

Ronald Reagan Presidential Library  
Digital Library Collections

---

This is a PDF of a folder from our textual collections.

---

**Collection:** Reagan, Ronald: Gubernatorial Papers,  
1966-1974: Governor's Office  
**Folder Title:** Research File – Labor (2)  
**Box:** GO 188

---

To see more digitized collections visit:

<https://reaganlibrary.gov/archives/digital-library>

To see all Ronald Reagan Presidential Library inventories visit:

<https://reaganlibrary.gov/document-collection>

Contact a reference archivist at: [reagan.library@nara.gov](mailto:reagan.library@nara.gov)

Citation Guidelines: <https://reaganlibrary.gov/citing>

National Archives Catalogue: <https://catalog.archives.gov/>

Mar @ 15 tabs @ 16, 40 & 59

blue seal, 1 tissue, 1 green

March 22, 1973

-  
-  
-

Dear -----:

Thank you for giving me the opportunity to comment on my position in regard to welfare relief and food stamps for members of striking labor unions.

I am very much concerned with loopholes in the federal law which result in aid being available to persons on strike. It is my conviction that government should not involve itself in labor disputes, and that subsidizing strikers while they hold out against employers is morally wrong.

This administration has consistently supported legislation to preclude strikers receiving welfare benefits, including Senate Bill 725 and Senate Bill 846 during the 1972 session. Both measures were rejected by the Legislature.

In testimony before the U. S. Senate Finance Committee last year, I recommended that Congress mandate a provision by federal law prohibiting payment of aid to strikers by any state. Unfortunately, Congress did not pass such legislation. In response to proposed HEW regulations, California has recommended that HEW adopt a regulation which would prohibit all states from paying public assistance benefits to strikers.

The State Department of Social Welfare adopted a regulation which should restrict the number of strikers qualifying for welfare. A striker who applies for AFDC on the basis of his unemployment must actively seek other employment. If he is

cont...

-2-

March 22, 1973

offered his vacated job by his struck employer, he must accept it or he will be denied public assistance.

In administering the Food Stamp Program, California is required to follow restrictive federal regulations. Unfortunately, the federal government prohibits denial of food stamp benefits due to voluntary unemployment.

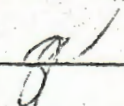
We are taking all administrative action possible to curb this misuse of public funds. If you haven't already, I hope you will let your state and national representatives know of your concern on this issue.

Sincerely,

RONALD REAGAN  
Governor

EWT:---

Form approved by:

3/22/73 

8/1/71



# California AFL-CIO News

Official Publication of The California Labor Federation, AFL-CIO, 1973

Vol. 14 - No. 40  
October 5, 1973  
1973

Wf  
acc

## Is Nixon Land Deal Linked to Ruling In 100-Acre Case?

Did White House influence have anything to do with the federal government's decision not to appeal a decision handed down by a San Diego federal district court judge in 1970 which permits U.S. reclamation law to continue to go unenforced in the Imperial Irrigation District?

That question was raised recently when facts were disclosed linking President Nixon's land purchases for his San Clemente estate to one of the principal large landowners involved in the U.S. versus Imperial Irrigation District suit filed by the Justice Department in 1967 under the Democratic Administration of the late President Lyndon B. Johnson.

The case has since been revived at the instigation of some landless Imperial Valley citizens with support from the California Labor Federation, AFL-CIO.

The government suit, long sought by both the California and the National AFL-CIO, was filed January 11, 1967. It was aimed at preventing the bulk of the benefits from publicly financed reclamation projects from flowing into the hands of a small number of large landholders in the Imperial Valley in violation of U.S. reclamation law.

In essence, the suit called on the court to declare that the irrigation district is subject to the federal reclamation law's land

(Continued on Page 3)

## Reagan Signs Bills Hiking Benefits By \$113 Million

The California AFL-CIO praised Governor Ronald Reagan this week for signing more than half a dozen bills sought by the California Labor Federation to boost benefits for thousands of disabled or jobless California workers by more than \$113 million a year.

"Within the past two years, Governor Reagan has signed California AFL-CIO-backed bills increasing social insurance benefits for injured and unem-

ployed California workers by more than \$266 million. No Governor—Republican or Democrat—in the history of the state has ever done anything like that," John F. Henning, executive officer of the California AFL-CIO, said.

"While we have areas of sharp disagreement with the Governor, we praise him for his achievements in the fields of workmen's compensation, unemployment insurance and disabili-

ty insurance," Henning said.

He noted that Reagan had signed major benefit increases at the end of the 1971 session which put more than \$153 million a year in additional benefits into the pockets of industrially disabled and jobless California workers.

That, coupled with the \$113 million in additional increases this year, means that California worker benefits have been in-

(Continued on Page 4)

## State Labor Council Urges 'No' Vote on Proposition 1

Opposition to Proposition No. 1, Governor Reagan's tax initiative on the November 6 special election ballot, was voiced yes-

terday by the Executive Council of the California Labor Federation, AFL-CIO, which represents the state's 1.6 million AFL-CIO union members.

In a statement adopted at the Executive Council's meeting at the Hyatt Regency Hotel in Los Angeles, the Council said that Proposition No. 1 would "fail the needs of a dynamic society," result in the "destructive elimination" of necessary state services and in a "dilution of majority rule."

The statement was approved just one day after Governor Reagan spent more than an hour discussing the substance of the tax initiative with the 37-member Executive Council.

In summing up its opposition to Proposition 1, the Council declared:

"We oppose Proposition 1 not (Continued on Page 2)

## AFL-CIO Urges Defeat of Nixon Foreign Trade Bill

The AFL-CIO called on all unions and local central bodies this week to contact their congressmen immediately to urge opposition to the Nixon Administration's trade bill which is expected to come up for a vote on the House floor in mid-October.

"No other legislation before Congress has the potential for such great and lasting damage to the income levels of Americans, to existing laws that protect our society, and to the very industrial base of our nation" Andrew Biemiller, national legislative director for the AFL-CIO, warned this week.

"Essentially, the bill cedes to the President almost limitless authority to take any action he sees fit in U.S. trade policies for political, military or economic purposes. Congress, having ced-

(Continued on Page 2)

## Residency Rule Is Upheld by State Supreme Court

The California State Supreme Court has unanimously upheld residency requirements for city employees in the state's 75 charter cities.

The ruling, handed down October 2, held that a residency requirement—an ordinance requiring city employees to live in the city in which they're employed—bears "a rational relationship to one or more legitimate state purposes and hence is constitutional under the tradi-

(Continued on Page 3)

## Chavez Urges Law to Bar Strike Injunctions Without First Hearing Both Sides

United Farm Worker pickets at Kern County vineyards were beaten indiscriminately, sprayed with tear gas unnecessarily and subjected to racial slurs by the deputies, Cesar Chavez, director of the AFL-CIO United Farm Workers Union, charged this week.

Testifying at the opening session of a special Assembly Com-

mittee hearing on farm labor violence, Chavez said that brutality against pickets by Kern County sheriff's deputies and private security guards "broke

our strike this bloody summer."

"Law enforcement was very unfair to us," he said, citing "severely restrictive and unconstitutional" injunctions issued

by rural judges over whom growers exercise "vast political power."

Chavez urged the special Assembly Select Committee on Farm Labor Violence, chaired by Assemblyman Richard Alatorre (D-L.A.), to consider legislation to forbid judges from issuing restraining orders on pick-

(Continued on Page 2)

# Reagan Signs Bills Hiking Benefits By \$113 Million

(Continued from Page 1)  
 creased by more than a quarter of a billion dollars within the past two years, he observed.

"The California AFL-CIO also commends Assembly Speaker Bob Moretti (D-Los Angeles) and Senate President Pro Tem James R. Mills (D-San Diego) for the vital leadership they displayed in making these historic gains possible. The gains also would have been impossible without the support of fair-minded legislators on both sides of the political aisle," Henning said.

At the same time, Henning said he was "deeply disappointed to learn that the Governor had vetoed bills: to extend collective bargaining rights to teachers (SB 400-Moscone); unemployment insurance to farm workers (AB 255-Fenton); and to require firms advertising in Spanish to provide consumer contracts in both English and Spanish (AB 212-Alatorre).

All three bills will be reintroduced next year in the hope the Governor will reconsider his position on them, Henning said.

"California teachers, like teachers throughout the nation, have every right to have a voice in determining their own wages and working conditions. The Moscone measure would have established reasonable procedures to effect this and thereby end the existing unfair situation that lets school boards dictate work terms to the teachers," Henning said.

"The veto of jobless benefits for farm workers simply means that California taxpayers will continue to subsidize through welfare payments the state's \$5 billion agribusiness industry," he said.

Major labor bills signed by Reagan this week included:

AB 580, carried by Assemblyman Wadie Deddeh (D-Chula Vista) increasing maximum weekly jobless benefits from \$75 to \$90. This will mean an additional \$50 million for California workers suffering unemployment next year.

AB 752, carried by Assemblyman Jack R. Fenton (D-Los Angeles), increasing the maximum weekly temporary disability benefit under the state's

workmen's compensation program from \$105 to \$119 and the maximum permanent weekly disability benefit under the workmen's compensation program from \$70 to \$119. This will mean an additional \$20.3 million for California workers next year.

AB 806-Deddeh, increasing the maximum weekly benefit under the state's employee-financed disability insurance program for workers suffering off-the-job disabilities from \$105 to \$119. This will provide an additional \$15.9 million in benefits.

AB 809-Deddeh, providing disability benefits for up to 26 weeks for pregnancy if a doctor certifies that the pregnancy involved abnormal complications or disabling conditions. This will mean \$15.9 million in increased benefits for women workers.

AB 751-Fenton, increasing death benefits to a widow from \$25,000 to \$40,000 and to a widow with dependents from \$28,000 to \$45,000. This accounts for another \$12.1 million a year in additional benefits.

AB 750-Fenton, cutting the waiting period for disability benefits under the workmen's compensation program from 28 to 21 days. This will account for an estimated \$3.6 million a year in additional benefits.

"Enactment of the above six bills will put an estimated \$113.2 million into the pockets of economically distressed California workers in a year like 1973, according to state estimates," Henning said.

The State AFL-CIO leader also praised Reagan for signing AB 478, a measure carried by Assemblyman Willie L. Brown, Jr. (D-San Francisco), which authorizes the State Industrial Welfare Commission to establish hours and working conditions standards for men as well as women. The Governor had vetoed a similar California AFL-CIO-sponsored bill carried by Assemblyman Brown in the 1972 session.

Other California AFL-CIO-sponsored bills designed to improve the wages or economic or social conditions of California workers signed by the Governor included:

AB 10, carried by Assemblyman Leroy F. Greene (D-Sacramento), to bar employers from deducting more than 20 cents an hour from a worker's wages against tips received and require the employer to post a notice to patrons in 48-point black-faced type stating the extent to which the employees are required by the employer to accept gratuities in lieu of wages.

"This is a major benefit to waiters, waitresses and other workers in industries involving tipping. At the same time it will curb the notorious practice of some employers who merely put up a notice and kept all the tips received by their employees without explanation," the State AFL-CIO official said.

The amended version of the bill was less than the outright prohibition of the practice that the California AFL-CIO had sought but constitutes "a major step in the right direction," he added.

The Governor also signed AB 810-Deddeh, a California AFL-CIO-sponsored measure that will freeze wage credits for disability benefits in order to protect injured or disabled workers under the state's disability insurance program.

On the negative side, the Governor also vetoed the following California AFL-CIO bills:

AB 1516, a State AFL-CIO bill carried by Assemblyman John F. Foran (D-S.F.), aimed at assuring workers free choice of physicians in workmen's compensation cases.

AB 758-Brown, which would have improved the state's workmen's compensation coverage for full-time household domestics and gardeners and extended it to news boys.

SB 64, a State AFL-CIO-sponsored bill carried by Senator Mervyn Dymally (D-L.A.), to repeal a portion of the Stull Act dealing with teacher evaluations.

## Ernest Aronson, Carpenters Union Leader, Dies at 92

Funeral services were held this week for Ernest T. Aronson, former secretary of the California State Council of Carpenters, who died at a rest home in Sacramento September 27. He was 92.

Mr. Aronson served as business agent for Carpenters Local 483 in San Francisco some 30 years, from 1921 to 1958. He was made acting secretary of the California State Council of Carpenters in 1953, a post he held until 1958 when he retired.

During his 67 years as a member of the Carpenters Brotherhood, he policed the job standards during the construction of the Hetch Hetchy Water Project which still serves San Francisco.

Mr. Aronson is survived by three sisters, Freda Enger, Minnie Moline, and Edith Bernet; brother, Luther Aronson; and a number of nieces and nephews.

Funeral services were held Monday in San Francisco with interment at Cypress Lawn Memorial Park.

## H.H.H. to Address Labor Dinner in Orange County

U.S. Senator Hubert H. Humphrey will be the principal speaker at a dinner sponsored by the Orange County Labor Political Action Coalition at the Disneyland Convention Center in Orange County tonight.

The former vice president has been a staunch friend of organized labor and a fighter for AFL-CIO sought social reforms such as national health insurance throughout his political life.

Proceeds from the dinner will be used for voter registration and get-out-the-vote drives in Orange County.

The OCLPA is an organization composed of AFL-CIO affiliates, Teamster, UAW and ILWU unions. It aims to encourage union members and their families to register to vote and take part in the political process.

Further information on the organization may be obtained by phoning (714) 530-1981.

### Publisher's Notice

The California AFL-CIO News is published weekly by the California Labor Federation, AFL-CIO, 995 Market Street, San Francisco, California 94103. Second class postage paid at San Francisco, Calif.—Subscription: \$3.50 a year. John F. Henning, executive secretary-treasurer; Glenn Martin, editor.

AD 580.	Deddeh.	- signed	10/1/73
AD 752	Fenton	- signed	10/1/73
AD 806	Deddeh	- signed	10/2/73
AD 809	Deddeh	- signed	10/1/73
AD 751	Fenton	- signed	10/1/73
AD 730	Fenton	- signed	10/1/73

# STATE AFL-CIO LEADERS OPPOSE REAGAN TAX PLAN

BY HARRY BERNSTEIN  
Times Labor Writer

The California Labor Federation, AFL-CIO, Thursday announced its opposition to Gov. Reagan's tax plan, Proposition 1, calling it "rigid, arbitrary," and not "socially responsive."

But the union leaders, representing 1.6 million AFL-CIO members, were relatively mild in their criticism of the measure and had considerable praise for Reagan himself, even though organized labor has been among the Republican governor's strongest political foes.

The politically significant statements came at a meeting of the State AFL-CIO Executive Council here Wednesday and Thursday.

The most praise for Reagan stemmed from his signing into law several social insurance measures passed by the Democratic-controlled Legislature in Sacramento.

John F. Henning, head of the state AFL-CIO, said that within the last two years, Reagan had signed AFL-CIO-backed bills increasing social insurance benefits for injured and unemployed workers by \$266 million.

"No governor—Republican or Democrat—in the history of the state has ever done anything like that," Henning said.

The union official said that, while labor does have "areas of sharp disagreement with the governor, we praise him for his achievements in the fields of workmen's compensation, unemployment insurance and disability insurance."

(Jobless benefits went up from a \$75 weekly maximum to \$90; workmen's compensation was moved up from \$105 to \$119 a week for temporary disabilities and from \$70 to \$119 for permanent disabilities; off-the-job disability benefit maximum goes from \$105 to \$119.)

Reagan received his compliments from the union leaders in person when he met with them at the Executive Council meeting here to urge support for Proposition 1.

The governor spent nearly an hour with the AFL-CIO officials Wednesday and then visited leaders of the Southern California Joint Council of Teamsters at their headquarters here Thursday seeking their help on Proposition 1.

The Teamsters have taken no stand yet on the measure.

Henning said the AFL-CIO was disappointed because Reagan vetoed measures which, among other things, would have given collective bargaining to teachers, jobless benefits to farm workers, and free choice of doctors to workers injured on the job.

But the money increases in social insurance benefits generally, he said, proved by Gov. Reagan. "were substantial and necessary and were approved."

The insurance increases were not generally opposed by management groups in Sacramento when they were pushed through by Democratic Party leaders in the Legislature.

But union officials said that, because Reagan is regarded as strongly conservative, they feared he would veto the bills despite the lack of opposition from employers. Therefore, they said, he deserves labor's commendation even if it does help him politically.

The federation's opposition to Reagan's tax plan was also coupled with a compliment as the union leaders said he is "to be commended for facing the issues of fiscal change and reform."

While Proposition 1 requires "the thoughtful consideration of all concerned with fiscal responsibility, careful study . . . (shows) the rigidity of constitutional language would fail the needs of a dynamic society," they said.

The union officials also argued that "arbitrary dollar ceilings in the complex matters of revenue and taxation would be neither feasible nor socially desirable . . . and curtailment of necessary state services would inevitably impose new tax burdens on local government, or result in the destructive elimination of such services."

# Reagan Invokes Constitution To Defend Tax Plan

SACRAMENTO (AP) — Gov. Reagan invoked the U.S. Constitution yesterday to defend the concept of his tax control plan.

He said the measure protects the people from the time-honored ban on confiscation of property by government.

"We are saying that part of that property is the fruit of our toil," the Republican governor told a news conference.

This was one of several Reagan references to the American Revolution and the concepts of the Founding Fathers during one of the longest news conferences he ever has held.

He said his proposed amendment to the California Constitution, boiled down to the most simple terms, is this: "We demand a right that above a certain level of taxation to say that government must get our permission for the spending of that money."

"That very simply is all this is," Reagan said.

**PERSONAL FINANCES**

On another subject, Reagan said he still won't reveal details of his personal finances because "that is what we fought a revolution for."

"You have a right to be safe in your books and records, which was what the Declaration of Independence was all about," Reagan said.

That principle was not compromised by his signing a public officials' disclosure bill, Reagan added.

This is because the bill, sponsored by Democratic Sen. George Moscone of San Francisco, only requires an off-

iceholder to say whether he has interests valued at a certain value or above. It does not require a detailed accounting.

**'SATISFIED'**

"I was satisfied with the terms of this," Reagan said.

Again on his tax initiative, Prop. 1 on a special Nov. 6 ballot, Reagan said the revolution established for the first time that the people are the source of all governmental power.

Constitutions have been amended frequently when the people felt there should be change or control on governmental power, Reagan added.

"It isn't that we're doing some horrendous thing that hasn't been done," he said.

LA Times 10-5-73

labor

from the desk of — *Photographs*  
*Read*

**VERN CANNON**

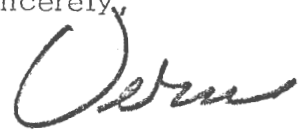
October 15, 1973

Honorable Ronald Reagan  
Governor of California

Dear Governor Reagan:

Thought you would like to have the enclosed  
photographs as mementos of this memorable  
occasion. This day will long be remembered  
by the Teamsters.

Sincerely,



VC:deh

Enclosures



# TEAMSTERGRAMS

## California Teamsters Legislative Council



JOSEPH J. DIVINY — President 925 L STREET, SUITE 920  
TED MERRILL — Vice President SACRAMENTO, CALIFORNIA 95814  
GEORGE E. MOCK — Secretary PHONE: AREA CODE (916) 446-0291  
VERN CANNON — Legislative Representative



### EXECUTIVE COMMITTEE MEMBERS

#### COMMITTEE MEMBERS JOINT COUNCIL NO. 7

JERRY C. BEATTY  
Vallejo

JACK GOLDBERGER  
San Francisco

GEORGE M. KING  
Oakland

MARK J. O'REILLY  
San Francisco

JOHN J. SHERIDAN  
Richmond

RUDY THAM  
San Francisco

ALBERT WINTERS  
San Jose

#### JOINT COUNCIL NO. 38

GEORGE BRANSON  
Bakersfield

DAVID B. CASTRO  
Hayward

MIKE ELORDUY  
Sacramento

JOHN FITZSIMONDS  
Sacramento

HARRY KACHADOORIAN  
Fresno

NORBERT F. MILLER  
Modesto

FREDDY F. SANCHEZ  
Oakland

#### JOINT COUNCIL NO. 42

JAMES BARHAM  
San Diego

JOE CARAMAGNO  
Los Angeles

BART J. CURTO  
Santa Maria

PETE KURBATOFF  
Los Angeles

STEPHEN P. MARTIN  
Los Angeles

FRANK WILSON  
San Bernardino

THOMAS L. YOUNG  
Los Angeles

(18)

October 5, 1973

### SACRAMENTO REPORT

by

Vern Cannon, Legislative Representative

Governor Ronald Reagan has signed into law nine major bills sponsored by and supported by the California Teamsters Legislative Council. All major social insurance bills which increase benefits for all workers were included among those signed. New benefits totaling \$100 million yearly will be available to the unemployed, the industrially injured and those sick and unable to work. Bills improving driver's license security and job security were also signed into law as the deadline arrived.

This has been an outstanding year for the Teamsters at the Capitol. It has been but a few years since social insurance benefits were adjusted upward by the Legislature; we found a great deal of resistance to improving benefits. The efforts of each Joint Council and particularly Joint Council of Teamsters No. 42 were successful in overcoming statewide resistance to the approval of these benefit bills. Particular thanks are due to President Pete Kurbatoff of Joint

Council 42 who personally appealed to Governor Reagan for approval of these much needed benefits.

#### WORKMEN'S COMPENSATION

Thirty-five million dollars in new benefits will accrue to California's industrially injured as the result of approval of Assembly Bills 750, 751 and 752 by Assemblyman Jack Fenton. Death benefits are greatly improved increasing from \$25,000 to \$40,000 and from \$28,000 to \$45,000 for a widow with one or more minor children. The death benefit bill becomes effective on January 1, 1974. Temporary disability benefits increased from a maximum of \$105 per week to \$119 per week effective April 1, 1974. Maximum permanent disability benefits for those 100% disabled are increased from \$70 per week to \$119 per week effective on April 1, 1974. The waiting period is decreased from 28 to 21 days with benefits retroactive to the first three days with an effective date of April 1, 1974.

#### INDUSTRIAL SAFETY ACT OF 1973

Through a constant and diligent effort, Assemblyman Jack Fenton has succeeded in enacting an Industrial Safety Act of 1973 which encompasses the standards set down by the Occupational Safety and Health Act and goes beyond it in the protection of workers on the job in California. Governor Reagan signed the bill on the final day for such action after lending his Administration's support to the bill in its legislative journey. ✓

#### UNEMPLOYMENT INSURANCE

Assembly Bill 580 by Assemblyman Wadie Deddeh improving maximum Unemployment Insurance benefits has been signed into law. Effective with claims filed after January 1, the maximum benefit will be \$90 instead of \$75 per week. Here again

Joint Council 38 and the Food Processing Unions played a major role.

#### DISABILITY INSURANCE

Assembly Bill 806 by Assemblyman Wadie Deddeh improves maximum Disability Insurance benefits from the present \$105 per week to a new high of \$119 per week has also been approved and becomes effective on April 1, 1974.

#### ON-THE-JOB DRIVER LICENSE SECURITY

Two bills signed by Governor Reagan will greatly improve job security by better protecting the driving privileges of the professional driver. AB 811 by Assemblyman Wadie Deddeh (D), Chula Vista, provides that an insurer may not cancel or refuse to renew an employer's insurance on the grounds that one of his insured drivers has a bad record off the job lest it be one of the very serious offenses.

The other bill, SB 620 by Senator Alfred Song (D), Monterey Park, provides for a six count instead of the present four count when accessing negligent operators through the Department of Motor Vehicles. This provision was requested by the Teamsters to protect professional drivers from the impact of the bill which reclassifies motor vehicle offenses from misdemeanors to infractions which do not qualify for a jury trial.

An avalanche of support came in from Joint Council 7 on these bills.

#### AIRLINE INDUSTRY; JOBS, JOBS, JOBS

The long-waged war against laws which cause Teamster jobs to flee from California recorded a winning battle for our side with the signing of Senate Bill 911 by Senator William Coombs (R), Rialto. The law will provide tax relief to the charter airline and repair industries where hundreds of Teamster members are employed.

While there is cost to the state and local government initially, the long-range impact on revenues will show a great increase as the economy improves from the greatly increased work force which will result. As many as one thousand jobs for the Oakland area are already anticipated.

No bad bills were passed in 1973 keeping your record intact. My staff is again deeply grateful for the Joint Councils' and locals' support.

#####

# Labor Unit Denies Reagan

By Leo Rennert

McClatchy Newspapers Staff Writer

WASHINGTON — The Labor Department today rejected as "absolutely" groundless a charge by California Gov. Ronald Reagan that it is hatching a bureaucratic plot to embarrass President Richard Nixon with a sudden, artificially contrived jump in unemployment rates.

James Wetzel, assistant commissioner of the Bureau of Labor Statistics, said there has been "no pressure at all from the White House" to abandon a new system of measuring joblessness — despite strenuous objections from Reagan.

"We have no special axes to grind," Wetzel remarked. "The only pressure we've had is to get a uniform system, fair to all states, in operation."

Reagan, who was here last week for talks to Republican groups, said feder-

al bureaucrats have devised new sampling methods which are about to raise unemployment figures in California and other large industrial states from 4-5 to 7-8 per cent levels.

## New Headache

When monthly reports based on the revised system become public, he warned, the White House will have a new political headache and the economy will reel from another psychological blow.

The governor said the statistical switch illustrates the need for Republicans to pitch their 1974 campaigns against "the permanent structure of government — the incumbent bureaucracy."

At a meeting here last Friday, he asked Vice President Gerald Ford to intervene with the Labor Department. He also reportedly addressed a similar request to the President.

In an interview with The

Bee, however, Wetzel denied the new statistical method will have any impact on national unemployment figures.

Joblessness rates will go up in some states like California and Florida, he remarked, but will be pushed down in others like Massachusetts and Michigan.

## Consistent Measure

The new approach, he said, simply is designed to assure that unemployment is measured the same way in all states.

In turn, he added, this will guarantee that new federal manpower training funds based on unemployment conditions are allocated fairly among the states.

According to government sources, California stands to gain \$2 million to \$5 million in manpower grants as a result of the impending statistical rise in its unemployment levels.

Similarly, it is pointed

out, the state will be in line for more federal aid under proposed programs designed to relieve job losses caused by fuel shortages.

Wetzel said the new unemployment reports will provide a clearer picture of the extent to which women and young people cannot find work.

## No Plot

The biggest statistical change will be in California, he explained because the state's dynamic growth and increasing urbaniza-

# Charges About New Jobless Count

tion were not reflected adequately by the old system.

"Gov. Reagan notwithstanding, most people have accepted the change openly and willingly," he remarked. "There's no bureaucratic plot here. Absolutely not. We're just trying to be fair and equitable to all states."

"In six months, everyone will have forgotten there was any change at all."

Wetzel said steps have been taken to avoid any apple-and-orange compari-

sons when January unemployment figures—the first under the new system—are announced.

This means the January rates will be compared with what joblessness conditions would have been a month earlier had the new system already been in effect.

In a telephone interview from Sacramento, David Nadelle, chief of the Employment Data and Research Division of the State Employment Development Department, said the Janu-

any figures for California will be announced Friday.

Unemployment in the state, under the old yardstick, stood at 5.5 per cent in December, he reported. But the January rate, he said, will be compared with a December level of about 7.5 per cent to assure equal statistical treatment for both months.

Nadelle said he is not convinced the new system will provide better information on economic trends

"But we're pleased if it

means use of the same methodology by everyone so that there is comparability from one state to another," he added.

Under the old system, according to the Labor Department, California's unemployment rates were 6.1, 7.0 and 5.8 per cent, respectively, in 1970, 1971, and 1972. Had the new yardstick been in effect, joblessness in the state would have been reported at higher level of 7.2, 8.8 and 7.6 per cent, respectively.

Welfare: Strikers

Rev. 6

Mar @ 15 tabs @ 16 & 40 & 58 blue seal, 1 tissue, 1 green

---

February 20, 1974

-  
-  
-

Dear --:

Thank you for giving me the opportunity to comment on my position in regard to welfare relief and food stamps for members of striking labor unions.

I am very much concerned with loopholes in the federal law which result in aid being available to persons on strike. It is my conviction that government should not involve itself in labor disputes, and that subsidizing strikers while they hold out against employers is morally wrong.

This administration has consistently supported legislation to preclude strikers receiving welfare benefits, including Senate Bill 725 and Senate Bill 846 during the 1972 session. Both measures were rejected by the Legislature.

In testimony before the U. S. Senate Finance Committee in 1972, I recommended that Congress mandate a provision by federal law prohibiting payment of aid to strikers by any state. Unfortunately, Congress did not pass such legislation. In response to proposed HEW regulations, California has recommended that HEW adopt a regulation which would prohibit all states from paying public assistance benefits to strikers.

The State Department of Benefit Payments adopted a regulation which should restrict the number of strikers qualifying for welfare. A striker who applies for AFDC on the basis of his unemployment must actively seek other employment. If he is

-----  
-2-

February 20, 1974

offered his vacated job by his struck employer, he must accept it or he will be denied public assistance.

In administering the Food Stamp Program, California is required to follow restrictive federal regulations. Unfortunately, the federal government prohibits denial of food stamp benefits due to voluntary unemployment.

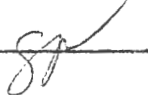
We are taking all administrative action possible to curb this misuse of public funds. If you haven't already, I hope you will let your state and national representatives know of your concern on this issue.

Sincerely,

RONALD REAGAN  
Governor

EWT:---

Form approved by:

2/20/74 

8/1/71

## Editorial

# Alioto didn't fight back

*Redding Record Searcher, 3/8/74*

A day when human excrement and industrial poisons are flowing into San Francisco Bay by the millions of gallons hardly seems the time to resort to political rhetoric.

Nor does political rhetoric seem appropriate on a day when garbage is piling high, when commuters are stranded, when those who wish to work cannot, when the lifeblood of a city stops coursing.

But that is what happened in San Francisco, a city brought to its knees by a municipal workers union in an adjudged illegal work stoppage.

Mayor Joseph Alioto, who wants to be governor of California, apparently had that goal on his mind — to the exclusion of the welfare of the city he purports to lead — in his dealings with, and his public comments about, the "striking" city workers.

Rather than meet the challenge head-on, in the interests of all San Franciscans, Alioto chose to equivocate. Rather than work to keep the city functioning, Alioto worked to keep the striking union happy, and in so doing plunged the city into a chaos whose impact was felt in surrounding communities as well.

In response to suggestions to keep the city running, Alioto resorted to rhetoric, labeling such a move strikebreaking — even

at the same time many craft unionists were growing disenchanted with the tactics of the strikers.

BART was closed, but its employees weren't striking. Municipal transit was halted, but its employees hadn't walked out. Hospital workers hadn't struck, but hospitals closed and seriously ill patients were moved. Sewer plants were shut down, but not by striking sewer workers, and a union representing a minority of teachers managed to bring education to a standstill.

The legal strike is a legitimate weapon — one which unions have a right to resort to. But it is also management's right to attempt to continue to function in the course of a strike.

And if management happens to be the government of a city, it would also seem to be its responsibility.

Alioto's position may have won him some points with the striking unionists, but we wonder how he is viewed by those unionists who wanted to work, but could not, because a city ceased to function.

Those who were on strike learned a valuable lesson: San Francisco and its mayor will not fight back and disgruntled workers can work their will with little difficulty and less effort.

No doubt, the city can look forward to similar — and frequent — disasters in the future.

*AFL-CIO News  
3-15-74*

## Alioto Raps Critics' Call to Fire Strikers

"Dangerous nonsense."

That was the reply San Francisco Mayor Joseph Alioto gave Wednesday to the suggestion of Republican State Controller Houston Flournoy that Alioto should fire striking city employees and fill their jobs with new people.

In rejecting Flournoy's suggestion, Alioto said:

"If he spent less time being cozy with the big oil monopolists and more time understanding the effects of Republican inflation on working families, maybe he would be less quick to shoot off his mouth.

"We are working around the clock to try and settle this dispute," Alioto said.

California's Governor Ronald Reagan, currently regarded as one of the top contenders for the 1976 Republican presidential nomination, took the same position on workers' rights as Flournoy.

"There is no way you can condone strikes by public employees," Reagan said.

Arguing that public workers "do not have the same situation that private employees do in private industries" because "government cannot go out of business," Reagan responded to a reporter's query on how he would have handled the San Francisco strike saying:

"You'd refuse to sit down and negotiate any of the grievances of the people as long as they are out on strike. If it passes five days without them reporting for work you start rehiring. I don't think you negotiate while they continue to strike."



Laboz

OFFICE OF GOVERNOR RONALD REAGAN  
Sacramento, California 95814  
Clyde Walthall, Press Secretary  
916-445-4571 9-5-74

RELEASE: Immediate

#505

Governor Ronald Reagan today appealed to Southern California transit union leaders to submit the latest management offer to a secret ballot of the union rank and file membership.

The governor called the move "the traditional democratic way" to let union members decide the issues and perhaps bring about an early settlement of the Southern California Rapid Transit District strike that has idled buses for nearly four weeks.

"After learning details of the Transit District's latest offer, I feel impelled to make this request of union leadership," Governor Reagan said. "I have talked by telephone both with the RTD management and with the leaders of the drivers' union."

The governor said he has offered the services of the State Conciliation Service to conduct the elections.

"The Transit District's latest offer to the drivers amounts to an increase of more than 10 percent. This compares most favorably with recent wage increases granted other public employees in the Southland. I think it is significant that this offer carries a price tag that is approximately \$1 million in excess of the recommendations of the fact finding commission of impartial experts I appointed last spring to investigate the contract differences between the RTD and the unions.

"It is my hope that the union leaders will see their way clear to call elections by their members as soon as possible as a means of settling this terribly disruptive strike. I have been most disturbed at the way hundreds of thousands of people in Southern California have become innocent victims of this unwanted strike," the state's chief executive said.

The Southern California Rapid Transit District is an agency of the state. The RTD's 3,300 drivers, represented by the United Transportation Union, and the district's 728 mechanics, represented by the Amalgamated Transit Union, walked off their jobs last August 12, bringing an immediate halt to bus service in four Southern California counties.

Union demands far exceeded recommendations of Governor Reagan's Fact-Finding Commission, and the parties have remained far apart in their negotiations.

# # #

McKelvey

# Reagan Urges Union to Allow RTD Drivers to Vote on Offer

Transit Officials Call Statement 'Breakthrough' but Labor Terms It 'Ill-Timed'; Strikers Seem to Back Leaders' Stand

BY RAY HEBERT  
Times Urban Affairs Writer

Gov. Reagan appealed to union leaders Thursday to allow striking bus drivers to cast secret ballots on a new management offer to end Southern California's 25-day-old transit strike.

Transit officials called it the "breakthrough we have been waiting for." But union officials—without rejecting the proposal outright—termed it "ill-timed" and suggested the vote would be a waste of time.

At the same time, a sampling of bus drivers picketing Southern California Rapid Transit District facilities showed them squarely behind the strike against the nation's fourth largest urban transit system.

Of those questioned, all agreed the SCRTD offer made last Monday—Labor Day—constituted nothing new and the governor's idea to submit it to a referendum would be a useless exercise.

"It shouldn't go to a vote—I don't believe a majority of the guys would accept it," said bus driver Nate Hubbard, on picket duty at the SCRTD maintenance yard at 16th and San Pedro Sts.

Meanwhile, county welfare officials reported a growing list of striking drivers and mechanics who have applied for and received aid under various programs, including help for families with dependent children and food stamps.

Ellis P. Murphy, director of county welfare programs, said figures were not available on how many other persons not directly involved with the transit district had gone on welfare because of the strike.

Nearly 3,300 bus drivers and 728 mechanics walked off the job Aug.

crippling the SCRTD's fleet of more than 1,800 buses in the Los Angeles area and three adjoining coun-

ties. Many daily bus riders have been unable to get to work and numerous businesses have suffered sharp declines in customers. Daily patronage

on SCRTD buses at the time the strike started was about 450,000.

The governor, in appealing for a secret vote on Monday's offer, called it the "traditional democratic way" to let union members decide issues.

SCRTD negotiators made the wage and benefit proposal at the climax of marathon Labor Day weekend bargaining sessions.

The union negotiating team—headed by Earl Clark, general chairman of the United Transportation Union, which represents the striking bus drivers—promptly rejected the offer.

SCRTD officials said the proposal would give bus drivers at least \$1 more an hour over the contract's two-year period. The package also contained other benefits.

The drivers, who now earn \$5.32 an hour, asked for \$1.43 an hour more the first year and another \$1 an hour starting next June.

"After learning details of the transit district's latest offer, I feel im-

Please Turn to Page 25, Col. 1

## Reagan Urges Driver Vote on RTD Offer

Continued from Third Page  
pelled to make this request of union leadership. Gov. Reagan said in a statement released in Sacramento.

He pointed out that the SCRTD's latest proposal amounted to an increase of more than 10%. It also was significant, he said, that the transit district package was more than \$1 million in excess of recommendations of his own Fact Finding Commission prior to the strike.

In making the appeal, the governor sought and received the backing of three members of the Los Angeles County Board of Supervisors, including Board Chairman Kenneth Hahn.

On Wednesday, Hahn

summoned SCRTD and union officials to a private meeting and announced afterward that he hoped for an end of the strike by this weekend.

Responding to the governor's proposal Thursday, Clark said:

"We feel his action was ill-timed since we thought there had been some progress made yesterday in our meeting with Supervisor Hahn."

He pointed out that negotiations were scheduled to resume today, under the guidance of State Conciliator Tom McCarthy, but "the governor's action will certainly hamper that."

Even so, he said Reagan's appeal would be given "every consideration" by the UTU's negotiating committee.

Although the sampling

of opinion taken at two bus maintenance divisions on the fringe of downtown Los Angeles was small, it showed that many striking drivers were ready to leave decisions up to their union leaders.

"We have union representatives who make decisions," said driver Ralph Garcia. "The proposal—re-

gardless of who makes it—should go to them first, then to us."

Some union members, meanwhile, appeared ready to accept the SCRTD proposal and get back to work. Without identifying themselves, a series of bus drivers aired their views on a radio talk show Wednesday night.

labor

OFFICE OF GOVERNOR RONALD REAGAN  
Sacramento, California 95814  
Clyde Walthall, Press Secretary  
916-445-4571 9-26-74

RELEASE: Immediate

#547

Governor Ronald Reagan today again appealed to leaders of the striking Southern California Transit Unions to submit alternative solutions to a secret membership vote as a means of ending the current strike.

Governor Reagan said his review of the 46-day-old strike convinced him that there were two positive options open to striking employees:

--to return to work and accept RTD's offers;

--to return to work and submit any remaining differences to binding arbitration.

The governor said the third option would be for union leadership to consider asking their members to "vote to continue the 46-day strike indefinitely. A strike whose most disastrous effects are on the low income, the handicapped, the elderly and school children.

"Today also marks the eighth day the personal representative of the mayor of Los Angeles has been working with all parties in an attempt to reach an agreement that would permit the resumption of public transportation services," Governor Reagan said.

"In spite of his efforts," he said, "the chasm between union demands and RTD's ability to meet them remains."

The governor said he had learned that the Los Angeles Board of Supervisors had called for a reorganization of the Southern California Rapid Transit District earlier this week.

"Such actions are not the way to handle disastrous strikes disrupting vital public services," the governor said.

He said the Southern California Rapid District had "conducted itself in a reasonable and prudent fashion and should not be punished for attempting to represent the public interest in the face of demands by the unions."

"The real reason for this strike," he said, "is that union leaders have refused to submit district offers to their membership for a vote."

He said a vote by the union rank and file on proposals already put forth by the transit district was "the traditional democratic way to let union members decide the courses of action they believe would bring a settlement to the strike."

He said the district's offer of an increase of more than 10 percent compares favorably with increases granted other southland employees.

"The union memberships should long ago have had the opportunity to decide the issues for themselves," the governor declared.

For this reason, he said, he again offered the services of the State Conciliation Service to assist in conducting secret balloting on the offers in the event other bargaining avenues should fail.

On September 5, during the fourth week of the walkout, Governor Reagan issued an appeal calling on striking union leaders to submit the district's offers to their membership. This offer was rejected.

The Southern California Rapid Transit District is an agency of the state. The RTD's 3,300 drivers, represented by the United Transportation Union, and the district's 728 mechanics, represented by the Amalgamated Transit Union, walked off their jobs last August 12, bringing an immediate halt to RTD's bus service in four southern California counties.

The transit district has made offers for an economic settlement far in excess of recommendations by Governor Reagan's Fact Finding Commission. The parties remain far apart.

# # #

OFFICE OF GOVERNOR RONALD REAGAN  
Sacramento, California 95814  
Clyde Walthall, Press Secretary  
916-445-4571 10-3-74

RELEASE: Immediate

#583

*Labor*

Governor Ronald Reagan today offered a proposal to striking unions and the Southern California Rapid Transit District that is designed to end the nearly two-month old bus strike in Los Angeles.

The governor termed his proposal "an even-handed plan" because "it will get the buses rolling, union members would be receiving checks again, and it allows ample time to solve the dispute."

In outlining his proposal, the governor is calling for:

1. A 90-day cooling off period with the buses back in operation.
2. Appointing a new three-member state fact finding body.
3. Presenting the findings of the new body to the unions' membership for a secret ballot election to be administered by the State Conciliation Service.
4. Union members would be asked to vote "yes" or "no" on the recommendations of the fact-finders. If "no", those voting would be asked to decide whether or not to accept binding arbitration.

Governor Reagan is also proposing that the district's management begin paying drivers a 9.8 percent salary increase when they go back to work, and make the increase retroactive for the period from June 1 to August 12 when the drivers worked without a contract and went out on strike.

The 9.8 percent increase is the latest fact-finding group's recommendation to the unions and the district's management. It represents an increase of 30 cents an hour.

"I believe this proposal makes good sense," the governor said, "because it is fair to both sides of the dispute. The strike is causing an undue hardship on a large number of people, particularly senior citizens and students who depend upon the buses for their transportation."

The governor said he has outlined his proposal to the unions, the district's board of directors, Los Angeles County Supervisor Kenneth Hahn and Mayor Tom Bradley.

He also announced that he would hold a press conference at 11 a.m. Friday at the Los Angeles Press Club to give additional details on his proposal.

#####

Walthall

labor

See Union  
Legislature  
10.5.74  
Might Have  
To Return

LOS ANGELES (UPI) — Governor Reagan said Friday he was considering calling a special session of the legislature if his proposal to get striking Los Angeles bus drivers and mechanics back to work fails.

Reagan told a news conference, however, that the session would be called only if legislators from the Los Angeles area agree they would "solidly and unanimously" back a settlement based on binding arbitration.

The Los Angeles area bus system has been tied up for almost two months by the walkout of employees demanding sizeable wage increases from the Southern California Rapid Transit District, which has deprived some 400,000 persons of their normal transportation.

"WE HAVE 120 legislators from all over the state of California, most of whom are not from this area and have little interest in this particular problem," Reagan said. "They ducked out from the last (special) session without solving this problem. They made it very plain they would rather not, so they ran for cover."

Reagan repeated his proposal for ending the strike.

It involves a 90-day cooling off period during which workers would go back to their jobs with a 9.8 per cent raise, the same hike recommended by a state fact finding committee before the strike began.

DURING THE period another panel would make new recommendations for a settlement which would be voted on by union memberships in secret ballot.

Reagan's proposal closely paralleled that put forth already by Mayor Thomas Bradley and rejected by the unions.

Reagan was critical of Bradley's attempts to reach an agreement between the strikers and RTD, particularly the mayor's appeal to area residents to call and send telegrams to Reagan urging a special session of the legislature.

# Two Reagan Men Join Industrial Welfare Unit

## Action Assures Management's Control of Panel

BY HARRY BERNSTEIN  
Times Labor Writer

Gov. Reagan's two new conservative appointees to a key state agency were quietly sworn in last week, thus perpetuating for at least one year the management domination of an agency which polices state labor laws.

Reagan's two latest appointments, which did not require Senate confirmation, were to the Industrial Welfare Commission. The IWC fixes California's minimum wage laws and regulates both working hours and conditions.

The appointees are Traves Smith, treasurer of Spreckles Sugar Co., and Howard A. Carver, a retired corporate director of personnel in the retailing industry. Both are Republicans.

From the time the IWC was created in 1913 until Gov. Reagan took office in 1969, the five-member board was composed of two people from industry, two from labor and one representing the general public.

Reagan gradually replaced members as their terms expired, and now four of the five members are from industry, with only one from labor.

Last week, strong opposition by organized labor blocked Reagan's appointment of lame-duck state Sen. W. Craig Biddle, a conservative Riverside Republican, to the state Workers' Compensation Appeals Board.

But, unlike Reagan's Industrial Welfare Commission appointees, Biddle's appointment required approval by the state Senate. The Rules Committee killed the appointments, saying, in effect, that Gov.-elect Edmund G. Brown Jr. should be allowed to make his own appointments to important agencies.

In many ways, the IWC is a more important agency than the Workers' Compensation Appeals Board because it affects almost every California worker, not just those who are injured.

The IWC sets the minimum wage and for most of its history has fixed it higher than the national minimum wage, which is fixed by Congress.

Los Angeles  
**Times**

CC PART II †

TUESDAY, DECEMBER 10, 1974

But next month, the California minimum wage will be \$2 an hour, while the federal minimum goes to \$2.10 an hour.

There have been no indications that the IWC intends to raise California's minimum to the federal level and with the appointment of two more industry people, that situation is not expected to change.

There are reports that the state Legislature now will move to establish the minimum wage by statute instead of leaving it to the IWC.

The IWC is currently involved in two bitter battles over recent regulations that organized labor has charged are antiworker and pro-management.

One fight is over an IWC ruling that, for the first time, employers would not have to pay overtime wages after eight hours of work a day.

A Superior Court judge in San Francisco temporarily blocked enforcement of that ruling, based on a suit filed by the California AFL-CIO.

During public hearings early this year, Glenn Mayfield, an IWC area administrator, said the IWC rule "would wipe out overtime completely for several hundred thousand of the lowest-paid workers in California."

The IWC's orders are enforced by the state Division of Industrial Welfare. The chief of that division, Evelyn Whitlow, is fighting another IWC order which allows restaurant owners to require employees to buy

Please Turn to Page 8, Col. 1

## INDUSTRIAL PANEL

Continued from First Page

the employe agrees: food in their restaurants and eat on their own time.

Mrs. Whitlow said she is "absolutely convinced that employers cannot make their workers purchase anything of value from their places of employment, and that the employers' authority over workers must be confined to their hours of work."

The IWC majority—with only the labor representative dissenting—said restaurant owners can adopt a meal policy which would deduct from their employees' minimum wage up to 90 cents for breakfast, \$1.25 for lunch and \$1.65 for dinner, whether or not

Stanton Elliott, an officer of the Fresh Freeze Supply Co. of Eureka, resigned to allow the appointment of Smith to an IWC term which continues until Jan. 15, 1976.

Carver, who now operates the Ahwahnee Ranch in Mendocino County, replaces Edward Curran, an officer of the North American-Rockwell Corp., for a term ending Jan. 15, 1978.

The first IWC member Gov.-elect Brown could replace is Theodore J. Todd, a Corona rancher whose term expires next month.

The other commissioners are Joyce Valdez and Mike Elorduy.