

# Victory at Summit

Summit Medical Center gave up trying to force workers to renounce their right to honor picket lines Wednesday, igniting a joyous, frenzied victory celebration on the picket line in Oakland.

Chants of "Union Power! Union Power!" echoed over Oakland's "Pill Hill," site of the hospital complex, as news of the management surrender brought strikers, other trade unionists and community supporters flocking.

"This is the greatest union victory in the Bay Area in decades," shouted a jubilant Owen Marron, head of the Alameda County Central Labor Council and a vice president of the California Labor Federation.

"We won the strike," Sal Rosselli, president of Hospital and Health Care Workers Local 250 of the Service Employees shouted over a bullhorn as word filtered out that Summit's president and chief executive officer had announced at a press conference inside that a previously rejected settlement was being accepted after all.

Rose Ann Demoro, chief negotiator for the California Nurses



Cheering the announcement that Summit Medical Center will accept strike settlement are Sal Rosselli, president of SEIU Local 250; Rose Ann Demoro, California Nurses Assn., and Owen Marron, head of Alameda County Central Labor Council.

Assn., called it a victory for unions everywhere. In attacking the right to honor picket lines, Summit was threatening to isolate and divide

workers in multi-union worksites everywhere, she said.

"But these workers said, 'No more, this is where we draw the

line,'" Demoro added.

The right to honor each others' picket lines was the only issue in the 45-day strike by 1,700 members of

five unions.

Besides SEIU Local 250 and the unaffiliated nurses, the striking unions included Hotel Employees and Restaurant Employees Local 28, Office and Professional Employees Local 29, and Local 6 of the International Longshoremen's and Warehousemen's Union. The five unions were joined later on the picket line by the Operating Engineers.

Winning sends a loud and clear message that workers, with trade union and community support, can defend their rights despite hostile national and state administrations, Marron declared.

Union leaders, hospital administrators and a federal mediator worked into the early hours today shaping the return to work agreement that is expected to put strikers back on the job within days.

The settlement is a variation on the union proposal the unions were offering throughout the strike. It was worked out by Federal Mediator Dorothy Christiansen last week and was rejected out of hand by

(Continued on page 3)



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## Labor Blocks Attack on Comp

Organized labor succeeded last week in blocking a workers' compensation bill that contains an array of anti-worker provisions pushed by employer organizations and the insurance industry.

Assembly Bill 51X failed to pass the Assembly Insurance Committee last Thursday, July 2, after a six-hour, marathon debate in which it was denounced by a parade of labor representatives led by Jack Henning, executive secretary-treasurer of the California Labor Federation.

The bill remains alive, however. It could come back for reconsideration as early as next week, and Henning warned AFL-CIO affiliates that the campaign against it must be maintained.

Henning also warned that because AB 51X was introduced under rules of the parallel special session of the Legislature it could bypass regular session procedures and quickly move to the Senate to become part of disastrous two-house bargaining over passage of the multi-billion-dollar budget bill.

AB 51X is co-authored by 11 Assembly Democrats from the special

• Insurance commissioner blasts 'pigs in comp trough.'

— Page 2

• Fed leader tells two IWC members they ought to resign.

— Page 3

• Budget crisis masks administration attack on worker protections.

— Page 4

bi-partisan panel established earlier by Speaker Willie L. Brown, Jr., to attempt to achieve a lower house consensus on workers' compensation reform measures that will be submitted to a joint Assembly-Senate conference committee.

When bipartisan accord proved impossible, Democrats on the special panel decided to come out with a bill of their own.

The result, AB 51X, was cited as evidence of the intense pressure employer organizations and the insurance industry are putting on legislators—even those usually viewed as friendly to labor—in this election year.

"It is unthinkable that Demo-

cratic legislators would mount an employer-insurance carrier attack upon the working people of California," Henning declared.

AB 51X embodies the employer-backed attack upon compensation for victims of on-the-job stress. It aims at eroding vocational rehabilitation benefits. It would severely jeopardize the right of injured workers to be treated by the physician of their choice.

Henning, testifying before the Insurance Committee, denounced the measure's failure to do anything about the decline in worth of benefits to workers injured or sickened on the job or to dependents of those

who lose their lives.

While cutbacks proposed under AB 51X would save employers an estimated \$1.5 to \$2.3 billion a year in compensation insurance premiums, only about \$400 million would be returned to workers in the form of benefits, Henning noted.

Depriving injured workers of freedom of choice in selection of treating physicians was criticized by Tom Rankin, research director of the state federation. Labor does not necessarily oppose the "managed care" concept of delivering medical treatment, but it adamantly opposes locking injured workers into treatment by any doctor from whom they cannot escape, Rankin said.

Democratic Assembly members who signed onto AB 51X include Burt Margolin, Barbara Friedman, Gwen Moore and Richard Polanco, all of Los Angeles; Rusty Areias, Salinas; Sal Cannella, Modesto; Jim Costa, Fresno; Richard Katz, Panorama City; Steve Peace, Chula Vista; Byron Sher, Mountain View, and Jackie Speier, South San Francisco.

## Ueberroth Snub Riles L.A. Leaders

Organized labor has reacted with disappointment and anger over exclusion of trade unionists from the board of Rebuild Los Angeles, the agency established to coordinate recovery from the destruction of the May uprisings.

"This is a slap in the face of the labor movement," Bill Robertson, executive secretary-treasurer of the Los Angeles County Federation of Labor and vice president of the California Labor Federation, declared at a news conference on Thursday, July 2.

The disappointment is especially bitter in view of the fact that organized labor, led by the L.A. federation, provided some of the first relief and continues to send food and

supplies into devastated neighborhoods. A \$75 million infusion of capital from AFL-CIO pension investment trusts provided the first major commitment to rebuilding the burned-out and looted areas.

Robertson and other labor leaders appearing with him at the news conference were especially critical of Peter Ueberroth, chairman of Rebuild L.A. (RLA).

"We don't have any criticism of people who have been selected for the board," Robertson said. "Our wrath is focused on Peter Ueberroth. We feel he's total ignored us."

An RLA aide said last week that labor representatives would be named to the board. However, a

spokesperson for the L.A. federation said the labor body had heard of no appointments as of yesterday afternoon.

"When they announced the first 20 names and there was no one from labor, I was disappointed," Robertson said. "When I saw the second list adding 30 more names, I was furious."

Appearing with Robertson at the news conference were Ricardo Icaza, president of Local 770 of the United Food and Commercial Workers and president also of the L.A. federation; Bruce Lee, director of Region 6 of the United Auto Workers; Maria Elena Durazo, president of Local 11 of the Hotel Employees and Restaurant Employees;

Carol Wheeler, assistant director of Joint Council 36 of the American Federation of State, County and Municipal Employees, and Arlene Holt, AFSCME international representative.

Durazo, pointing out that most Local 11 members reside in the hardest-hit neighborhoods, declared that labor deserves to be consulted on how the community should be rebuilt.

Icaza said many of his members were out of work because stores employing them were burned. He called the lack of labor representation "atrocious and appalling."

Lee reminded news media reporters that the national UAW had contributed \$100,000 to labor's emergency relief work in L.A.

## HERE Signs Big L.A. Hotels

A new collective bargaining contract with major Los Angeles hotels was ratified this week by members of Local 11 of the Hotel Employees and Restaurant Employees Union breaking a months-long confrontation and beating back employer efforts to impose poverty-level wages and benefits.

The contract with the L.A. Hotel Employers Council was ratified by a membership vote of better than 50 to 1. It covers 5,000 Local 11 members at the Bonaventure, Biltmore, L.A. Hilton, Beverly Hilton, Sheraton Town House, Sheraton Universal, Beverly Wilshire, Century Plaza, Sportsman's Lodge and Farmer's Daughter hotels.

It comes in the immediate wake of national publicity over a video tape produced by Local 11 warning that the hotel industry was fueling urban decay and violence and sowing the seeds of its own destruction by attempting to push thousands of its workers and their families deep into poverty.

The video, entitled "City on the Edge," proved to be prophetic. It warned that hopelessness and poverty were making Los Angeles a

(Continued on page 3)

# Garamendi Rips Comp Greed

Insurance Commissioner John Garamendi has "reluctantly" granted a \$583 million increase in the annual bill for workers' compensation coverage in this state, warning that greed imperils the entire system and calling for immediate enactment of responsible reforms.

"Too many pigs are at the trough. Their feed ration must be reduced, and the time to act is now," Garamendi declared in his ruling on comp insurance premium rates for the fiscal year that started July 1.

The commissioner granted a 6.7 percent increase in compensation insurance rates. This means employers will pay about \$583 million more in premiums in the next 12 months.

The industry-controlled Workers' Compensation Rating Bureau had asked for a 23.1 percent increase that would have boosted costs by a shocking \$2

billion a year.

Garamendi acknowledged the adverse impact of a comp rate increase in California's current economic climate.

"Yet the pattern of spiraling costs of litigation, medical-legal evaluations, physician and hospital costs and fraud support an argument for higher rates," the commissioner stated in his decision.

"The cost of California's workers' compensation system is clearly and quickly approaching crisis proportions," the decision continues.

"Comprehensive reform that substantially reduces the cost drivers in the system must be enacted immediately by the Legislature and the governor. Reform that fails to address all the cost drivers, or reform that increases processing costs by placing new administrative reviews in the way of legitimate claims will not result in controlling

costs."

It is the second round of compensation insurance rate adjustments since the 1990 elections in which California voters made the insurance commissioner's office elective and named Garamendi the first person to hold it.

Last year, the insurance industry requested an 11.9 percent increase. Garamendi reduced it to 1.2 percent.

But the commissioner made it clear last week that he believes spiraling increases are built into the system and must be removed through reform.

Measures pending before the Legislature include the state AFL-CIO workers' comp reform measure, Assembly Bill 3464, which would eliminate the minimum rate law which has fed the system's constantly growing appetite for money by guaranteeing a

profit to insurers.

Garamendi announced that he was adopting the findings of Deputy Commissioner Peter Groom, who conducted rate hearing increases earlier this year.

Groom's findings, in turn, relied heavily upon arguments developed by the actuary hired to work with the four public members added to the Rating Bureau by workers' comp reform legislation enacted two years ago.

The public members opposed the 23.1 percent rate hike, splitting with the insurance executives who make up the bureau majority.

The public members are Tom Rankin, research director of the California Labor Federation; Jerry O'Hara, California Teamsters Public Affairs Council; Nick Keehner, a union-shop sheet metal contractor, and Dr. Saul Lizerbram, a San Diego physician.

## Fraud Costs Boss \$2.3 Million

Judgments totaling more than \$2.3 million have been ordered against a Southern California operator for cheating on workers' compensation insurance premiums through a fraudulent employee leasing scheme.

The judgments go to the State Compensation Insurance Fund, which brought suit in U.S. District Court at L.A. under the federal Racketeer Influenced and Corrupt Organizations Act (RICO).

It is the first RICO action by a California insurance carrier over workers' compensation fraud.

The scam involved misrepresentation of the ownership of several businesses. The operators failed to report full payroll and took other illegal steps as well to avoid paying workers' compensation insurance premiums.

This meant, in effect, that the cost of claims when the defendants' workers were injured had to be person George Vignolo of the State Fund. "It should be clear to every-

Vignolo said the State Fund was spread among all employers, contributing to the general increase in comp insurance rates.

"This is a significant victory for California employers," said spokes-

one involved in similar scams that the State Fund and the federal courts are not going to tolerate schemes that drive up workers' compensation rates for honest employers."

## Cal-OSHA Unfazed by Ruling

Cal-OSHA does not expect to be affected by a federal court ruling that has struck down federal OSHA protections against on-the-job exposure of workers to more than 440 toxic substances.

"Our belief is that this ruling will not affect efforts here," John Dunbar, state deputy director of Industrial Relations for communications, said yesterday.

"California has its own standards-setting process and its own Standards Board," Dunbar added. "It is our belief that flaws in the federal process for setting standards should not affect what we do in California."

A three-judge panel in the federal Court of Appeals at Atlanta ruled

Tuesday that standards limiting exposure to the 440 toxic substances are invalid because the federal Occupational Safety and Health Administration did not make a separate scientific case for gauging the health risks of each individual chemical.

The judges acknowledged that it would take decades to set the standards on a case-by-case basis. But they said that OSHA will have to persuade Congress to change the Occupational Safety and Health Act if it wants to continue with its broad approach to setting standards.

The Atlanta court stayed its judgment to allow the U.S. Department of Labor time to decide whether to appeal.

pursuing fraud of all kinds. In addition to the RICO suit, he said, the State Fund has been cooperating with public agencies that have opened workers' compensation fraud investigations of their own.

If the ruling stands, standards for substances currently regulated by federal OSHA will be abolished and regulations will be rolled back to the voluntary industry standards that were initially adopted following establishment of federal OSHA more than 20 years ago.

Cal-OSHA historically has had stricter and more comprehensive toxic exposure standards than federal OSHA, a circumstance that weighed heavily in the California Labor Federation decision go to the voters with Proposition 97 and restore the state agency after then-Gov. George Deukmejian shut it down in 1987 and turned protection of California workers over to federal OSHA.

## APRI Sets Regional Conference

The 1992 Western Regional Conference of the A. Philip Randolph Institute will be held Friday, Aug. 28, through Sunday, Aug. 30, at the Parc Oakland Hotel in Oakland, Don Hightower, state APRI coordinator, announced this week.

The conference is to open with a keynote address by Norman Hill, national president of APRI. Richard Womack, director of the AFL-CIO Civil Rights Department, is scheduled to speak on the multicultural American workforce.

Also listed on the tentative agenda is an address on organizing seniors by Alan MacLeod, director of organizing for the National Council of Senior Citizens. Also scheduled is a workshop on organizing youths.

Registration forms can be obtained from Hightower at the California Labor Federation, 417 Montgomery St., Suite 300, San Francisco 94104. Aug. 7 is the cut-off date for hotel reservations, Hightower said.

## Fed VP Wayne Harbolt Dies at 58

A memorial was held Wednesday for Wayne Harbolt, executive secretary-treasurer of the Sacramento County Central Labor Council and vice president of the California Labor Federation, who died Sunday just three weeks after his 58th birthday.

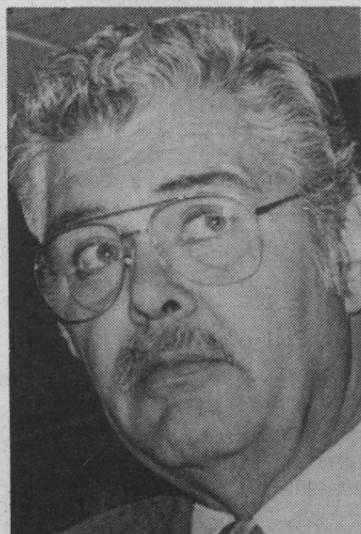
Death was attributed to a heart attack. Harbolt had been hospitalized for vascular surgery affecting his legs, but associates said he had no history of cardiac problems.

Harbolt was a Sacramento firefighter who emerged as a leader of Local 522 during the hard-fought strike of 1970.

"He was elected president of Local 522 immediately after the strike, and he successfully tackled the difficult task of re-establishing a relationship with city government based upon mutual respect," said Dick Mayberry, current head of the union.

"Wayne also persuaded our members of the necessity for political activism," Mayberry added. "Under his leadership Local 522 became a major element of the labor movement in Sacramento County."

Jack Henning, executive secretary-treasurer of the California state



Wayne Harbolt

federation, praised Harbolt's service to the state AFL-CIO.

"Wayne served for the past eight years as vice president of our California Labor Federation, bringing with him the understanding he held of both local union and local council activities," Henning said. "We will miss his knowledge, his sturdy independence and his great integrity."

Harbolt was mourned by Assem-

bly Member Phil Isenberg and U.S. Representative Robert Matsui's former members of the Sacramento City Council whom Harbolt confronted as head of the firefighters.

"Wayne and I grew up in politics together," Isenberg said. "...we were friends and occasionally sparring partners. He never ducked a fight for the men and women he represented and he never forgot where he came from."

Matsui recalled Harbolt's appearances before the City Council.

"Negotiating with Wayne was always a challenge because he was so tough and never conceded a point when he knew he was right. But we all respected him because he was always fair and his word always stood firm," Matsui said.

Harbolt, a native of Oklahoma, had resided 35 years in Sacramento. He joined the Fire Department in 1964 and served 12 years before being forced to retire because of lung damage suffered while fighting fires.

He continued as president of Local 522 after retirement from active duty and also was elected president of the Sacramento County Central Labor Council. He stepped in as executive secretary-treasurer of the

council following the death of Tom Kenney in 1984. In 1986 he was elected a vice president of the California Labor Federation.

As local union president, Harbolt was a founder of the Pacific Burn Institute, which in 20 years has contributed to fire victims and others in need, more than \$1 million collected through donations from firefighters and other public employees.

As head of the central labor council, he led successful campaigns including the boycott of the Hyatt Regency Hotel, instituted when the new hostelry facing Capitol Park fought against organizing by its employees.

Harbolt is survived by his wife, Mary Louise; his sons, Mark and David, and daughter, Ramona.

At his request, there was no funeral service.

The memorial Wednesday took the form of a reception held from 1 to 6 p.m. at Local 522 headquarters in a former firehouse purchased from the city and converted by the union.

The family has suggested that remembrances be contributed to Pacific Burn Institute, care of Firefighters Local 522, 3101 Stockton Blvd., Sacramento 95820.

### Datebook

**Executive Council pre-convention meeting:** July 22-24, Grand Hyatt Hotel, San Francisco.

**19th Biennial Convention of the California Labor Federation:** July 27-29, Grand Hyatt Hotel, San Francisco.

**A. Philip Randolph Institute Western Regional Conference:** Aug. 28-Aug. 30, Parc Oakland Hotel, Oakland.

### Publisher's Notice

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# Henning Tells Two on IWC: Resign

In a blistering attack upon anti-worker actions of the state Industrial Welfare Commission, Executive Secretary-Treasurer Jack Henning of the California Labor Federation has told two commissioners that they should, in conscience, resign.

The blast was delivered before a hearing room packed with trade unionists June 29 at the State Building in San Francisco.

More than 200 union members showed up for the session. First they picketed outside the State Building in protest against the IWC's move to trash historic eight-hour-day protections and legalize the 12-hour, no-overtime day in the broadcast industry.

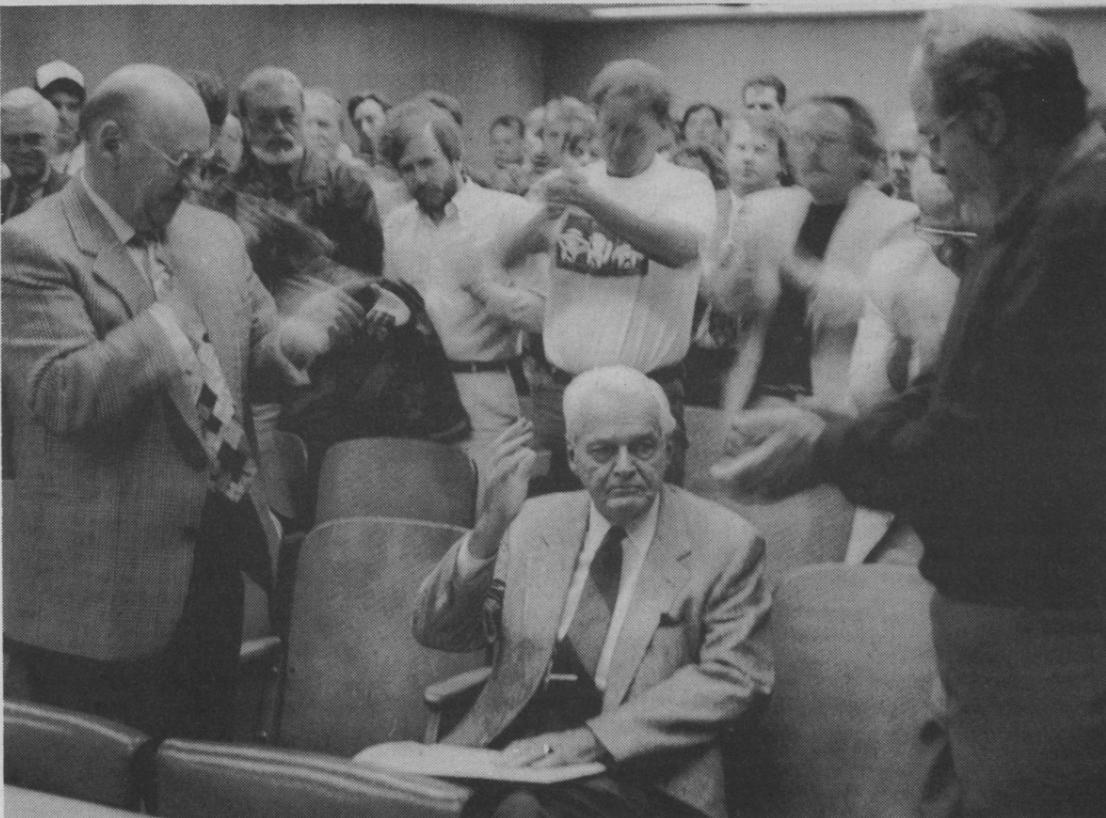
Then they crowded inside to hear commissioners dodge questions on the 12-hour day and the long-overdue minimum wage review.

They gave Henning a standing ovation after his impassioned address.

The state AFL-CIO leader's remarks were aimed at the two commissioners appointed by the governor to represent business. They are Lynn Pollock, the IWC chairperson and a Yolo County agri-business operator, and James Rude, a hospital executive from Sacramento.

Pollock and Rude should resign, Henning declared, because their "hearts of stone have been manifested in their indifference to the plight of children abandoned to the streets while single parents work late into the night under provisions of the 12-hour-day imposed by the IWC."

Henning noted that both Pollock and Rude voted against raising the minimum to its current and inadequate level of \$4.25 when the wage last was reviewed in 1988.



Jack Henning, seated, acknowledges applause following his testimony before state Industrial Welfare Commission. At left is Eddie Powell, secretary-treasurer, California State Theatrical Federation; at right, Earl Anecston, Stagehands Local 16, IATSE.

He blasted them also for refusing to hold the IWC's June meeting in South Central Los Angeles as proposed by the state AFL-CIO federation.

Meeting in South Central L.A., Henning argued, would have provided the commissioners with an opportunity to appreciate tragedies imposed in large part because the

IWC has been serving the interests of employers at the expense of the working poor.

The crowd of trade unionists also was treated to a sight that has become increasingly familiar under the Deukmejian and Wilson administrations.

A lobbyist for the hospital industry showed up with a petition for further erosions in the 12-hour, no-overtime day legalized by the IWC

for hospital workers some six years ago.

The IWC majority generally favors such employer petitions, but there was no action at this meeting.

That's because no quorum of commissioners was present. Pollock and Rude could have taken any anti-worker action they pleased if Robert Hanna, a labor representative and the only other commissioner currently in office, had ap-

peared at the meeting to complete the quorum.

Scores of members of broadcast industry unions were on hand to protest the 12-hour day proposal.

Kevin Ward of Local 16 of the International Association of Theatrical Stage Employees, warned the commissioners that the 12-hour work day exacts a heavy toll upon family life because parents must be away from home for up to 15 hours to allow time for meals and commuting as well as for the 12 hours of labor.

James Earl Jackson of Local 45 of the International Brotherhood of Electrical Workers warned of the impact upon workers.

The commissioners heard also from Eddie Powell, IATSE international representative and vice president of the California Labor Federation; Peter W. Cleaveland, American Federation of Television and Radio Artists; Rich Smith, National Association of Broadcast Employees and Technicians and Walter Johnson, secretary-treasurer of the San Francisco Labor Council.

Nearly 5,000 letters have been received at the IWC's San Francisco offices from broadcast employees denouncing the 12-hour day, a staff member said yesterday. Meanwhile a bill to block the 12-hour day in the broadcast industry alone has moved closer to a final floor vote in the Assembly. Senate Bill 322 by David Roberti, cleared the Assembly Committee on Labor and Employment last week.

This is the first time affected workers have tried to block the IWC's 12-hour-day juggernaut with a bill aimed at a specific industry. More general bills have been defeated or vetoed.

## Summit Victory...

(Continued from page 1)

Summit management as recently as last Friday.

It provides for establishment of an impartial panel to make recommendations before a primary strike can occur in the future.

Acceptance came as public opinion brought increased pressure upon the hospital management.

Public officials, already alienated by Summit's rejection of their offers to mediate early in the strike, became increasingly outraged when the hospital president, Ken Jones, acknowledged at a congressional hearing Monday that Summit was losing a million dollars a week operating with scabs.

A big part of \$1 million a week went to scab-pushers based in Denver who shipped nurses in at prices many times higher than the wages of the strikers.

Summit was formed last March through merger of Providence Hospital with Peralta-Merritt Hospital, two formerly independent hospitals that had merged earlier.

Jack Henning, executive secretary-treasurer of the California Labor Federation, noted the involvement of the Sisters of Providence during a speech at a picket line rally a week ago last Sunday, one of several appearances there by the state AFL-CIO leader.

Henning declared that the Sisters of Providence, sharing in the tri-partite management of Summit, were betraying a Catholic nursing tradition of more than a thousand years by becoming part of an anti-worker action.

"They don't belong there," Henning declared, praising the sisters for their personal dedication but attacking their institutional position.

Henning also urged Bishop John Cummins of the Diocese of Oakland to declare himself for the

workers even though he had no juridical authority over the Sisters of Providence, who had operated Providence Hospital for 90 years prior to this year's merger.

A boycott against Clorox products, launched because the chief financial officer of Oakland-based Clorox Corp. also is the treasurer of the Summit board, was just taking hold.

The Newspaper Guild became the first international AFL-CIO union to endorse the Clorox action last week. Convention delegates, meeting in Chicago, voted unanimously to urge Guild locals

throughout the U.S., Canada and Puerto Rico to publicize the boycott and inform their members of Clorox products to be avoided.

Area-wide trade union solidarity with the Summit strikers was evident from the first day of the walk-out. A series of rallies drew throngs of trade unionists to the picket lines, where they were joined by clergy, local and state political leaders, and community activists.

Jesse Jackson appeared twice on the Summit picket line, sleeping overnight once along with strikers in a picket line "tent city."

Jerry Brown brought his presi-

dential campaign to the picket line and pledged support.

Bill Clinton, making a campaign speech a mile away on the steps of Oakland City Hall, expressed support for the strikers and called upon Summit management to return to the bargaining table.

Bay Area newspapers, analyzing the union victory this week, generally concluded that Summit management underestimated the resolve of its own workers and the sentiments of the community their hospital exists to serve.

There also is the question of

Summit's lawyer, Mark Montobbio, who apparently mistakenly perceived the strike as an opportunity to fatten up his resume as a union-buster.

Montobbio surfaced a few years ago when he persuaded a number of restaurants that he could get them better deals with their unions if they dropped out of association bargaining them independently. Later he tried the same tactics with hospital associations in the Bay Area.

The strike began to get nationwide attention and Summit's image began to crumble four weeks ago when Assembly Member Lucille Roybal-Allard, D-L.A., summoned executives to a hearing of her Subcommittee on Health and Human Services to investigate the sort of care scabs were providing to patients.

Summit's flacks. Roybal-Allard told them to return with somebody who could answer questions about patient care. When Jones showed up with several nursing supervisors for a subsequent hearing, his day was ruined by state inspectors' disclosures that they were citing Summit for violations serious enough to result in lifting of the hospital's operating license.

This week's congressional hearing was even worse for Summit management.

Rep. Tom Lantos, D-San Mateo, chair of the House subcommittee on housing and ???????? Rep. Ron Dellums, D-Oakland, elicited an admission from Jones that the hospital was spending at least \$1 million a week of its resources to keep the strike going.

Jones next had to face his board of directors, and this confrontation was followed by the announcement that Summit would, after all, accept the federal mediator's proposal.

## HERE Signs Hotels...

(Continued from page 1)

dangerous place to visit. The city exploded in the uprising over the Rodney King beating verdicts only days after the video was distributed nationwide.

"We are delighted with this settlement," Local 11 President Maria Elena Durazo declared as the details were announced at a news conference on Wednesday.

"These employers are to be applauded for finding a way to be fair in spite of the terrible conditions facing our industry," Durazo added.

The contract is for six years. It preserves Local 11 members' health benefits intact without worker co-payments by increasing employer contributions from \$1.53 to \$3.08 over the life of the contract.

Employer efforts to strip away health care for workers and their families was the central issue in negotiations that dragged on for nearly four months.

The contract also increases pension benefits and raises wages by

\$1.65 per hour for non-tipped workers and 55 cents per hour for tipped workers during the six-year term.

The union will use the settlement as a pattern at other large hotels with which it currently is in negotiations.

These include the Bel Air, Beverly Hills, Beverly Pavillion and Beverly Rodeo.

Negotiations also are in progress with University of Southern California, the L.A. Coliseum and many restaurants throughout Los Angeles County.

Local 11 and the HERE international union also are pursuing organizing campaigns at non-union hotels, including many of the hostels in the vicinity of Los Angeles International Airport where poverty-level wages and absence of health care and other benefits are condemning thousands of workers and their families to poverty and want.

The union's video tape focused

on dangers of the economic and social polarization caused when third-world living conditions are forced upon workers.

"The message of our tape remains absolutely true," Durazo said. "While a settlement on behalf of these employees is an extremely encouraging sign in the current economic climate, our future work is cut out for us because Los Angeles—much less the tourism industry—will never rebuild if tens of thousands of its workers remain trapped in permanent poverty."

HERE spokespersons pointed out that the "City on the Edge" video was only one aspect of a concerted effort to obtain fair contracts at the 10 big hotels. But they acknowledged that the video was pivotal.

"It is no coincidence that one week after the national news media discovered our video tape these employers found a way to reach a fair and just agreement," said HERE organizer Matthew Walker.

# Crisis Masks Attack on Labor

The Wilson Administration asked legislators to weaken worker protection laws as a budget-cutting measure yesterday and promptly was accused of trying to use the state's fiscal crisis as a smokescreen for an unwarranted attack upon labor.

The governor's newest bag of nasty tricks was opened in back-to-back hearings before the Assembly Insurance and Labor and Employment committees by Labor Commissioner Victoria Bradshaw in reviews of so-called "trailer bills" supposedly fashioned to put administration budget reductions into effect.

Bradshaw presented an 80-page document listing administration proposals for budget reduction in the Department of Industrial Relations. She said weakenings and roll-backs were needed to give the department "flexibility."

Tom Rankin, research director of the California Labor Federation, raised the charge of labor-bashing when it became obvious that Bradshaw's document didn't list a single dollar of projected savings.

"It is apparent that the administration is attempting to use the budget crisis as an excuse for wholesale weakening of worker protections," Rankin said.

"These proposals will hurt the most vulnerable workers in California, give the green light to scowling employers, encourage expansion of the underground economy and, in the end, will exacerbate rather than

ease the budget crisis," Rankin declared.

Most of the proposals were presented to the Assembly Committee on Labor and Employment during the unusual Thursday afternoon hearings. The Insurance Committee was called into session to hear proposals for weakening workers' compensation regulations.

Copies of the 80-page document were dated Monday and were delivered this week in the Capitol. But there was evidence they had been printed more than two weeks ago and—apparently—kept under wraps.

No committee actions were taken. Chairperson Terry Friedman of Labor and Employment and Burt Margolin of Insurance indicated their panels would study the proposals.

The administration wants to:

- Shift responsibility for issuing work permits for children in the entertainment industry away from the labor commissioner and dump it onto local school districts.

The fact that schools are facing billions of dollars in cuts was pointed out by Allen Davenport, legislative advocate for the Service Employees. Rankin said it made more sense to leave the issuance of permits in the hands of the same agency that must enforce them.

- Eliminate deadlines for processing workers' wage complaints.

Rankin warned that this would consign workers' complaints against

cheating employers to a bureaucratic "black hole."

"Your mission is to protect vulnerable workers," the state AFL-CIO representative said. "Instead of trying to take away protections, you should be looking for other ways to fund them, such as increasing penalties against law-breakers to gain revenues to pay for law enforcement."

- Relieve the labor commissioner of the obligation to make "reasonable efforts" to collect judgments for unpaid wages.

Bradshaw acknowledged under questioning that about \$2 million in uncollected judgments currently is on her books. Rankin warned that relieving the labor commissioner of the obligation to make reasonable efforts at collection would mean a vast increase in the total.

- Change the methods of figuring of unpaid wages owed to workers, giving a break to the guilty employers, because the current system often requires use of more than one interest rate.

- Renew licenses of farm labor contractors and garment manufacturers biennially rather than yearly.

A representative of California Rural Legal Assistance warned that the annual renewal usually is the only time state enforcement officials see farm labor contractors. Rankin

noted that garment manufacturers are checked for adequate workers' compensation coverage only when their licenses are renewed.

- Eliminate the entire statute regulating talent agencies.

Bradshaw argued that highly-paid stars in the entertainment industry don't need such protections, but Rankin pointed out that thousands of low-paid entertainers have no other protection against exploitation.

- Eliminate registration and pay regulations for "lumpers" who unload produce in the bustling markets of Alameda, San Mateo and San Francisco counties.

Barry Broad of the California Teamsters Public Affairs Council warned that the regulations still are needed to prevent corrupt practices in the produce markets.

- Eliminate controls and inspections in the Division of Apprenticeship Standards.

Charles Reiter, legislative advocate for the State Building and Construction Trades Council of California, warned that this would hurt the legitimate labor-management apprenticeship training programs that assure the state a well-trained workforce.

- Post abbreviated summaries rather than complete wage orders in workplaces.

Rankin told the legislators that the wage orders take the place of a union contract for thousands of unorganized workers and warned that

a summary would not be adequate.

- Eliminate per diem and travel expense payments for participants in Industrial Welfare Commission wage boards.

Rankin pointed out that this would make it difficult or impossible for any person who didn't have an expense account to participate.

- Eliminate a series of Cal-OSHA regulations covering inspections, time requirements for actions by the agency, and other provisions.

When no estimate of savings was given, Art Carter, former Cal-OSHA head and now legislative advocate for the International Brotherhood of Electrical Workers, urged legislators, "If it ain't broke, don't fix it."

The Insurance Committee heard a proposal for changes in the workers' compensation uninsured employer program that Rankin warned should create a two-tier system with one set of benefits for injured workers whose employers pay compensation insurance premiums as required by law and a lower set of benefits of workers victimized by scofflaw employers.

This, Rankin said, would penalize the victims rather than fight employer fraud or seek alternative revenues. The uninsured employers fund currently is bankrolled by the state general fund, and Rankin suggested that making all employers responsible for it might lead to a meaningful crackdown on the law-breakers.

## Jobless Pay Bill Advances

The AFL-CIO bill to raise unemployment insurance benefits advanced in the Assembly last week along with other measures sponsored or backed by the California Labor Federation.

Senate Bill 1699 by David Roberti, D-L.A., cleared the Assembly Insurance Committee and was sent to the Ways and Means Committee enroute to a final vote on the Assembly floor.

Jack Henning, executive secretary-treasurer of the state federation, called the measure "a necessary step toward providing California's unemployed workers with an income adequate to cover their obligations."

SB 1699 would raise the maximum weekly benefit from \$230 to \$250 a week for claims filed after next Jan. 1.

Henning told the committee that California's unemployment insurance benefits are much too low for a state with a high cost of living.

Twenty-three states pay higher maximum weekly benefits, 37 states pay higher average weekly benefits, and only one state has benefits that represent a lower percentage of the wages that are being replaced, Henning pointed out.

There was opposition from the California Manufacturers Assoc., California Taxpayers Assoc. and the California Chamber of Commerce.

The vote was party-line with one exception. Assembly Member Steve Peace, D-Chula Vista, voted against SB 1699 along with all the committee Republicans.

The labor-backed universal health care bill, SB 308 by Nick Petris, D-Oakland, won the approval of the Assembly Revenue and Taxation Committee.

Senate Bill 1388, the proposal to make Workers' Memorial Day a permanent holiday in California, won the approval of the Assembly Committee on Governmental

Organization.

The bill, by Herschel Rosenthal, D-L.A., is similar to measures that have been vetoed annually since the AFL-CIO established Workers Memorial Day to remember workers killed on the job and to fight for stronger occupational health and safety laws to protect the living. One-year-only declarations of Workers Memorial Day, also submitted by Rosenthal, have passed each year.

There was heavy action in the Assembly Committee on Labor and Employment.

The bill to block imposition of the 12-hour, no-overtime day in the broadcast industry was approved 6-4 on a party-line vote.

SB 322 by Bill Greene, D-L.A., would prevent the state Industrial Welfare Commission from stripping eight-hour-day protections away from broadcast industry workers in response to petitions from employers. (See story, Page 3.)

The measure was presented to the committee on Wednesday, July 1, by Henning as head of the sponsoring California Labor Federation in the absence of Sen. Greene, who had been hospitalized since collapsing three weeks ago after a hearing before the Senate Committee on Industrial Relations, which he chairs.

Peter Cleaveland and Peter Collins, both representing the American Federation of Television and Radio Artists, testified in favor of the bill. There was opposition from the California Chamber of Commerce and state Department of Industrial Relations.

Also approved by the Labor and Employment Committee were:

- SB 1794 by Gary Hart, D-Santa Barbara, correcting the underreporting of pesticide poisonings by imposing stricter requirements upon treating doctors for notification of state authorities.

The vote was a unanimous 9-0

## Senate Panel Approves Family Leave Tuneup

A measure clarifying family care leave provisions of the Family Rights Act of 1991 sailed through the Senate Industrial Relations Committee on a 4-2 party-line vote last week with Democrats favoring it and Republicans opposed.

Assembly Bill 2477 by Gwen Moore, D-L.A., author of the 1991 act goes to the Appropriations Committee enroute to the Senate floor.

Kathleen Kinnick, director of women's activities for the California Labor Federation testified for the bill, telling committee members that the need for technical changes became apparent when enabling regulations were drafted.

There was opposition from employer groups. Support came from the California Chapter of National Organization for Women, and the state Commission on the Status of Women.

The Industrial Relations Committee also approved:

- AB 3267, sponsored by the state federation and introduced by Dick Floyd, D-Lawndale, waiving the unemployment insurance bene-

fits one-week waiting period for workers permanently replaced by scabs during a strike.

Tom Rankin, research director of the state federation testified that there was no rationale for imposing waiting periods on workers who already have been out of work because of a strike. The vote was a party-line 4-2.

- AB 1544 by Terry Friedman, D-L.A., setting up a special farm-worker enforcement unit in the labor commissioner's office funded through increased registration fees on labor contractors.

A provision funding the unit out of fines was amended out of AB 1544 because some committee members said it smacked of "headhunting."

- AB 2264 by Jackie Speier, D-South San Francisco, requiring the posting of information on the illegality of worksite sexual harassment. Kathleen Kinnick testified for the bill.

- AB 2265, Speier, defining sexual conduct constituting hostile work environment sexual harassment. Kinnick also testified on this

measure.

- AB 3660, Burt Margolin, D-L.A., strengthening workers' compensation fraud statutes.

- AB 3269 by Floyd, authorizing a shift of \$1.8 million of Employment Training Panel funds to help cover a budget shortfall in the Department of Apprenticeship Standards.

Rejected by the committee was AB 3059 by Speier, clarifying independent contractor status and granting amnesty to allow employers to pay back unemployment insurance taxes without penalty on workers erroneously classified as contractors.

The measure, sponsored by the Communications Workers on behalf of their taxi driver unit in San Francisco, had support of the state Employment Development Department as well as the state AFL-CIO.

Approved despite objections from both labor and employers was AB 3288 by Robert Campbell, D-Richmond, diverting Employment Training Panel money to a literacy training project.

Rankin testified that labor supports literacy training but opposes funding it in this manner.

after the committee heard testimony in support of SB 1794 from the Sierra Club, the County Agricultural Commissioners Assoc. of California, and the state federation.

- SB 1879 by William Craven, R-Carlsbad, banning discrimination by employers against workers on the basis of off-the-job consumption of legal substances.

The vote was 9-2 after amendments removed some employer objections. Tom McClintock, R-Camarillo, voted against it. So did Terry Friedman, D-L.A., the Committee chair, who contended that the subject of the bill would be better placed in anti-smoking legislation proposed by him.

Henning, arguing on behalf of labor, urged passage of the bill to prevent invasions of workers' privacy in

connection with legal, off-the-job activities.

- SB 1931, sponsored by the state federation and carried by Bill Greene, requiring employers cited by Cal-OSHA for serious violations of safety standards posing substantial risk to workers to abate the dangers immediately rather than waiting until completion of the appeal process, which can take months.

Rankin, who presented the bill in the absence of Greene, pointed out that a very small percentage of such citations are overturned on appeal, and that workers remain exposed to death or injury during the appeal process. The measure provides expedited hearings to protect the due process rights of employers who challenge such citations.

The state Department of Indus-

did the California Manufacturers Association.

- SB 1935, authored by Bill Greene and presented by Rankin in Greene's absence, tightening the requirements for actions by the Cal-OSHA Standards Board on petitions for new protections and establishing new court appeals procedures.

The committee rejected a measure that would weaken existing safeguards and protections for workers and occupants of buildings containing asbestos.

The measure, SB 1384 by Leroy Greene, D-Sacramento, was sponsored by the "Safe Building Alliance," which is composed of manufacturers who formerly supplied asbestos products to the construction industry.