



California AFL-CIO News

Official Publication of The California Labor Federation, AFL-CIO

Vol. 28—No. 13

April 12, 1985



Jerry Cremins is frisked by S.F. Police officer.



Dick Groulx blocks the door.

Photos by Joe Ryan

15 Labor Leaders Arrested In Protest of Apartheid

Fifteen labor leaders were arrested Thursday during a demonstration in San Francisco undertaken to protest apartheid and show support for the emerging black trade unions in South Africa.

The 15, backed by more than 100 other union members, attempted to enter offices of South African Airlines overlooking Union Square in the heart of San Francisco. Their

purpose was to deliver a resolution condemning apartheid that had been adopted by at least seven central labor councils.

When entry to the offices was denied them, the 15 sat down in the doorway while the others, carrying signs and chanting protests, paraded in a picket line on the sidewalk.

The 15 soon were arrested.

They were Richard K. Groulx, executive secretary, Alameda County Central Labor Council and a vice president of the California Labor Federation; Jerry P. Cremins, president, California State Building and Construction Trades Council and also a Federation vice president; Tony Cannata, secretary-treasurer, Contra Costa County Central Labor Council;

Jeff Greendorfer, assistant to the secretary, San Francisco Labor Council; Art Pulaski, executive secretary, San Mateo County Central Labor Council; Peter Cervantes-Gautschi, business manager, Santa Clara County Central Labor Council; Charles B. Weers, Secretary, Marin County Central Labor Council; Jerry Zellhoefer, president, Santa Cruz County Central Labor Council;

Peggy Schwartz, Santa Cruz County Central Labor Council; James Herman, president, International Longshoremen's and Warehousemen's Union; Curtis McClain, secretary-treasurer of the ILWU; Al Lannon, ILWU; Charles Clark, Inland Boatmen; Stan Smith, San Francisco Building and Construction Trades Council, and Joe Eagan, Alameda County

(Continued on Page 3)

Spring Mobilization March is Saturday

Planners were predicting a huge turnout at the Spring Mobilization for Peace, Jobs and Justice as they put final plans into place for the march and rally on Saturday, April 20.

The triple theme has drawn together a broad coalition.

Jack Henning, executive secretary-treasurer of the California Labor Federation, and James Herman, international president of the International Longshoremen's and Warehousemen's Union are to lead the labor contingent and to

speak at the rally.

Central labor councils of Alameda, Contra Costa, Marin, Sacramento, Santa Clara, San Mateo and Santa Cruz counties have joined the San Francisco Labor Council in endorsing the event.

The march will start at Justin Herman Plaza at the foot of Market Street and proceed to Civic Center for the rally. The schedule for calls for marchers to assemble by 11 a.m., to be on their way by noon and to reach Civic Center for the rally at 1 p.m.

The Changing Situation

How the Law Fails Workers

In 1935, Congress enacted the Wagner Act which declared that "Employees shall have the right to self-organization, to form, join or assist labor organizations, to bargain collectively through representatives of their own choosing, and to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection."

By the 1950s and 1960s, this principle had gained at least some measure of acceptance, and to a large

This is the second of a series in which the California AFL-CIO News is publishing the landmark AFL-CIO report, "The Changing Situation of Workers and Their Unions."

extent employers did not choose to interfere with their employees' exercise of the right of self-organization; to some extent, employers resisted unionization by improving their employees' wages and work-

ing conditions.

And if workers chose a union, employers by and large complied with their legal duty to bargain with that union in an honest effort to reach a contract.

In recent years, this trend has been reversed. The norm is that unions now face employers who are bent on avoiding unionization at all costs and who are left largely free to do so by a law that has proven to be impotent and a Labor

(Continued on Page 2)

Fed-backed Bills Win in Senate Committee Vote

The bill to establish a California Office of Occupational Disease Compensation was approved 5-1 Wednesday by the State Senate Industrial Relations Committee.

The measure, SB 370 by Sen. Nick Petris, D-Oakland, is one of the key bills sponsored in the 1985 Legislature by the California Labor Federation.

The committee made one amendment to the original Petris bill. It provided that the new Office of Occupational Disease Compensation would recommend to the Legislature presumptive standards for establishing eligibility for compensation for occupational disease.

As originally written, the bill called for the committee itself to develop the presumptive standards.

Other responsibilities to be given to the new office were unchanged. The office would be responsible for gathering, maintaining and analyzing statistical information about occupational disease. It would be responsible for educating workers and employers about legal rights concerning compensation for occupational disease.

Senators Bill Lockyer, D-Hayward; Ken Maddy, R-Fresno; Herschel Rosenthal, D-L.A.; Bill Green, D-L.A., and Petris voted for the amended bill. The lone dissenter was Ed Royce, R-Garden Grove.

Another Federation-sponsored bill by Petris also cleared the Senate Industrial Relations Committee Wednesday.

SB 269, which aims at protecting

farm workers from pesticides, was approved by a 6-2 vote. The bill would require agricultural employers to post warning signs in fields when hazardous substances agents are applied close to a time when intensive labor is required on the crop.

The bill also would require a 24-hour waiting period after applica-

(Continued on Page 3)

Caltrans Suit Amended As Uproar Grows

The suit to force the California Department of Transportation to abide by its own rules and cancel a \$46.6 million contract awarded to a non-union joint venture that put forward "dummy" disadvantaged subcontractors will be back in Alameda County Superior Court on Thursday, April 18.

That is the day attorneys for the Building and Construction Trades Council of Alameda County are scheduled to file an amended complaint against Caltrans.

The labor attorneys agreed to amend their complaint last week after lawyers for Caltrans and the contractor argued that the trades council had failed to exhaust administrative remedies before going to court. The labor attorneys agreed to do so and will return to Superior Court next Thursday.

At the heart of the trades council case is evidence that the main contractors used subcontractors they

(Continued on Page 4)

Mary Curtin Named Unionist of Year

Mary H. Curtin, executive secretary-treasurer of the Central Labor Council of San Bernardino and Riverside Counties, will be honored as the two-county Unionist of the Year at the Second annual Labor Recognition Awards Banquet June 7 at the Orange Show Restaurant in San Bernardino.

Curtin has headed the council for 10 years. She has been chairperson of the Labor Caucus of the California Democratic Party and has been a leader in many community activities.

Curtin became active in the labor movement while she was an English teacher at Riverside Community College.

She moved from her native New York with her husband, Stanton, a machinist by trade, and six small children in 1963. She entered college the year her youngest child started grade school and graduated from Riverside Community College into University of California at Riverside, where she earned bachelor's and master's degrees in English. Later she joined the faculty at the community college.

The Labor Recognition Awards Banquet is a cooperative effort involving the AFL-CIO Central Labor Council and Building Trades Council and other unions, includ-

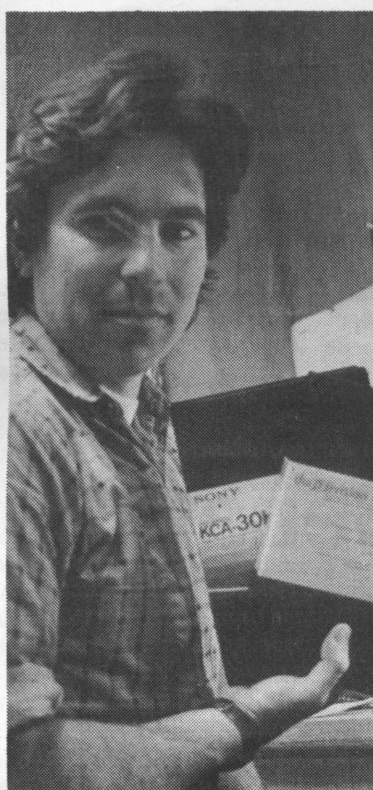


Mary H. Curtin

ing Teamsters, San Bernardino Public Employees Association and local chapters of the California Teachers Association.

An Employer of the Year also will be honored: Rohr Industries, which has operated under collective bargaining agreements with the International Association of Machinists since its founding.

This will make the evening a Curtin family affair, since Stanton Curtin is employed at Rohr in a management position.



Ed Herzog holds TV show tapes.

Union TV Show Sets a Record Every Month

"Talkin' Union" is the longest-running television labor show in California.

It is, in fact, just about the only functioning example in this part of the country of expanded use of the electronic media that AFL-CIO leaders urge in their report on new strategies for changing times.

Not that "Talkin' Union" is all that established. It was launched just last November by members of SEIU Local 790 in the San Francisco Bay Area.

Show No. 6 is coming up. The theme will be National Secretaries Week, and it will be aired over KCSM, Channel 60 in San Mateo, at 7:30 p.m. Wednesday, April 24. Like the five earlier shows, it will be broadcast for half an hour on the last Wednesday of the month.

Edwin J. Herzog says he had the idea for the show almost from the day three years ago that he became

editor of United Worker, the Local 790 newspaper.

Herzog says he had two goals. He wanted to give recognition to Local 790 members who labor in the public sector, usually unsung and frequently feeling unappreciated. He also wanted to correct what he perceived as inaccurate but widely-held misconceptions about what unions do.

In March, the show went straight at these two targets. Paul Varacalli, Local 790 executive officer, and Sue Angelli, clerical chief steward at the Bay Area Rapid Transit District, came on and discussed the question: What Do Unions Do? Then parking officers Bennie Anderson of Berkeley and Anna Lawrence of Oakland, two union members whose work very possibly is unappreciated, talked about what it's like to put tickets on car windshields.

"We've used the same format

since the first show," Herzog says. "We tape it in the studio because we don't have the equipment necessary to go out and shoot at workplaces. I'm on usually with one union member and one staff person or someone expert on the question being discussed. We go over the questions first, and then we tape it. Usually we do two segments. If there is any time left over, I give some union news."

Air time is free on KCSM, which is a public service channel operated by the College of San Mateo. The local pays for production. Herzog does not like to get specific about the costs, but he notes that camera crews and some others involved are students studying television at the college.

This month's show will have Margaret Butz, deputy executive director of the local, and Jennie Chow, a secretary at San Francisco Unified School District, talking

with Herzog about National Secretaries Week. Then Louise Wonder of Local 925 and another participant yet to be named will talk about comparable worth.

How many people see the show? It is difficult to say. KCSM has a huge potential audience throughout most of the San Francisco Bay Area, but there is lots of competition and nobody seems to be counting.

The point is, Herzog says, that the show is getting better. He feels more comfortable doing it each month, even to the point of "making a few jokes here and there."

There's great potential for organizing and for strengthening the union image, he says. And, since there are not a lot of union programs being made for television, he feels the opportunity may arise to take the show to broader audiences, perhaps through the Public Broadcasting System.

'The Reagan Administration's handling of the air traffic controllers provided a signal to, and model for, anti-union employers'

The experience in this country is that a catalyst is usually needed for a group of individuals to shake the habits of a lifetime and to assert themselves by taking advantage of the opportunities provided by collective action; that is especially true when those individuals are subject to economic reprisal.

Union members have always accepted it as their responsibility to start the process of organization. But in recent years, as the size of the work force has expanded rapidly, the number of union members has declined and the needs of the already-organized have increased, it has become increasingly difficult for union members to meet that responsibility.

NEXT: Seeds of Resurgence

Datebook

Workers Compensation Conference: April 19, 9 a.m.-5 p.m., University YWCA, Berkeley.

Spring Mobilization for Peace, Jobs and Justice: April 20, San Francisco. March, 11 a.m., foot of Market Street; rally, 1 p.m. Civic Center.

Consumer Federation of California: April 27, 1985 Convention, Burlingame Hyatt Hotel.

Joint Legislative Conference: June 3-5, Capitol Plaza Holiday Inn, Sacramento.

Executive Council, California Labor Federation: June 18-19, Capitol Plaza Holiday Inn, Sacramento.

Biennial Convention, AFL-CIO: Oct. 20-24, Anaheim Hilton Hotel, Anaheim.

1986 Convention, California State Building Trades Council: July 11-13, Capitol Plaza Holiday Inn, Sacramento.

Sixteenth Convention, California Labor Federation: July 28-Aug. 1, 1986, Capitol Plaza Holiday Inn, Sacramento.

Publisher's Notice

The California AFL-CIO News (ISSN: 0008-0802) is published weekly except during the weeks of Thanksgiving, Christmas and New Year's holidays by the California Labor Federation, AFL-CIO, 995 Market Street, San Francisco, Calif. 94103. Second class postage paid at San Francisco, Calif.—Subscription: \$3.50 a year. USPS Publication Number 083-400. John F. Henning, executive secretary-treasurer; Floyd Tucker, editor. POSTMASTER: Send address changes to: California AFL-CIO News, 995 Market St., Suite 310, San Francisco, CA 94103.

AFL-CIO Report: The Law's Failure

(Continued from Page 1)

Board that is inert.

It is difficult to quantify this change in employer attitudes and actions, but we all know it is there. A study of organizing campaigns in the private sector shows that 95 percent of employers actively resist unionization, and 75 percent of all employers hire so-called "labor-management consultants" to guide their efforts to avoid unionization at an estimated cost of over \$100,000,000 annually.

Many employers—how many thousands each year cannot be determined—discharge union activists. In 1957, the NLRB secured reinstatement for 922 workers who had been fired for union activity. By 1980, that figure had reached 10,000. Professor Paul Weiler of Harvard Law School has concluded that in 1980 there were at least 1.5 discriminatory discharges for every representation election conducted.

Even when workers opt for

unionization, unions often face massive resistance in securing a contract; the rate of employer refusal to bargain has been rising twice as fast as even the rate of unlawful discharges. Consequently, after a bargaining unit organizes, the employees are not able to obtain a collective bargaining agreement approximately 35 percent of the time—a substantial increase since the 1960s. And the law's remedy—when it comes—is most often too late to matter.

Nor are anti-union actions confined to not-yet-organized or just-organized employers. Employers with longstanding collective bargaining relationships are closing unionized plants and diverting work to their established non-union plants or to new plants established in non-union areas in the United States and elsewhere.

The owners of unionized companies are creating new, paper corporations to do the same work as the organized corporations and are

transferring all or most of the work done to these new entities. And unionized employers are engaging in intransigent, bad-faith bargaining in order to provoke a strike so that the employer can replace his employees and oust their bargaining representative.

Two principal factors have combined to make it possible for employers to engage in such hostile actions against employees who wish to bargain collectively.

First, as the Committee explained in its first report, *The Future of Work*, the United States has become a society with persistently high levels of unemployment. Unless current policies are changed, this will continue; under even relatively optimistic projections, there will be a structural shortage of at least 4,000,000 jobs throughout the 1980s.

Second, the federal government has done its part to encourage hostile employer actions by providing less and less protection to workers

who exercise their right to organize and by setting an example for the most virulently anti-union employers.

The Reagan Administration's handling of the air traffic controllers provided a signal to, and the model for, anti-union employers. Thereafter, the Administration turned over the labor law to an NLRB Chairman who has publicly declared that "collective bargaining frequently means...the destruction of individual freedom and the destruction of the marketplace," and that "the price we have paid is the loss of entire industries and the crippling of others."

Not surprisingly, the Board he chairs has, at every turn, cut back on the extent of protection the law provides to workers who desire to unionize.

Because of these developments, the costs associated with organizing are increasing while the resources available are declining.

What They Learned About Worker Perceptions

The AFL-CIO Committee on the Evaluation of Work, with the assistance of Professor James Medoff of Harvard University, Louis Harris and Associates, and Professor Thomas Kochan of MIT, reviewed all published surveys on the public attitude toward unions conducted during the past 25 years and supplemented that material with additional surveys. Four aspects of that data are of special relevance to the labor movement.

1. **Attitudes Toward Work**—Americans by and large see themselves as independent, self-confident, self-reliant and skeptical of claims of authority. In line with

that perception, workers, particularly better-educated workers, are becoming more insistent on securing more freedom in the workplace. It is increasingly true that the measure of a good job is high discretion as much as high pay. And despite the claims to the contrary, the "work ethic"—the personal need to do one's best on the job—is stronger in the United States than in other western democracies. The striking new factor is a shift in which Americans are less likely to see work as a straight economic transaction providing a means of survival and more likely to see it as a means of self-expression and self-

development.

2. **Job Satisfaction**—Fifty-one percent of non-union workers report that they are "very satisfied" with their jobs. But when probed for specifics, only 40 percent or less say they are very satisfied with their fringe benefits or their opportunity to participate in decisions affecting their jobs, and only 28 percent say they are very satisfied with their pay or their opportunity for job advancement. There is, moreover, some indication that the degree of job satisfaction is decreasing. In 1973, 57 percent of all workers—figures limited to non-union workers—are not available—reported that they were "very satisfied" with their jobs, whereas in 1984 the comparable figure was 51 percent.

3. **Attitudes Toward Unions and Employers**—American workers, and especially non-union workers, are ambivalent in their attitudes toward unions.

Over 75 percent of all workers—and over 75 percent of non-union workers—state that they agree that unions in general improve the wages and working conditions of workers.

Over 80 percent of all workers agree that unions are needed so that the legitimate complaints of workers can be heard.

Yet when asked to assess the effect of organization on their present employer, 53 percent of non-union workers state that wages and fringe benefits would not improve and 74 percent state that job security would not improve.

Workers' Comp Revised; Hearing Is Tuesday

A revised version of the proposal to increase workers' compensation benefits comes up Tuesday in the Workers' Compensation Subcommittee of the Assembly Finance and Insurance Committee.

The bill, AB 774 by Assemblyman Richard F. Floyd, D-Gardena, is sponsored by the California Labor Federation.

Originally it called for tying maximum benefits to the average weekly wage in manufacturing and indexing benefits to increases in the manufacturing wage.

The bill now calls for dollar increases. It would raise the maximum weekly benefit from \$224 to

\$273. The death benefit in case of one survivor would go from \$70,000 to \$85,000. In cases where there are more survivors than one, the benefit would rise from \$90,000 to \$115,000.

Members of the committee that will hear the bill are J. Stephen Peace, D-Chula Vista; Dennis Brown, R-Long Beach; Charles Calderon, D-Montebello; Teresa Hughes, D-Long Beach; Ross Johnson, R-Fullerton; Bill Lancaster, R-Covina; Alister McAlister, D-Milpitas; Lou Papen, D-Daly City; Larry Stirling, R-La Mesa, and Jerry Eaves, D-Rialto. The address for each is State Capitol, Sacramento 95814.



Jeff Greendorfer, Stan Smith, Peter Cervantes-Gautschi and Dick Groulx lead union members out of Union Square toward South African Airlines office.

Labor Leaders Take Arrest

(Continued from Page 1)

Building and Construction Trades Council.

All were given citations ordering them to appear in Municipal Court May 29.

Union members assembled in Union Square and heard speeches by Greendorfer, Cremins, Herman and Groulx before Groulx, who originated the petition, set the march into motion shortly after noon.

After the 15 had blocked the doorway for a quarter of an hour, about a dozen San Francisco police officers who had been deployed in Union Square marched across Post Street.

A captain ordered the pickets to allow pedestrians to pass. They



Peggy Schwartz is marched to police van.

Photos by Joe Ryan

obeyed. Then he ordered the 15 to rise and leave the doorway. They refused.

A police van rolled up. Officers began lifting the 15 to their feet and

marching them to the curb, where they were frisked and placed inside the van. All were freed after being hauled some blocks away and being cited.

Labor Bills Win In Committee

(Continued from Page 1)

tion of hazardous substances before workers could be sent into affected fields.

Voting in favor of the bill were Sens. Joseph B. Montoya, D-El Monte; Leroy F. Greene, D-Sacramento, and Bill Greene, Lockyer, Rosenthal and Petris. Voting against it were Royce and Maddy.

The committee killed, by a vote of 2-2, SB 174, Diane Watson, D-L.A., a bill supported by the Federation that would have enabled workers who have paid into private supplemental unemployment benefit funds, or who have negotiated such payments by employers, to receive \$25 in state unemployment benefits during the first week of an unemployment claim, during which no benefit otherwise would be paid.

Lockyer and Greene voted yes; Maddy and Royce voted no.

The committee postponed action on SB 1168, a Federation-sponsored measure by Sen. Milton Marks, D-S.F., that would prohibit employers from establishing in-plant or parallel apprenticeship programs without approval of the California Apprenticeship Council.

Votes were delayed in the Assembly Labor and Employment Committee Thursday on two key bills sponsored by the Federation.

The proposal to require employers to grant up to a year of unpaid child-rearing leave was put over until April 25.

The bill, AB 613 by Gwen Moore, D-L.A., was supported in testimony by Kathleen Kinnick, director of women's activities for the Federation; Jack Haley, a member

of the state Commission on Child Development, and Marian Johnston, a deputy attorney general. Nobody testified against the bill, although the Los Angeles County Board of Supervisors had notified the committee it was opposed.

Also delayed until the committee's meeting on April 25 was a vote on the bill to require notice of plant closings.

The measure, AB 598 by Robert J. Campbell, D-Richmond, is part of the Federation's legislative program. It would require employers who have had 50 or more employees in a single workplace to give three months notice of plans to close or partially close the plant.

Committee OKs Callahan Unanimously

Michael R. Callahan's appointment to the state Industrial Welfare Commission was approved unanimously last Wednesday by the Senate Rules Committee.

Callahan, a vice president and assistant legislative advocate of the California Labor Federation, was appointed to the commission last June by Gov. Deukmejian to fill a vacant labor seat.

The committee vote clears the way for confirmation by the full Senate of Callahan as a member of the commission, which sets the minimum wage and is responsible for promulgating regulations on hours of work and certain other conditions of employment.

Callahan is a member of the Hotel and Restaurant Workers Union Local 681 in Long Beach.

Caltrans Suit Back in Court

(Continued from Page 1)

control to get around federal and state requirements for participation by firms operated by business persons disadvantaged by reason of being female or of a racial minority.

The trades council contends that Caltrans, if it had followed its own rules, would have discovered that the Oregon-based joint venture of R.A. Hatch Construction Co./Rail Roadway Construction Co. used sham fronts as its disadvantaged subcontractors and would have been obliged to throw out the bid.

The contract, for reconstruction of an interchange at State Route 238 and Interstate 580 in Hayward, also is under fire at Sacramento and at Washington, D.C.

In Sacramento, the Joint Legislative Audit Committee has instructed Auditor General Thomas Hayes to investigate the contract award. Claude Eberhardt, committee consultant, said the auditor general already had begun his investigation.

Assemblymen Johan Klehs and Elihu Harris and State Senator Bill Lockyer, all Democrats, asked the committee to act. After the Auditor General's investigation and report are completed, the committee can release the findings and hold hearings.

In Washington, Representatives Fortney Stark Jr., Ron Dellums and George Miller, all Democrats, have asked the House Small Business Committee to undertake investigations of the minority participation in the Hatch/Rail Roadway contract.

John C. Richardson, consultant

to the trades council, has received a copy of a letter the committee chairman, Rep. Parren Mitchell, D-Maryland, sent to Transportation Secretary Elizabeth Dole.

Mitchell wrote, in part:

"...despite our shared concern for its success, the DBE (Minority Business Enterprise/Disadvantaged Business Enterprise) program is threatened by the actions of a few who seek the benefit of the program while purposefully evading its responsibilities. One of the most egregious examples of this evasion that has been reported to me is an apparent manipulation of nominal minority and women's businesses undertaken by the R.A. Hatch Construction Company on federally-assisted construction projects in Oregon and, lately, in California..."

"I would like confirmation of your agency's intention to stop this contractor from receiving further federal funds on the (I-580) or any future DOT-assisted projects. If I do not receive these assurances... I will have to consider holding public hearings on this matter."

One of the disputed contractors is H&H Electric, ostensibly operated by a partnership that includes the wife of the owner of Hatch Construction. H&H, which is listed for \$2,158,390 worth of electrical work, was denied status of disadvantaged business enterprise by the state of Nevada when it was proposed as a subcontractor on a highway project there, according to documents the trades council has received from Nevada.

The other disputed contractor is C.E. Croff, listed for \$3,769,016 worth of prestress and concrete

Phony Firms Rip Off Disadvantaged Program

Phony front firms are riddling the federal program set up to assist minority contractors, and one of the offenders is R.A. Hatch Construction Company, the Wall Street Journal reported last week.

The surface Transportation Act of 1982 earmarked 10 percent of the \$70 billion to be raised for highway construction and mass transit over four years by an increase in gasoline tax. The states were instructed to use this 10 percent to contract with small businesses owned and controlled by socially and economically disadvantaged persons—women and minorities.

States that do not meet the 10 percent goal risk losing federal highway money.

The state of Oregon met 44 percent of its 1984 goal by giving \$8 million in contracts to Hopsing Construction Co., the Wall Street Journal reported. The president of Hopsing, a Japanese-American, rarely appeared at the company offices, the newspaper said.

A report by the U.S. Transportation Department alleged that Hopsing was in reality controlled by R.A. Hatch Construction Co., the white-owned firm that has taken a \$46.6 million Caltrans contract with the help of two contractors whose ownership by women or minorities is being challenged.

steel work. The purported owner, Charles Croff, has been identified as a long-time employee of Hatch who has no employees of his own and owns no construction equipment.

The Black Business Association

The Hopsing Co., supposedly owned by a person of Asian ancestry, appears in reports of abuse investigations along with such names as La Femme Construction and Roots Contracting.

The Reagan Administration speaks glowingly of the program in its press releases: "Minority-owned and other economically disadvantaged business enterprises continued to make strong gains in highway and mass transit programs during the first six months of the fiscal year 1984, Secretary of Transportation Elizabeth Hanford Dole announced today..."

The department says it is exceeding the 10 percent goal, giving 13 percent of all highway contracts containing federal money to 9,246 minority companies.

But Ray A. Barnhart, federal highway administrator, says his department is mounting a program to help states eliminate fronts.

Companies found to be phony fronts are disqualified from the program, but penalties are not imposed and recovery of money paid to the sham companies is not sought.

And, apparently, the companies who sponsor the phony fronts come back for more federal contracts with new phony fronts.

The deception can involve mi-

nority companies that simply sell use of their names as well as false fronts set up for a big contractor's convenience.

Pennsylvania authorities gave a couple of examples to the Wall Street Journal: a black owner of a small construction company was told he would get 10 percent of the \$50,000 price for a highway demolition job if he would do nothing except alter his books to indicate that a larger company's employees were working for him.

In another Pennsylvania case, a black-owned company with one truck supposedly did \$110,000 worth of hauling on a project. In reality, investigators said, a white-owned company paid \$3,000, told the small firm to stay away, and put magnetic signs with the small company's name on the doors of its own fleet of trucks.

Wisconsin disqualified 40 phony minority companies that did some \$5 million worth of business under the program in 1984, roughly a third of the state's minority highway money last year.

Said N.L. Carson, a black contractor from Carthage, Miss., who operates in several states: "I think it (the program) is creating more fronts than black contractors. ... (fronts) have hurt a lot of small contractors trying to get a start."

is pushing a separate challenge through the Caltrans protest procedures.

Gerald W. Johnson, president, said the association was challenging the independence of H&H Electric and C.E. Croff. He said

the association was protesting also the fact that a disproportionate amount of the purported minority business share of the contract was going to companies from outside California, and was contending that there was fraud and collusion.

THE CALIFORNIA AFL-CIO's DIGEST OF BILLS

The measures below introduced in the 1985-86 regular session of the California Legislature are classified by the California Labor Federation as "Good," "Bad," or "Watch†." An asterisk (*) indicates a bill sponsored by the California Labor Federation. A "Watch†" designation indicates that the Federation will defer to the wishes of affected affiliates on the ultimate classification of the bill. Such bills are printed in the digest to inform affiliates involved. No bill may be taken up until 30 days after the date of introduction indicated in the digest, except by a three-quarters vote. When the abbreviation (H.A.D.) appears in the digest following the author's name, it means that the measure has been held at the Speaker's desk in the House of origin and has not yet been assigned to a committee.

SENATE BILLS

SB 380—Maddy (H.&H.S.)—Existing law authorizes the California Health Facilities Authority to, among other things, make secured or unsecured loans to any participating health institution in connection with financing a project, as defined, or refinancing indebtedness incurred by a participating health institution.

This bill would, in addition, permit the authority to purchase the secured or unsecured loans of any participating health institution in connection with the financing of working capital, as defined, or refinancing indebtedness in connection with working capital.

Existing law also authorizes the authority to enter into any agreement or contract necessary, convenient, or desirable for the purposes of the authority to carry out the responsibilities of the authority under the California Health Facilities Authority Act.

This bill would additionally permit the authority to enter into agreements for liquidity and credit enhancement.

The bill would take effect immediately as an urgency statute. February 11, 1985.

Health—Watch †

SB 381—Dills (Appr.)—Under existing law, members of the state military forces who are wounded, injured, disabled, or killed on state active duty in the line of duty are eligible for workers' compensation benefits.

This bill would provide that a member wounded, injured, or disabled on active duty in the line of duty remains on state active duty for 26 weeks from the date of wounding, injury, or disability, regardless of the date of expiration of the period of state active duty, unless the member becomes entitled to disability compensation from any other public or a private employer, is able to return to his or her regular civilian employment, or requests an earlier release from active duty. If none of these events has happened, the member would become entitled to workers' compensation following this 26-week period. February 11, 1985.

Workers' Compensation—Watch †

SB 386—Seymour (Ed.)—Existing law requires certain specified subjects to be taught in the public schools.

This bill would impose a state-mandated local program by requiring the governing board of each school district maintaining kindergarten or any of the grades 1 to 12, inclusive, to begin, on or before March 1, 1986, a specified review of the family relationships and parenting education programs, as defined, available in the district. The bill would permit the governing board to appoint an advisory committee, as specified, to conduct the review. The bill would permit the governing board to appoint an advisory committee, as specified, to conduct the review. The bill would require that review to be conducted in conjunction with the regular curriculum review process. The bill would further impose a state-mandated local program by requiring the board or advisory committee, as appropriate, to make specified findings and recommendations regarding new and existing family relationships and parenting education programs, and to present that information at a public hearing, according to a specified schedule.

After complying with these prescribed procedures, each district would be required to determine whether it will implement any, all, or none of the recommendations regarding family relationships and parenting education programs.

This bill would express the Legislature's intent that any recommendations so implemented shall become effective by September 1, 1988.

This bill would require the district to provide any necessary in-service training to its certificated classroom teachers as part of the voluntary family relationships and parenting education program. February 12, 1985.

Education—Watch †

SB 387—Seymour (H.&H.S.)—Under existing law, when the State Department of Social Services determines that a family day care home for children is operating without a license and the continued operation of the facility is not dangerous to the health and safety of the children, the licensing agency may issue a cease and desist order only if the unlicensed provider does not apply for a license within a reasonable time. If the department determines it is necessary, the licensing agency may bring an action to enjoin continued operation.

This bill would also provide that the licensing agency may determine that a family day care home for children is operating without a license and would permit the licensing agency to issue a cease and desist order if the unlicensed provider does not apply for a license within 30 days. This bill would additionally permit the licensing agency to make the determination that injunctive action is necessary.

This bill would permit the licensing agency, instead of bringing an injunction, to levy a civil penalty of not more than \$50 each day that the facility fails to apply for a license. The bill further requires the licensing agency to notify family day care homes in writing of all deficiencies and to require compliance within 30 days after notification subject to civil penalties or injunctive action as specified. February 12, 1985.

Child Care—Bad

***SB 390—Rosenthal (I.R.)**—Existing law requires an individual to be unemployed for a waiting period of one week in order to become eligible to receive unemployment compensation benefits.

This bill would provide that if the individual is eligible for benefits in each of 7 consecutive weeks, payment shall be made for the previously uncompensated waiting period week.

This bill would impose a state-mandated local program by requiring local government employers to finance the additional benefits provided to their employees by this bill. February 12, 1985.

Unemployment Insurance—Good

SB 392—Royce (B.&P.)—Existing law provides for the licensing and regulation of persons engaged in the practice of landscape architecture.

This bill would repeal those provisions. February 12, 1985.

Miscellaneous—Bad

SB 400—Keene (N.R.&W.)—Existing law generally provides for the restoration of fishery resources and their habitat, but does not require the Department of Fish and Game to prepare a statewide fisheries restoration policy and long-range fisheries restoration plan.

This bill would enact the Fisheries Restoration Act of 1985 to require the department to establish a statewide fisheries restoration policy and prepare a long-range fisheries restoration plan. The bill would create a Fisheries Restoration Advisory Council, as specified, to assist the department in formulating the policy and make recommendations to the department with respect to proposed restoration project priorities.

The bill would create the Fisheries Restoration Account in the Fish and Game Preservation Fund.

The bill would require the California Water Commission, in any recommendation it may make to Congress on funding for water projects, to include recommendations for studies, programs, and facilities necessary to correct fish and wildlife problems caused by federal water facilities and operation, specifically including specified facilities.

This bill would additionally annually allocate \$10,000,000 of those revenues, moneys, and remittances for deposit to the Fisheries Restoration Account. February 12, 1985.

Labor Unions—Watch †

SENATE BILLS (Cont'd)

SB 402—Dills (B. & P.)—Under existing law, to qualify for a license as an embalmer the applicant must, among other things, complete 2 years of apprenticeship under a licensed embalmer, as specified, and must have assisted in embalming or otherwise preparing for disposition not less than 100 human dead bodies.

This bill would delete the above reference to "otherwise preparing for disposition." The bill would specify that the applicant must have embalmed or assisted in embalming not less than 100 human bodies. . . .

If a person vested with the duty of interment fails, refuses, or neglects to perform that duty in a reasonable amount of time, existing law permits a cemetery authority with possession of a decedent's remains, or any relative of the decedent, to file a petition in the superior court, as specified, seeking an order to direct a defendant named as having that duty to fulfill the duty.

This bill would also permit a funeral director to petition the court, and would also include funeral services and cremation as part of the above duties. . . . February 12, 1985. **Labor Unions—Watch †**

SB 412—Morgan (Ed.)—Existing law provides that, commencing February 1, 1983, no school district governing board shall hire on a permanent, temporary, or substitute basis a certificated person seeking employment in the capacity designated in his or her credential unless that person has demonstrated basic skills proficiency as prescribed under current law, or unless that person is exempted from the basic skills proficiency test requirement.

Existing law provides that a certificated person shall not be required to take the state basic skills proficiency test if he or she has been employed in a position requiring certification in any school district within 39 months prior to employment with the district.

This bill would provide that a certificated person shall not be required to take the state basic skills proficiency test if he or she has been employed in a position requiring certification in any school district within 60 months prior to employment with the district.

This bill would authorize a person holding a valid California credential who has not been employed in a position requiring certification in any school district within 60 months prior to employment and who has not taken the state basic skills proficiency test, but who has passed a basic skills proficiency test examination which has been developed and administered by the school district offering that person employment, to be employed on a temporary basis by that district on the condition that he or she will take the basic skills proficiency test at its next local administration. This bill would prohibit these persons from being employed beyond the date that the test results are reported unless they have passed each component of the state basic skills proficiency test. February 13, 1985.

Education—Watch †

SB 417—Hart (Appr.)—Under existing law, the Student Aid Commission administers various student financial aid programs.

This bill would create the California State Work-Study Program, to be administered by the commission, to provide eligible college and university students with the opportunity to earn money to help defray their educational costs, while gaining valuable experience in educationally beneficial or career-related employment.

This bill would appropriate \$1,500,000 to the Student Aid Commission for purposes of the California State Work-Study Program, for allocation according to a specified schedule. February 14, 1985.

Education—Watch †

SB 419—Dills (P. E. & R.)—Existing law provides that a state civil service employee or a person whose name appears on a state civil service employment list may be disciplined for specified actions, including discrimination on the basis of marital status or sex, among other factors. Existing law also prohibits discrimination under the State Civil Service Act against any person because of any of these factors.

This bill, in addition, would permit this discipline for unlawful discrimination on the basis of sexual orientation, and would prohibit discrimination under the State Civil Service Act against any person because of sexual orientation. February 14, 1985.

Public Employees—Good

SB 463—Rosenthal (G.O.)—Under existing law, the State Office of Economic Opportunity and the State Office of Economic Advisory Commission are contained within the Governor's office.

This bill would make the State Office of Economic Opportunity and the State Office of Economic Opportunity Advisory Commission separate entities within state government and rename them the Department of Economic Opportunity and the Department of Economic Opportunity Advisory Commission, respectively.

ment of Economic Opportunity and the Department of Economic Opportunity Advisory Commission, respectively.

The bill would provide for the transfer of functions, unexpended balances, and records from the office as constituted in the Governor's office to the new independent entity.

The bill would specify that except for the director, who shall be appointed by the Governor subject to the confirmation of the Senate, the chief deputy director, who shall be appointed by the Governor and a deputy director who may be appointed by the Governor, the officers and employees of the Department of Economic Opportunity shall be subject to civil service provisions. . . . February 19, 1985.

Public Employees—Watch †

SB 468—Boatwright (L. Gov.)—Existing law generally requires that the governmental services of counties be performed by county employees, and that services for which the county contracts be obtained through competitive bidding. An exception permits counties to contract for maintenance and custodial matters at a site remote from available county employee resources if the county's economic interests are served by contracting rather than paying additional travel and subsistence expenses to county employees.

This bill would remove those limitations on a county's authority to contract for maintenance and custodial services.

The bill would impose a state-mandated local program by expanding the class of services which a county could have performed by contract, rather than by county employees, thus bringing the subject within the scope of required collective-bargaining negotiations between a county and its employees. . . . February 20, 1985.

Labor Unions—Bad

SB 469—Dills (I.R.)—Existing law provides that a contract to render personal service may not be enforced against the employee beyond 7 years from the commencement of service under the contract.

This bill would provide that a contract to render personal service where the performed service is of a special, unique, unusual, extraordinary, or intellectual character which gives it peculiar value, the loss of which cannot be reasonably or adequately compensated in damages in an action at law, and which service by the terms of the contract could be performed by the person required to render the service within 7 years from the commencement of the service, may be enforced against the person until the person has fully rendered the agreed service, but not beyond 10 years from the commencement of service under the contract. February 20, 1985.

Labor Code—Bad

SB 471—Roberti (Rev. & Tax.)—Under the existing Personal Income Tax Law and Bank and Corporation Tax Law, a taxpayer is entitled to a deduction with respect to the amortization of the amortizable basis of any certified pollution control facility which, among other things, is placed in service by the taxpayer before January 1, 1988; with regard to alternative energy equipment placed in service by the taxpayer before January 1, 1986; and with regard to cogeneration equipment placed in service by the taxpayer before January 1, 1986. . . . This bill would provide that such method of amortization shall be available to taxpayers with regard to hazardous waste equipment, as defined.

The existing Personal Income Tax Law and Bank and Corporation Tax Law authorize specified credits against the taxes imposed.

This bill would allow, until January 1, 1991, a credit of varying specified amounts for the purchase of source reduction equipment used to reduce the amount of hazardous waste generated and for the purchase of equipment used to recycle, and for the treatment of, hazardous waste, as specified. . . . February 20, 1985.

Taxes—Watch

SB 475—Morgan (Senate Floor)—(1) Existing law provides that 4 members of the 9-member Board of Registered Nursing constitute a quorum for the transaction of business at any meeting.

This bill would increase the number of members necessary to constitute a quorum from 4 to 5 members.

(2) Existing law provides that any professional corporation rendering professional services by persons duly licensed by, among others, the Board of Medical Quality Assurance or the State Board of Pharmacy, shall not be required to obtain a certificate of registration in order to render those professional services.

This bill would make those provisions applicable to professional corporations rendering professional services by persons licensed by the Board of Registered Nursing. February 20, 1985.

Labor Unions—Watch †