a questionnaire sent to a selected sample of members of AFL-CIO unions, Federation President George Meany declared that "none of us today remains untouched by the pressures of providing adequate housing for our families and having jobs at decent wages. Thousands of our union members will not be able to meet these needs if housing construction is allowed to remain at depressed levels."

"Enactment of programs which meet the housing needs of union members, and all other American workers, would help to achieve a higher level of home-building and employment, which in turn would create additional purchasing power and support jobs throughout the economy," Meany pointed out. Requesting the "prompt cooperation" of the persons selected for the survey—one out of every 500 union members— Meany said the information will be kept confidential and will "improve the efficiency with which we can work with Congress to meet our members' housing needs."

The survey was authorized by the 1973 AFL-CIO convention, which also called for development of a strategy for meeting housing needs.

Results of the survey and

recommendations for implementing a new housing strategy will be presented to the 1975 convention which opens Oct. 2 in San Francisco.

The AFL-CIO pointed out that since the convention action in 1973:

Conventional mortgage interest rates climbed above 9 percent and in May 1975 were still between 8.5 and 9 percent.
The median sales price of new single family homes increased from \$33,300 to \$38,100

as of February 1975.

• Construction unemployment jumped from 9.1 percent to 9.3 percent in April 1975.

• Annual housing starts, seasonally adjusted, declined from 1.7 million to 980,000 units in March 1975.

• Apartment rents are rising at an annual rate of more than 7 percent.

The Federation's Dept. of Urban Affairs is conducting the survey with the cooperation of AFL-CIO affiliates.

# Labor Urges O.K. of On-Site Picket Rights for Bldg. Trades

(Continued from Page 1) common labor relations policy, regardless of how many separate contracts or contractors, prime or subcontractors, are involved."

Georgine strongly backed the bill as introduced by Rep. Frank Thompson, Jr. (D-N.J.), chairman of the subcommittee. A companion bill in the Senate is sponsored by Labor Committee Chairman Harrison A. Williams, Jr. (D-N.J.).

Because of the picketing restrictions, Georgine said, nonunion firms are performing "a much higher percentage of construction work." And national contractor associations have been helping union contractors convert to non-union operations, he charged.

Meany's testimony charged that the 1951 Supreme Court decision on construction site picketing distorted the intent of Congress and "was wrongly decided."

It expanded a protection against secondary picketing that Congress had intended to apply only in the case of truly neutral employers to the "highly interdependent" relationships of a multi-employer construction site.

Further, M e a n y noted, the present Supreme Court has used the "wrong" decision of the 1951 court as the basis for subsequent decisions that also weaken unions and distort the intent of Congress — as in its recent antitrust ruling.

Meany said denial of traditional picketing rights means that "building tradesmen have, in practical terms, been required to disregard their common interests and break each other's strikes."

The union witnesses all supported a provision of the picketing bill that would make it clear that the legislation does not sanction picketing to bring about or preserve racial discrimination.

Meany noted that this proviso eliminates one of the arguments falsely used by employers opposed to the bill.

His statement noted pointedly that the employers "who show such concern about minorities" when legislation to restore picketing rights is being considered were not allies of the AFL-CIO and the civil rights movement in passing and strengthening the ban on job discrimination in the Civil Rights Act.

Also in the bill is a requirement for a 10-day notice to the Federal Mediation & Conciliation Service before picketing in disputes on federal defense or space agency work.

Dunlop suggested a general 10-day notice requirement to enable national unions and contractor associations to seek a settlement during a "cooling off period," but c o m m it te e members seemed cool to the concept. Dunlop also suggested a 30-day limit on picketing.

Georgine said at the hearing that the building trades supported the bill as Thompson had introduced it.

Clayman told the panel that the IUD considers the ban on construction site picketing a "grievous injury to our democratic system as well as to those workers directly affected."

**Tight Budget** 

# Legislature OKs Big State Housing Bill

(Continued from Page 1) ovation of existing substandard structures.

An additional \$500 million general obligation bond issue for the same purpose would be submitted to the voters for ratification in the general election in November 1976.

The legislation would stimulate an estimated 20,000 new housing starts and create 18,-000 new construction industry jobs during its first 18 months of operation, state officials said.

Assemblyman Peter Chacon (D-San Diego), one of the principal sponsors of the bill, described the legislation as "a modest beginning to obtain decent housing for those who need it the most."

Some 60 percent of California families with low and middle incomes would be eligible for the low-interest home loans.

The measure defines qualifying income ceiling as \$18,642 in San Franicsco, \$17,028 in Los Angeles and \$13,441 in Fresno.

Six Senators, all Republicans, voted against this State AFL-CIO-backed bill. They were:

Alatorre (D); Arnett (R); Bane (D); Bannai (R); Ber-man (D); Beverly (R); Boatwright (D); Brown (D); Calvo (D); Carpenter (D); Chacon (D); Chappie (R); Chel (D); Chimbole (D); Craven (R); Cullen (D); Davis (D); Deddeh (D); Dixon (D); Duffy (R); Egeland (D); Fenton (D); Foran (D); Garamendi (D); Goggin (D); Greene (D); Gualco (D); Hart (D); Hayden (R); Ingalls (D); Kapiloff (D); Keene (D); Keysor (D); Knox (D); Lanterman (R); Lewis (R); Lockyer (D); MacDonald (D); Maddy (R); McAlister (D); McVittie (D); Miller (D); Mobley (R); Montoya (D); Mori (D); Murphy (R); Nestande (R); Nimmo (R); Papan (D); Perino (D); Priolo (R); Ralph (D); Robinson (D); Rosenthal (D); Siegler (D); Sieroty (D); Suitt (D); Vincent Thomas (D); William Thomas (R); Thurman (D); Torres (D); Vasconcellos (D); Vicencia (D); Warren (D); Wilson (D); Wornum (D); Z'berg (D); and McCarthy (D).

Opposed were Assemblymen: Antonovich (R); Badham (R); Briggs (R); Burke (R); Campbell (R); Cline (R); Collier (R); Lancaster (R); and Mc-Lennan (R). Seen Slowing U.S. Recovery The totally inadequate \$68.8 billion ceiling Congress put on the budget deficit will do little to spur recovery, and may spell

to spur recovery, and may spell a "human deficit of 7 million unemployed people for at least the next four years," AFL-CIO Assistant Legislative Director Kenneth Young warned.

Young also assailed the "recovery - is - just - around - the corner" forecasts of Administration spokesmen and economists, who also say that a higher budget deficit would cause very severe inflationary problems.

With one out of seven workers either unemployed or underemployed and industrial production at less than 70 percent of capacity, Young asserted, there are no signs of quick recovery, nor any danger of inflationary impact in trying to stimulate the economy toward full employment.

He said that the way to cut the deficit is to put people back to work, pointing out that for every 1 percent drop in unemployment, the federal government picks up \$16 billion in tax revenues and saved social costs.

"If the unemployment rate today were what it was when Nixon first took office, we would have a surplus in the budget," he declared on the network radio interview Labor News Conference. Young said that "a whole package of stimulus programs" is needed to make a solid move toward recovery. He said such a package should include substantial expansion of public service jobs beyond the 310,000 President Ford wants to hold to, accelerated public works programs, new housing starts, aid to the cities, work on the railbeds and health insurance for jobless workers. He said the argument made by a number of conservative economists and conservative members of Congress that increasing the deficit would create a money crunch "just doesn't hold water."

# Rich Get Richer as Distribution of U.S. Income Worsens

The rich are getting richer and the poor are getting poorer, a situation which promises to worsen for the poor in the coming years.

The problem, according to AFL-CIO economist Arnold Cantor, is a faulty system of income distribution.

"When you have a shrinking income ple, it shrinks most for the poorest," he says.

The situation is far from healthy. For example, 20 percent of the nation's poorest families, with incomes of \$6,081 and less a year, received only 5.5 percent of the nation's total income in 1973, the latest year for which figures are available.

In sharp contrast, the richest 5 percent of the population enjoyed 15.5 percent of the income. To carry this further, the top 20 percent of families accounted for 41.1 percent of total personal income. The plight of the worker might be likened to the man

The plight of the worker might be likened to the man running while standing still. Such a worker, with three dependents, had an average take-home pay of \$139 a week at the end of 1974. But that money could buy no more than it did 10 years ago.

This disparate income distribution is not highlighted during times of prosperity and growth, largely because the low-income worker is satisfied that his income is keeping pace.

But when his living standard starts to drop he becomes worried and dissatisfied.

In the slums of American big cities, Cantor says, resentment over disastrous unemployment levels and inflation-trimmed purchasing power is building. And in the heat of Summer they could disrupt in the form of destructive impulses, although the blacks may not tear up their own communities as they did in 1968.

In the U.S. the very rich are getting richer, Cantor says, because they are recovering their paper losses with the rise of stock prices. Thus the transfer of wealth from the poor to the rich continues apace and the poor have no means of recovery.

In order to attain efficiency, Cantor says, even the Soviet Union, with its Communist system, has been forced to recognize that economic rewards must be made available to those who work hard and use their talents wisely.

The U.S. experienced a modest improvement in income distribution in the early 1960's, Cantor says, but this trend came to an abrupt halt in 1968. He calculates that between 1968 and 1973 a total of \$20 billion in income was transferred from the bottom three-fifths of U.S. families to the upper two-fifths.

And this deterioration in income distribution has since worsened with a recession bordering on depression.

# Brown Signs Bill Curbing Oil Depletion Tax Bonanza

Repeal of the nearly half-century old tax break to major oil companies in California became a reality when Governor Edmund G. Brown Jr. signed AB 177 on May 14.

This measure, which removed the state's oil depletion allowance, passed the State Senate with a 27-5 tally and was sent to the Governor on May 5 after the Assembly, which originally passed the bill January 23 by a 57-17 tally, concurred in Senate amendments on a 64-10 vote.

The move toward tax equity

law in 1929 and frequent efforts have been made during the past 46 years to repeal it.

Allowing for accommodation of some of the smaller, independent operators to encourage competition, AB 177 still will bring an estimated \$77 million additional into the state treasury in the first two years it is effective, fiscal experts believe.

#### **Urban Growth**

U. S. urban growth is reflected in post office statistics. In 1900 there were 72,455 small "fourth class" post offices and only 194 big city "first class" type offices. Today there are about 5400 major urban post offices; less than 5900 of the smaller type.

Senators Carpenter; Deukmejian; Richardson; Russell; Way; and Whetmore.

Voting to approve the conference report on the bill were nine Republicans and 24 Democrats. They were:

Senators Alquist (D); Ayala (D); Behr (R); Beilenson (D); Berryhill (R); Collier (D); Cusanovich (R); Dills (D); Garcia (D); Greene (D); Gregorio (D); Grunsky (R); Holden (D); Holmdahl (D); Marks (R); Mills (D); Moscone (D); Nejedly (R); Petris (D); Presley (D); Rains (D); Robbins (D); Roberti (D); Rodda (D); Schrade (R); Smith (D); Song (D); Stevens (R); Stiern (D); Stull (R); Wedworth (D); and Zenovich (D).

Senator Kennick (D), who was ill, was absent.

Assembly members voting for approval of the conference report Monday were:

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State officials estimate that about 2.4 million low and middle income California families need assistance in getting adequate housing. The state's construction industry presently has a 28 percent unemployment rate, they said.

The legislation will create the California Housing Finance Agency to make loans to finance housing developments.

Besides Chacon, other principal sponsors of the legislation included: Senators George Zenovich (D-Fresno); George Moscone (D-San Francisco); and Peter H. Behr (R-San Rafael) and Assemblymen John F. Foran (D-San Francisco) and Bruce Nestande (R-Orange). by closing the oil company loophole was assisted during the legislative process by California AFL-CIO representatives. The allowance came into the

> Factory Output Drops Again; Largest Decline in 17 Years

The output of U.S. factories dropped for the eighth consecutive month last month, the longest such decline in 17 years, the Federal Reserve Board disclosed this week.

The continuing drop in the nation's industrial production index was announced in Washington on the same day that the chairman of President Ford's Economic Policy Board, L. William Seidman, was assuring a conference of financial executives of the National Retail Merchants Association in San Francisco that: "We are at the bottom of the recession. All indicators are up."

The drop in the industrial production index, which means that the recession is still underway, resulted from big cuts in production of business equipment and related industries, the FRB said.

The index has now declined every month since last October and is 13 percent below its peak of September 1974. The index stands at 109.2 based on the 1967 average of 100.

1.1.1.1.2

June 20, 1975