

**Department of California Highway Patrol
DEFICIENCY PAYMENTS**

ITEM 129 of the Budget Bill

**FOR PAYMENTS OF DEFICIENCIES IN APPROPRIATIONS FOR THE
DEPARTMENT OF THE CALIFORNIA HIGHWAY PATROL FROM THE
MOTOR VEHICLE FUND**

Amount requested	\$100,000
Estimated to be expended in 1959-60 fiscal year	None
Increase	None

TOTAL RECOMMENDED REDUCTION None

ANALYSIS

The amount appropriated for this purpose in the Budget Act of 1959 was also \$100,000 and as of this date no emergencies have arisen to encumber it.

This agency is precluded by statute from requesting funds to defray contingency expenses from the Emergency Fund. In the past, a \$100,000 contingency fund has been provided, under control of the Department of Finance, to cover additional costs of motor vehicle operation only. This cannot be used for salaries, equipment, or general operating expenses.

We recommend approval.

DEPARTMENT OF INDUSTRIAL RELATIONS

ITEM 130 of the Budget Bill

Budget page 346

**FOR SUPPORT OF DEPARTMENT OF INDUSTRIAL RELATIONS
FROM THE GENERAL FUND**

Amount requested	\$10,672,913
Estimated to be expended in 1959-60 fiscal year	9,636,089
Increase (10.7 percent)	\$1,036,824

TOTAL RECOMMENDED REDUCTION \$205,732

Summary of Recommended Reductions

	<i>Amount</i>	<i>Budget Page</i>	<i>Line</i>
Division of Administration:			
Salaries and wages:			
2 temporary help	\$6,330	347	15
Operating expenses:			
Printing	5,000	347	24
Out-of-state travel	1,500	347	27
Division of Industrial Accidents:			
Operating expenses:			
Printing	3,000	349	6
Division of Industrial Safety:			
Salaries and wages:			
3 safety engineer	21,024	349	50
2 intermediate typist-clerk	7,260	349	52

Department of Industrial Relations—Continued

Summary of Recommended Reductions—Continued

Division of Industrial Welfare:	Amount	Budget	
		Page	Line
Salaries and wages:			
3 welfare agent -----	\$19,080	350	44
1 senior stenographer-clerk -----	4,296	350	45
4 intermediate stenographer-clerk -----	15,240	350	46
0.8 senior assistant research technician -----	4,770	350	48
0.8 senior account clerk -----	3,222	350	49
0.8 intermediate typist-clerk -----	2,700	350	51
Operating expenses:			
Printing -----	15,000	350	62
Division of Labor Law Enforcement:			
Operating expenses:			
Printing -----	3,000	351	57
Division of Housing:			
Salaries and wages:			
5 district representative -----	31,800	353	6
2 intermediate stenographer-clerk -----	7,620	353	7
Operating expenses:			
Printing -----	5,000	353	16
Division of Fair Employment Practices:			
Salaries and wages:			
2 education director -----	17,751	354	29
1 research director -----	9,273	354	30
2 field representative -----	14,940	354	32
1 senior stenographer-clerk -----	4,296	354	33
1 intermediate stenographer-clerk -----	3,630	354	33

ANALYSIS

The department is requesting \$10,672,913, an increase of \$1,036,824 or 10.7 percent over estimated expenditures during 1959-60.

In addition to new positions requested by the various divisions, several factors have contributed to this increase over which the department has only limited or no control. These include the addition of a new agency by legislative action at the 1959 session, the Fair Employment Practices Division, and increases in rent as a result of moves to new quarters at several locations in both 1959-60 and 1960-61.

Certain costs for all divisions are carried in the budget of the Division of Administration and these costs will be discussed in this introductory section rather than under the budget of that division. These costs include rent, moving expenses, building maintenance and out-of-state travel. In addition, the equipment request for the entire department will be discussed in this section.

Salaries and Wages

The department is requesting a total of 85.1 new positions of which five are requested for nine months only by the Division of Industrial Welfare. In addition, 28 positions not previously in the department's budget have been added in 1959-60 by the creation of the Fair Employment Practices Commission and its supporting division. Five positions have been administratively authorized in the Division of Labor Statistics and Research as required by new legislation. The department's re-

Department of Industrial Relations—Continued

quest of \$8,486,047 for salaries and wages represents an increase of \$650,112 or 8.3 percent over estimated expenditures in 1959-60 and \$1,537,477 or 22.1 percent over actual expenditures in 1958-59.

Operating Expenses

The department's operating expense request of \$2,223,952 is an increase of \$447,041 or 25.2 percent over estimated expenditures in 1959-60 and \$921,405 or 70.7 percent over actual expenditures in 1958-59. In both 1959-60 and 1960-61 the substantial increases in the department's budget for operating expenses are primarily the result of moves to new state buildings. In the analysis of the 1959-60 Budget request it was pointed out that these moves, which affect the large San Francisco and Los Angeles offices, will result in the department having increased square footage per position compounded by higher rent per square foot than is being paid in present quarters. The addition of new positions in both years has an impact but the main cause of the increased cost is the additional space per position at higher cost per foot. The combination of these factors is largely responsible for the increase in rent costs from \$401,597 in 1958-59 to a requested \$897,603 for 1960-61 or an increase of 123.5 percent.

The costs of building maintenance are also increased substantially by the moves. In the current and budget year building maintenance is being charged with the cost of new lettering on doors required by moves, as well as partitions, storage shelving, electrical outlets and other such items which are not being provided in the new state buildings. Building maintenance costs to the department should decline sharply in the future since normal ongoing maintenance will be provided in state buildings under the lease arrangement. Moving expenses, which were \$9,767 in 1958-59 but almost three times that amount for 1959-60 and twice that amount in 1960-61, are largely nonrecurring expenses related to the above moves. The impact of moves to new state buildings is not limited to this department but affects all agencies moving to new state buildings.

Traveling out-of-state (budget page 347, line 27)-----\$8,061

It is recommended that \$1,500 be deleted from this request. Approximately \$2,875 or 35.7 percent of the department's total request is for trips by the Division of Fair Employment Practices, the smallest of the nine divisions in both personnel and expenditures. Information submitted by the department to support this request does not permit a specific analysis of individual trips contemplated by the division other than that most, if not all, trips involve at least two and as many as four persons and that attendance at such nongovernmental organization meetings as the Urban League is planned. The above recommendation will result in an out-of-state travel allowance for the Fair Employment Practices Division which will place the travel budget of the agency in a more realistic relationship to similar budgets of other divisions. This recommendation makes an allowance for the fact that the newness of the agency and its field of operations will probably require out-of-state travel disproportionate to its size during 1960-61.

Department of Industrial Relations—Continued

Equipment

The department's equipment request of \$163,178 is \$39,321 less than estimated expenditures in 1959-60, which is a reduction of 19.4 percent from the current year and an increase of \$51,014 or 45.5 percent over actual expenditures in 1958-59.

The department's request was reviewed by this office with the Department of Finance. This review included, wherever practicable, a physical inspection of equipment for which replacement was requested and discussions with personnel for which new equipment was requested. As a result of this review, the department's initial request was reduced by \$38,895. *It is recommended the present request be approved as representing realistically the needs of the agency.*

Division of Administration

This division is requesting \$1,528,287, an increase of \$317,738 or 26.2 percent over estimated expenditures during the current year.

Salaries and Wages

It is recommended that the division's request for two compensation claims adjusters, one special investigator and one clerical position be approved. This request is being made by the agency contingent upon legislation being enacted which would provide for reimbursement, presumably by self-insurers, for the costs of a program of auditing the records of workmen's compensation self-insurers to assure that claims are properly handled. The recommendation for approval of this request is also contingent upon this legislation being enacted.

There is already in the division's organization the position of Self-Insurance Manager and the above positions are being requested in order to implement an effective program of supervision presumably not possible with the one present position. The justification information submitted to substantiate the above request does not make clear the relationship between the proposed positions and the existing self-insurance manager. It appears from a comparison between the budget request for the proposed activity and estimated revenues for services to self-insurers that the office of the self-insurance manager is excluded from the reimbursable portion of the program.

It is recommended that the office of the self-insurance manager be placed on a reimbursable basis as a part of the program for supervision of self-insurers. As was discussed in the last Analysis of the Budget Bill, the cost of the supervision of self-insurers is a logical and proper cost to self-insurers. The department has implicitly recognized this fact in its request for a self-financed program to implement supervision. The office of the self-insurance manager, which cost approximately \$15,000 in 1958-59, is an integral part, if not the cornerstone, of any program of supervision and should be included as part of the reimbursable cost.

It is recommended that the division's request for one clerical position, as required by increased workload, be approved. This division performs administrative and housekeeping functions for all other divi-

Division of Administration—Continued

sions and, as such, its personnel needs reflect increases in staff and workload of the other divisions. Since 1955-56, the total authorized positions of the department have increased from 885.6 to 1,150.7, an increase of 265.1 positions, or 29.9 percent. In the same period, the division's authorized positions have increased from 45.9 to 51.2, an increase of 5.3 positions, or 11.5 percent. On the basis of the substantial number of new positions requested for 1960-61 by other divisions, the increase in department responsibilities because of new legislation in recent years, and the relatively small increase in size of this division, the addition of the new position appears justified at this time.

2 temporary help (budget page 347, line 15)-----\$6,330

These positions are requested as necessary to operate a central mail and stock room in the new Los Angeles state building. Presently the various divisions are located in separate buildings, each with its own mail and stores facilities. In the new building these functions will be centralized for all divisions under the Division of Administration.

It is recommended that two temporary positions be deleted for a reduction of \$6,330. Centralization will not increase the total department flow of mail or volume of supplies but should result in increased efficiency and the total personnel need for these functions should, therefore, be reduced, not increased. The individual divisions would be relieved of these functions so it would be more logical as well as economical to secure temporary help from this source, as required by peak mailing periods, than to acquire new positions. If centralization is dependent upon an increase in staff, it would be more economical to continue the present, decentralized system and not add the new positions.

Approval of a requested storekeeper position is recommended. It will be necessary to have a full time position to handle this continuing responsibility in the new building and centralization of stores will reduce substantially the inventory needed for the entire department in Los Angeles.

Operating Expenses

The division's request for operating expenses is \$1,213,668, an increase of \$347,250 or 40.0 percent over estimated expenditures in 1959-60. Certain operating expenses items, such as rent and out-of-state travel for the entire department appear in the budget of this division. Rent, moving expenses and building maintenance account for most of the increase and are discussed under operating expenses for the department.

Printing (budget page 347, line 24)-----\$12,132

It is recommended that the division's request for printing expense be reduced by \$5,000. The division's request for 1960-61 represents an increase of \$7,941 or 189.4 percent from the \$4,191 actually expended by the division in 1958-59. Since that time, printing costs, according to the Department of Finance price increase letter, have increased only

Division of Administration—Continued

6.5 percent. The application of this price increase to 1958-59 expenditures indicates the same level of printing would cost \$4,463 in 1960-61. The above recommendation results in an allowance for printing costs which is adjusted for the price increase and makes a substantial provision for increased workload and extra printing required by the move to new offices.

Conciliation Service

ANALYSIS

The Conciliation Service's request of \$165,045 represents an increase of \$18,340 or 12.5 percent over estimated expenditures in the current year.

Approval as submitted is recommended.

The service is requesting two new positions, one conciliator and one clerical position. On the basis of experience in the most recent five years for which actual statistics are available, the average conciliator receives about 76 cases a year. The ratio is relatively consistent from year to year. The requested position would increase the number of authorized conciliator positions from 9 to 10, an increase which appears justified by a projection of the past caseload trend which indicates that in 1960-61 between 700 and 800 cases will be received by the service. In addition, complications attending the service's responsibilities under the Metropolitan Transit Act are increasing the workload. The clerical position is required by increasing caseload and would be established in the San Diego office.

Division of Industrial Accidents

ANALYSIS

This division's request of \$3,105,458 is an increase of \$145,247 or 4.9 percent over estimated expenditures during 1959-60.

Salaries and Wages

The division is requesting a total of 15 new positions made up of three referee teams and supporting staff. These positions appear to be justified on the basis of workload criteria previously agreed upon by the division, the Department of Finance and this office.

We recommend approval of the requested positions. The Budget sets out the pertinent workload statistics and calculation of referee team requirements. This shows 11,875 cases as pending. This pending caseload represents approximately 2.4 months' production at present rates if the requested positions are authorized. On the average, this closely approaches the statutory requirement and the time normally required to close cases.

Operating Expenses

Printing (Budget page 349, line 6) _____ \$23,627

It is recommended that the division's request of \$23,627 for printing expenses be reduced by \$3,000. In the last year for which actual expenditures figures are available, 1958-59, the division expended \$15,689 on printing. In the interim, according to the Department of Finance price increase letter, printing costs have increased 6.5 percent. A 6.5 percent increase in the 1958-59 expenditure would be \$1,019.20, whereas

Division of Industrial Accidents—Continued

the division is requesting an increase of almost \$8,000. The above recommendation would leave a printing item adjusted for the price increase plus an allowance for increased workload.

Division of Industrial Safety

ANALYSIS

This division is requesting \$2,059,991, an increase of \$101,725 or 5.2 percent from estimated expenditures in 1959-60.

Salaries and Wages

The division request is for six safety engineers, one safety engineer—elevator and five related clerical positions. Subsequent to the submission of this request, the division, with the co-operation of this office, developed a workload formula for safety engineers upon which to base requests for new positions. The formula has now been completed and submitted to this office and the Department of Finance for consideration.

As a measurement of workload, past levels of service authorized by the Legislature and future safety engineer requirements, we believe the formula provides a realistic indication of staff requirements for the division. Briefly, the formula is based upon the following calculation for each year: the number of workers, in thousands, in the State is added to the number of employers, in thousands, weighted by a factor of 10 for arithmetic convenience and because the majority of work places in California employ that many persons, and the sum is divided by the number of safety engineer positions which have been authorized by the Legislature for the following fiscal year. The resulting figure is an index of the workload per position at the level of service authorized by the Legislature and for convenience can be called a work unit.

The weighted combination of statistics on both employers and workers serves to dampen the short-run swings in employment caused by strikes, recessions and other temporary factors yet reflects long-run trends in the size of the work force and, thus, accident exposure. Statistical sources are the Department of Employment and the Division of Labor Statistics and Research. This formula is to be applied, if acceptable to the parties concerned, to electrical, industrial, construction, and mining and petroleum safety engineers. Workload criteria for elevator and pressure vessel engineers are already in use.

6 safety engineer (Budget page 349, line 50)----- \$42,048

It is recommended that three safety engineer positions be deleted for a reduction of \$21,024. The application of the above workload formula on the basis of staff authorized by the Legislature for 1959-60, justifies a total of 102 safety engineer positions for 1960-61, or three more than presently authorized. The calculation which results in this staff level is as follows: The number of employees in 1958 (5,157) in thousands is added to the number of employers in 1958 (578) in thousands, weighted by a factor of 10, and the total of 10,937, divided by the number of authorized safety engineer positions, for the four sections to which the formula applies, which is shown in the budget as 99 for 1959-60. The

Division of Industrial Safety—Continued

resulting index is 110.4 which represents the level of service authorized by the Legislature in 1959-60. The application of this index to the estimated number of employees and work places in 1959, as calculated above (11,315), indicates that a total of 102 safety engineers, or three more than presently authorized, will be required in 1960-61 to maintain the level of service authorized by the Legislature in 1959-60.

It is recommended the division's request for one permanent safety engineer—elevator position be approved. This position is presently authorized for 1959-60 only. The division, in its justification of this request, has not provided information on estimated workload after 1958 other than to indicate that 130 elevators have been transferred to the division's jurisdiction from the City of Los Angeles effective September 1, 1959. No estimates are supplied on new elevator permits in 1959, on the number of existing elevators, on the number of requests from insurance companies, or on the miscellaneous calls completed by engineers. In the absence of this information, which constitutes the workload measurement, statistics for the years 1954 through 1958 were extrapolated and, on the basis of the total, the 130 new elevators included, it appears the requested position is required if present inspection schedules are to be maintained.

3 intermediate typist-clerk (Budget page 349, line 52)----- \$10,890

Of the three clerical positions requested, two are related to the request for six safety engineers and one to the request for one safety engineer—elevator.

It is recommended one intermediate typist-clerk position be deleted for a saving of \$3,630. The deletion of three safety engineer positions eliminates the need for one clerical position. The addition of three safety engineers and one safety engineer—elevator, recommended above, warrants the addition of two typist-clerk positions in order to maintain the prevailing ratio of one clerical to three technical staff. One position will be required in the Elevator Section and the other in the Industrial Section.

2 intermediate typist-clerk (Budget page 349, line 52)----- \$7,260

Two additional clerical positions are required, according to the division, because the addition of full-time technical staff, such as an industrial hygiene engineer, a labor liaison representative, and an administrative assistant, which require full-time stenographic assistance, justify clerical positions in addition to the prevailing ratio of one clerical position for three technical positions. Also, the clerical workload associated with such activities as the Governor's Safety Conference require additional clerical help.

It is recommended that one intermediate typist-clerk position be deleted for a reduction of \$3,630. While the technical staff positions may require more clerical time than do line safety engineers, they are not new positions but have been authorized for several years. The industrial hygiene engineer and the labor liaison representative have been authorized at least since 1955-56 and the administrative assistant since 1957-58.

Division of Industrial Safety—Continued

Therefore, it is not a case of new positions requiring extra clerical help or of a change in responsibility but of positions which have been authorized for several years and already included in the three to one ratio. The addition of both the requested clerical positions at this time would be a higher level of service for the same program than has existed for several years. This recommendation will permit the addition of one typist-clerk position to the division's clerical pool to meet new workload due to the Governor's Industrial Safety Conference and other factors, such as the change in status of two district engineers who recently completed radiological training.

Division of Industrial Welfare

ANALYSIS

This division's request of \$572,673 represents an increase of \$112,341, or 24.4 percent, over estimated expenditures in 1958-59.

Salaries and Wages

This division is requesting 11 full-time positions as necessary to maintain the existing level of service and 2 as necessary to provide full-time clerical help in branch offices. Five temporary or part-time positions are justified by the division as necessary to prepare a cost of living budget and 2 as required to assist in the issuance of a wage order for women and minors employed in agriculture. These 4 requests will be considered separately below.

Workload Increases

6 Industrial welfare agents (budget page 350, line 44)----- \$38,160

The division cites the disproportion between the increase in complaints received and the size of the staff in recent years. Between 1957-58 and 1959-60, according to the agency, the number of complaints received increased from 9,178 to 10,700, but the size of the welfare agent staff remained constant at 28. The division computes that the average case closure per agent, per year, for the five years following 1954-55 was 287. For 1960-61, on the basis of complaints and the 5-year average of closures per agent, the division states that 12 additional agent positions would be required. Six of these positions are requested at this time.

It is recommended that three industrial welfare agent positions be deleted for a reduction of \$19,080. In years past a realistic evaluation of the staffing needs of this agency has been complicated by the absence of any previously agreed upon measurement of workload and level of service. In the current request the division has provided statistics on the number of complaints received each year but supplies only a 5-year average figure on case closures. These statistics do not permit an evaluation of recent closure records under the higher level of supervision, more experienced personnel and improved procedures in the most recent years. A year-by-year comparison of complaints and closures is not possible. In 1958-59, when 10,165 complaints were received, the complaint load per agent was 363. Reference to complaint statistics, including projected figures for 1960-61, indicates that three additional

Division of Industrial Welfare—Continued

agent positions would result in a level of service for 1960-61 equal to that which prevailed in 1958-59 and a slightly higher level than for 1959-60.

The division is now initiating a systematic method of measuring workload which will provide a consistent statistical base for future personnel requests. It is our understanding this workload measurement will be submitted to the Department of Finance and this office for review prior to submission of the 1961-62 budget request but after the present budget submission. For this division, complaints considered without reference to case closures, the composition of cases and other workload factors have serious deficiencies as a workload measurement.

- 1 Senior stenographer-clerk (budget page 350, line 45)----- \$4,296
 4 Intermediate stenographer-clerks (budget page 350, line 46) \$15,240

These 5 positions are requested by the division in relation to the request for 6 agent positions in order to maintain a ratio of one additional clerical position to 2 additional agent positions.

It is recommended that 1 senior stenographer-clerk and 2 intermediate stenographer-clerk positions be deleted for a reduction of \$11,916.

Although the division requests the above positions on the grounds that one clerical position is required with each two additional agent positions, the ratio between the requests is considerably different in this instance. Six agents are requested as against 5 clerical positions, almost a 1 to 1 ratio. The agency has provided no supporting information for this difference. If the 3 agent positions discussed previously are deleted as recommended, the allowance of 2 additional clerical positions would permit the division to maintain its present agent-clerk ratio.

Branch Offices

- 2 Intermediate stenographer-clerk (budget page 350, line 46) \$7,620

These two positions are requested by the division so that four presently authorized half-time clerical positions in certain 1-agent branch offices may be extended to full-time in order that these offices may remain open a full day when the resident welfare agent is in the field.

It is recommended that 2 intermediate stenographer-clerk positions be deleted for a reduction of \$7,620. The offices in question are located in Eureka, Bakersfield, San Jose, and Stockton and are used by several divisions in the department, not only the Division of Industrial Welfare, even though the office may serve only 1 welfare agent. Other divisions using these facilities have full-time clerical positions and in no case is the entire office closed because the welfare agent is in the field. It therefore is not a question of the office facility being closed but of there being no division personnel on duty. Presently in at least some if not all of these offices, personnel of other divisions, in effect, act as receptionists for all divisions.

It has been pointed out in past analyses of the department's budget that the high degree of divisional autonomy in the department leads to inefficiencies, and pooling of facilities and personnel on a department-wide basis, when practicable, could result in economies. This request is a case in point. A rational solution to the problem of clerical help

Division of Industrial Welfare—Continued

in branch offices shared by several divisions would be for the Division of Administration to provide the office with a receptionist-clerk to serve all divisions as part of a clerical pool to be used by all divisions. Such an arrangement could be accomplished with no increase in total department personnel by reassigning existing clerical positions to the Division of Administration from the various divisions.

Cost of Living Budget

0.8 Associate research technician (budget page 350, line 47)---	\$5,796
0.8 Assistant research technician (budget page 350, line 48)---	\$4,770
0.8 Senior account clerk (budget page 350, line 49)-----	\$3,222
0.8 Intermediate account clerk (budget page 350, line 50)----	\$2,700
0.8 Intermediate typist-clerk (budget page 350, line 51)-----	\$2,700

The division is requesting five positions for nine months to bring up-to-date the cost-of-living budget for single working women, which was last compiled in 1950 and updated since by reference to the Consumer Price Index and tax increases. The division request will result in a salaries and wages cost of \$19,188, and operating expenses of \$8,300 for a total cost of \$27,488.

It is recommended that the assistant research technician, senior account clerk and intermediate typist-clerk positions be deleted from this request for a reduction of \$10,692. This is a nonrecurring, temporary project and, in the interests of economy and good management, the number of additional positions established, even on a temporary basis, should be held to a minimum. It is assumed that the program designed to maintain the 1950 cost-of-living budget in current condition will be discontinued and personnel time normally employed on this program will be available for the present survey. Present division clerical personnel presumably will be available to assist in this project as time permits. It is not possible to determine from available budgetary information the exact cost of the most recent survey in 1950, but it appears it was considerably less than the amount requested in the present budget.

Agricultural Wage Order

The division is also requesting a technical assistant for nine months and \$830 for temporary help as required by the Industrial Welfare Commission in the formulation and adoption of a wage order for women and minors employed in agriculture. *It is recommended that this request be approved as justified on the basis of past experience in the formulation of wage orders.*

Operating Expenses

Printing (budget page 350, line 62)----- \$32,265

It is recommended that the division's printing request be reduced by \$15,000. In 1958-59, the last year for which actual expenditure statistics are available, the division expended \$1,547 on this item. In the interim, printing costs have increased 6.5 percent which would increase the cost of the 1958-59 level of printing to \$1,657 in 1960-61.

Division of Industrial Welfare—Continued

In 1960-61, the division anticipates that the total printing cost of the wage survey and wage order activities of the Industrial Welfare Commission will be \$4,800, that \$205 will be required by the move to new quarters in Los Angeles and \$550 for new positions. In addition, about \$4,000 will be required, according to the division, for printing required by new branch offices. The above combination of on-going and non-recurring printing costs totals less than \$12,000. The recommended reduction would still leave an adequate budget for the printing needs of the division.

Division of Labor Law Enforcement**ANALYSIS**

This division is requesting \$1,056,315, an increase of \$81,374 or 8.3 percent over estimated expenditures in 1959-60.

Salaries and Wages

The division is requesting three new deputy labor commissioner positions, one senior attorney, one special investigator and four clerical positions. These classes of positions are discussed separately below.

Deputy Labor Commissioners

It is recommended that the request for three deputy labor commissioner positions be approved. A review of the complaint per deputy ratio for several recent years indicates that it has ranged from 779 in 1956-57 to 838 in 1958-59. For 1959-60 it is estimated at 830 and, based on the division's estimate of complaints for 1960-61, which appears realistic on the basis of past experience, the addition of three deputies in 1960-61 will enable the division to maintain the ratio prevailing in 1959-60 through 1960-61.

Special Investigator

The division's request for one special investigator position is also related to the number of complaints received and to a ratio between deputies and investigators which will assure that the caseload may be adequately processed. *Approval of this request is recommended.* The complaint load was discussed above. The ratio between deputies and investigators has varied in recent years from one investigator per 4.3 deputies in 1956-57 to one to 5.1 in 1959-60. The addition of the requested position in 1960-61, with the three deputy positions discussed above, would result in a level of service equivalent to that which prevailed in 1958-59.

Senior Attorney

It is recommended that the division's request for a senior attorney position be approved. While there is no established workload measurement upon which to base the division's need for attorney positions, the total number of attorney positions authorized in the division has not been increased since 1948. The growth in the division's case workload since that time has been substantial and the growth in the overall workload of the division justifies this position.

Division of Labor Law Enforcement—Continued

Clerical

Three of the clerical positions requested, two intermediate stenographer-clerk and one junior stenographer, are directly related to the deputy positions discussed above and subject to the same workload measurement. The senior legal stenographer position is related to the senior attorney position recommended for approval above. *Approval of these positions is also recommended.*

Operating Expenses

Printing (budget page 351, line 57) ----- \$9,787

It is recommended that the division's request for printing be reduced by \$3,000. In 1958-59, the most recent year for which actual expenditure statistics are available, this division expended \$4,278 on printing. If the price increase for printing contained in the price increase letter is applied to this expenditure, it would justify a request for only \$4,519. The above recommendation would still allow a substantial amount for increased printing costs, as a result of legislation enacted since 1958-59, new positions and moves to new offices.

Division of Apprenticeship Standards

ANALYSIS

This division is requesting \$939,787, an increase of \$81,765 or 9.5 percent over expenditures estimated for 1959-60.

Salaries and Wages

It is recommended that the division's request for a total of nine new positions, including six apprenticeship consultant and three clerical positions, be approved. The consultant positions appear to be justified on the basis of a workload formula established in 1955, which has been accepted as a realistic index of the division's personnel needs, by the division, the Department of Finance and this office. The clerical positions are directly related to the consultant positions.

Prior to the submission of the division's next budget, the workload formula will be reviewed in detail by this office to determine if changes in the federal-state relationship, the development of joint labor-management apprenticeship funds or other factors have affected its validity.

Division of Housing

ANALYSIS

This division is requesting \$432,739 for 1960-61, an increase of \$65,848 or 17.9 percent over estimated expenditures in 1959-60.

Salaries and Wages

6 District representative (budget page 353, line 6) ----- \$38,160

The division is requesting six new district representative positions for three different programs. The positions and programs for which they are requested are discussed separately below.

Division of Housing—Continued

Employee Housing

Four district representative positions are requested for the employee housing inspection program. The division for several years has had a legislative mandate to provide "100 percent annual inspection coverage" of employee housing and has interpreted, for 1960-61, 100 percent inspection coverage as requiring yearly inspection of each known employee housing facility, reinspection of the 50 percent of the camps which can be anticipated to be in violation of the Labor Camp Act, further inspection of 25 percent which can be expected to be in violation after the second inspection and, finally, reinspection of 25 percent which will be required by new construction, complaints or seasonal change of occupancy. The manpower required to complete these inspections is computed by the division on the basis of 7,596 camps now being inspected, plus 15 percent more expected to be added in 1960-61, or a total 1960-61 workload base of 8,740 camps. The inspection and reinspections are expected to amount to a total of 17,840 inspections, taking an average of two hours each. To accomplish the above program, the division estimates would require six additional district representative positions of which four are requested in the current budget.

It is recommended that four district representative positions be deleted for a reduction of \$25,440. In the statistical information submitted by the division on the staff needs of the labor camp program it is indicated that nine man-years are now available and that four man-years will be available in 1960-61 which are presently devoted to the trailer-coach program. A review of the history of the labor camp program indicates that between 1946 and 1957 a total of 15 district representative man-years were authorized by the Legislature for enforcement of the Labor Camp Act. These man-years were originally requested by the division as necessary for employee housing inspection. It is apparent that at least four and possibly six of these man-years were diverted to other programs although the Labor Camp Act is the only responsibility of the division which carries a legislative mandate for 100 percent enforcement. The diversion of man-years from other programs to labor camp inspection, rather than the reverse, would have been consistent with legislative intent.

In establishing its personnel requirements for 1960-61 for the labor camp program, the division estimates that 8,740 camps will comprise the inspection workload based on a projected 10 percent increase in the number of camps over 1958-59 plus a five percent increase because of compulsory registration by operators. Camps are not now required to be registered and legislation requiring such registration could not be effective, in all probability, until September 1961, after the close of the year for which the positions are requested. For this reason an increase because of compulsory registration would not enter into the workload during the year for which the positions are requested.

The addition of personnel, of itself, will not provide effective and complete regulation of labor camps. The Labor Camp Act does not require operators to register or otherwise make known to the division

Division of Housing—Continued

the existence of camps with the result that the burden of locating camps is upon the division, and camps not located are unregulated. Labor camps must house at least five employees before the division may take jurisdiction. Unlike the Division of Industrial Safety, the Division of Housing cannot on its own authority enforce immediate compliance through closing of facilities but must proceed through local law enforcement agencies, a requirement that results in time-consuming re-inspections and often results in securing compliance only after camps are no longer needed for the season. Certain labor camp activities and authority of both the Division of Industrial Safety and the U.S. Department of Labor duplicate that of the Division of Housing. It is our understanding the division is planning to propose legislation to clarify its authorities and responsibilities.

It is our recommendation that the division withhold all position requests for this program until such time as legislative action is taken on the above matters.

Trailer-Coach Program

One district representative position is being requested as necessary to maintain the present level of service in the trailer-coach program. This program is required by its enabling act to be fully reimbursable through fees charged to trailer-coach manufacturers. *It is recommended that one district representative position be allowed for this program as increased workload appears to justify this request.*

Trailer Park, Auto Court, Motel, and Resort Program

One district representative is requested as being required by increased workload in the enforcement of the Trailer Park Act and Auto Court, Motel and Resort Act. For both acts, the division relinquishes jurisdiction where local codes and ordinances equal or exceed state requirements but retains responsibility for supervision of local enforcement. In 1958-59, according to the division, the regulation of trailer parks required 7.5 man-years and in 1960-61 will require an estimated 8.2, an increase of 0.7 man-years. The regulation of auto courts, motels and resorts required three man-years in 1958-59, and will require 3.7 man-years in 1960-61, for an increase of 0.7, resulting in a total increase for both programs of 1.4 additional man-years for 1960-61 over 1958-59.

It is recommended that one district representative position be deleted for a reduction of \$6,360. It is part of the division's policy to encourage local governments to assume responsibility for the regulation of trailer parks, motels, auto courts and resorts through adoption of suitable ordinances and codes. The division's success with this policy is indicated by the fact that 30 counties now have adopted acceptable building codes and 18 cities and three counties have adopted acceptable trailer park ordinances. It is also noted that the number of trailer parks under the division's jurisdiction is expected to decline from 3,175 to 3,050 between 1958-59 and 1960-61, at a time when the total number of such facilities in the State is increasing rapidly and

Division of Housing—Continued

that this decline is attributable to local governments assuming additional responsibility. On the basis of the division's policy, it would be expected that these programs will decrease rather than increase in the future. Rather than increase the division's staff, it is recommended that the division continue and intensify its efforts to secure local government responsibility for these activities.

It should be noted in this connection that the regulation of trailer parks is related to the regulation of trailer coaches, both in concept and in the nature of the industry being regulated. In 1957 the trailer coach industry actively supported the successful legislation which resulted in the self-financing trailer coach inspection program. There has been sentiment expressed from within the trailer park business for legislation which would also provide a reimbursable trailer park inspection program.

Clerical

2 Intermediate stenographer-clerk (budget page 353, line 7) -- \$7,620

The division requests these two clerical positions as necessary to maintain the established ratio for clerical positions relative to district representatives.

It is recommended that two intermediate stenographer-clerk positions be deleted for a reduction of \$7,620. Of the six requested additional district agent positions, five have been recommended above for deletion. The requested clerical positions are related to these positions.

Operating Expenses

Printing (budget page 353, line 16) ----- \$20,159

It is recommended that the request for printing be reduced by \$5,000. In 1958-59 the division's actual expenditures for printing were \$7,051. If this actual expenditure is increased to compensate for the 6.5 percent price increase, or \$458, and \$1,820 is added as required by the self-financing trailer coach program, \$3,000 as necessary for implementing new legislation and \$500 for nonrecurring expenses incidental to moves to new quarters, the total is less than \$13,000. The above recommendation allows a substantial amount for increased workload.

Division of Labor Statistics and Research

ANALYSIS

This division is requesting \$550,225, an increase of \$53,006 or 10.7 percent over estimated expenditures in 1959-60.

Salaries and Wages

The division is requesting four new positions, two research technicians and two clerks. In addition, five positions were authorized administratively by the Department of Finance during 1959-60, on the basis they were necessary to implement legislation enacted at the 1959 Legislative Session. The five positions include two research technicians, one machine operator and two clerks. The total personnel increase from the level authorized for 1959-60 by the Legislature will be nine positions.

Division of Labor Statistics and Research—Continued

It is recommended the division's request for new positions be approved as submitted. The two research technician positions are justified by the division as being required by increasing workload in the Employee and Payroll Statistics Section. The stenographer position is required, according to the division, by an increasing clerical load in the Work Injury Statistics Section, a section that heretofore has had no clerical staff. The typist position is requested for the General Services Section which performs administrative work for the entire division.

As with the Division of Administration, the personnel needs of this division largely reflect the level of activity of the other divisions and reference to an external, objective workload measurement, such as complaints, or the size of the State's work force, is not possible. For this reason possibly the most reliable indication of personnel needs is the total personnel in the department. In the last five years, while the personnel size of the department has increased 29.9 percent, the staff of the division has increased 35.5 percent. The relatively greater increase of the division is partially a result of many statistical operations, formerly performed manually by the individual divisions, being transferred to this division for conversion to machine operations. In relative terms, the increase requested by the division for 1960-61, if allowed, would result in a 43 percent increase in staff since 1955-56 while, if a substantial portion of the requests of other divisions are granted, the overall department increase since 1955-56 will be between 42 and 43 percent. On the basis of the relative complements of the division and the total department, it appears the division's request is justified.

The five positions which were established administratively by the Department of Finance in 1959-60 were required, according to the division, as necessary to implement Chapters 1787 and 2173, Statutes of 1959 (Assembly Bill No. 317 and Assembly Bill No. 880). These laws require the division to receive copies of collective bargaining agreements executed in the building trades and makes certain changes in the public works prevailing wage law that require the division to ascertain information not previously collected. When passed, the legislation did not provide funds or personnel for the division to undertake this new activity. While sufficient experience is not available to accurately evaluate the personnel needs resulting from this legislation, the positions appear to be justified on the basis of available information.

Division of Fair Employment Practices

ANALYSIS

The division was created effective September 1959 with an initial appropriation of \$202,953 for organization and operations in nine months of 1959-60. The request for 1960-61 is \$262,393.

Salaries and Wages

As this division did not exist when the 1959-60 Budget was originally submitted to the Legislature, the 1959-60 schedule of positions was never subject to specific legislative review and approval. When presenting its request to the 1959 Legislature for funds to implement the Fair Employment Practices Act, the Department of Finance did sub-

Division of Fair Employment Practices—Continued

mit a proposed schedule of positions which is shown below. The schedule of positions which is shown in the present budget document as authorized for 1959-60 is significantly different from that which was submitted to the Legislature as justification for the 1959-60 Budget.

Position Schedule Submitted to Justify 1959-60 Appropriation

5 commissioner	3 regional director
1 chief of division	6 field representative
1 assistant chief	9 technician and clerk
1 staff assistant	—
1 legal counsel	22 (Total)

Because much of the division's staffing pattern for both 1959-60 and 1960-61 has not been subject to legislative review, and changes made in the budget include programs not previously authorized, this analysis will treat all changes from the original staffing as proposed new positions and not as authorized positions. Several of these changes would implement basic policies not previously presented to the Legislature which will have the effect of establishing future personnel and fiscal requirements.

2 Education director (budget page 354, line 29) ----- \$17,751

The division justifies these two positions as being necessary to implement Sections 1419 (h) and (i) of the Fair Employment Practices Act, which are quoted below, and cites the example of the New York anti-discrimination agency which has had a director of education as a top staff member from its inception. The two positions would be employed, according to the division, to prepare literature and educational material, arrange speech materials for commissioners and staff, plan special events, advise on educational techniques, counsel organizations in the field of antidiscrimination activity and engage in related activities. The subsections of the Fair Employment Practices Act to which the division refers are as follows:

(The commission shall have the following functions, powers and duties:)

Section 1419 (h)

“To create such advisory agencies and conciliation councils, local or otherwise, as in its judgment will aid in effectuating the purposes of this part, and may empower them to study the problems of discrimination in all or specific fields of human relationships or in specific instances of discrimination because of race, religious creed, color, national origin, or ancestry, and to foster through community effort or otherwise good will, co-operation, and conciliation among the groups and elements of the population of the State and to make recommendations to the commission for the development of policies and procedures in general. Such advisory agencies and conciliation councils shall be composed of representative citizens, serving without pay.”

Division of Fair Employment Practices—Continued

Section 1419 (i)

"To issue such publications and such results of investigations and research as in its judgment will tend to promote good will and minimize or eliminate discrimination because of race, religious creed, color, national origin, or ancestry."

It is recommended that two education director positions be deleted for a reduction of \$17,751 plus related expenses.

Nowhere in the two subsections cited is the commission directed to carry on a formal education program or to provide educational assistance to private organizations active in the antidiscrimination field and a review of the legislative history of the act indicates strongly that just the opposite was the case. As the bill was introduced, the last sentence of subsection 1419 (h) stated: "Such advisory agencies and conciliation councils shall be composed of representative citizens serving without pay; *but the commission may make provision for technical and clerical assistance to them.*" (italics added). A subsequent amendment removed the italicised language from the bill. The effect of the amended language was, in our opinion, to remove from the act the authorization to perform just such activities as the division now proposes as requiring two educational positions.

Regarding the reference to the existence of an education director on the staff of the New York antidiscrimination agency as a justification for these positions, the experiences of other states is undoubtedly of interest, but the actions of other state legislatures regarding the budgets of other agencies enforcing other laws in other states is of questionable validity in justifying the budget request of an agency in California. This is especially true in this instance since the Legislature previously expressed its intent in approving the appropriation for 1959-60.

The Legislature, in Section 1419 (i), clearly intended the commission to carry on a positive program to promote fair employment practices. This would not be a new type of activity in the department. The Divisions of Industrial Safety and Apprenticeship Standards, among others, have long carried on extensive and effective promotional activity to further their basic programs. These divisions have not found it necessary to acquire educational staffs nor did the Legislature approve a 1959-60 Budget for this division which included such positions. These two positions have not been filled at the time of this analysis.

1 Research director (budget page 354, line 30)----- \$9,273

This position, according to the division, is required by the previously quoted sections of the act to carry on applied research. Functions of the position would be the conducting of investigations, reviews to determine validity of studies by staff or advisory bodies, assistance to advisory agencies, review of current literature in the field and liaison with other public and educational agencies engaged in research in the field. The division comments that antidiscrimination agencies in other states "have found such personnel indispensable."

It is recommended that one research director position be deleted for a reduction of \$9,272. Nowhere in the two subsections cited is the

Division of Fair Employment Practices—Continued

commission directed to carry on research. Section 1419 (i) authorizes the commission to issue the results of research, not engage in its own research program. The comments above regarding the action of the Legislature in removing the commission's authority to provide technical assistance to non-paid advisory bodies applies to this position as well as to the educational positions.

Other comments above regarding the educational positions apply equally to the research position. Other divisions in the department issue publications and other material on developments in such fields as industrial safety and apprenticeship without the services of a research director. To cite the experience of antidiscriminatory agencies in other states ignores the fact that the division is enforcing the California law in California and the staffing of agencies in other states providing other services under other laws is not necessarily pertinent.

It is abundantly clear in the Labor Code that the Legislature intends that all non-administrative research done in the department shall be done by the Division of Labor Statistics and Research and further, that the commission shall, so far as possible, look to other divisions in the department for assistance. Subsection 1419 (d) directs the commission "To obtain upon request and utilize the services of all governmental departments and agencies" and Section 150 directs the Division of Labor Statistics and Research to "collect, compile and present facts and statistics relating to the condition of labor in the State, including information as to employment, unemployment, hours, wages, earnings, cost of living, labor supply and demand, industrial relations . . . and other conditions . . . in relation to labor as the Director of Industrial Relations deems desirable. *Except for statistics relating to internal administration, all statistical functions of the department shall be performed by the division.*" (italics added). In view of these two sections, the commission, in requesting a research position, is in our opinion, acting in violation of legislative intent as expressed in the Labor Code. This position has not been filled at the time of this analysis.

It is recommended the action of the Department of Finance and the division in reducing the number of regional director positions from three to two be approved. It was originally contemplated that the division would have offices in San Francisco, Los Angeles and Fresno. Subsequent legislative action restricted office locations to San Francisco and Los Angeles, eliminating the need for a director position in Fresno.

8 Field representative (budget page 354, line 32)----- \$59,760

Of these eight positions, six were included in the original justification material submitted by the Department of Finance to the Legislature in 1959 in support of the appropriation to implement the act and, as such, they have previously been subject to legislative review.

The division, in commenting on this increase, states that the division chief has had experience under the San Francisco Fair Employment Practices Ordinance from which to estimate the probable caseload and staff implications under the act.

It is recommended that two field representative positions be deleted for a reduction of \$14,940. There is no possible workload justification

Division of Fair Employment Practices—Continued

for these positions as the division, at the time its 1960-61 budget request was prepared, had no such positions filled and, therefore, had no record of case closures, complaints per agent or any other objective standard upon which to base a request for increased staff. The administration of fair employment practices laws is a new field of operations for the State and only experience will develop information on the size of the case workload. Pending the development of such information, any estimate of eventual staff needs is speculative. It can only be construed that this request represents a request for an arbitrary increase in the level of service previously authorized by the Legislature in passing on the original appropriation for the division. These positions have not been filled at this writing.

11 Technician and clerk (budget page 354, line 33)----- \$47,199

Nine of these positions were included in the original staffing and have previously been subject to legislative review and approval.

It is recommended that one senior stenographer-clerk and one intermediate stenographer-clerk position be deleted for a reduction of \$8,406. Both of these positions are related to the education and research positions recommended for deletion above. Neither position has been filled at this writing.

OFFICE OF STATE FIRE MARSHAL

ITEMS 131 and 132 of the Budget Bill

Budget page 355

FOR SUPPORT OF OFFICE OF STATE FIRE MARSHAL
FROM THE GENERAL AND DRY CLEANERS FUNDS

Amount requested -----	\$565,163
Estimated to be expended in 1959-60 fiscal year-----	528,668
Increase (6.9 percent)-----	\$36,495
TOTAL RECOMMENDED REDUCTION-----	None

ANALYSIS

The office of Fire Marshal proposes to continue at the same level of service as provided in the current fiscal year with two deputy state fire marshal I positions being requested to meet increases in workload. The Legislature enacted Chapter 1634 during the 1959 Session which provided for adding one fire prevention engineer and two clerical positions to examine building materials and publish bulletins thereon. The charges made for the bulletins cover the cost of the additional positions, consequently, the budget is reimbursed for this expense.

The amount requested to operate the Fire Marshal's office for the budget year is \$565,163 which is \$36,495 or 6.9 percent greater than the \$528,668 estimated for expenditure in the current year. This increase is made up of merit salary adjustments for the existing positions provided for in the current budget and the request for the two additional positions mentioned above. Also, an \$8,000 increase in operating expenses and a minor adjustment in equipment. We have examined these increases and find them justified and in line with current cost factors. *Consequently, we recommend approval of the Fire Marshal's budget as requested.*