

Department of the California Highway Patrol—Continued

a particular class on the basis of an individual budget request obscures this centralized responsibility of the Personnel Board. This principle is not altered by the fact that the California Highway Patrol performs specialized types of duties and is supported by special funds. Moreover, it is inconsistent with the provision in the budget elsewhere for a large undesignated special adjustments fund to be administered by the State Personnel Board.

*We recommend elimination of the amount provided for in this item for a special salary adjustment.*

Department of the California Highway Patrol  
DEFICIENCY PAYMENTS

ITEM 138 of the Budget Bill

FOR PAYMENT OF DEFICIENCIES IN APPROPRIATIONS FOR THE  
DEPARTMENT OF THE CALIFORNIA HIGHWAY PATROL,  
FROM THE MOTOR VEHICLE FUND

Amount requested .....	\$100,000
Amount allocated to date for 1961-62 fiscal year .....	None
<b>TOTAL RECOMMENDED REDUCTION .....</b>	<b>None</b>

ANALYSIS

The amount requested is in the same amount as requested since the 1958 budget year. Language limitations in the budget bill preclude expenditures from this item for any purpose except the purchase and operation of motor vehicles provided that the funds required for such purchase or operation of vehicles are in excess of the amounts approved in the support appropriation.

*We recommend approval of this item.*

DEPARTMENT OF INDUSTRIAL RELATIONS

ITEM 139 of the Budget Bill

Budget page 360

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

Amount requested .....	\$12,517,959
State employees' retirement .....	729,294
State employees' health and welfare .....	78,768
<b>Total .....</b>	<b>\$13,326,021</b>
Estimated to be expended in 1961-62 fiscal year .....	12,166,037
<b>Increase (9.5 percent) .....</b>	<b>\$1,159,984</b>
<b>TOTAL RECOMMENDED REDUCTION .....</b>	<b>\$410,635</b>

Summary of Recommended Reductions

Division of Administration	Amount	Budget Page	Line
Salaries and Wages			
1 Intermediate stenographer ..... (vacant position)	\$4,092	360	63
Operating Expense			
Traveling—in-state .....	2,000	360	75
Traveling—out-of-state .....	1,500	360	76
Specialized training .....	2,652	360	77
Rent .....	19,440	360	79
<b>Subtotal .....</b>	<b>\$29,684</b>		

## Department of Industrial Relations—Continued

## Summary of Recommended Reductions—Continued

Division of Conciliation		Budget		
Salaries and Wages	Amount	Page	Line	
1 Intermediate stenographer ----- (vacant position)	\$4,092	361	35	
1 Administrative assistant I -----	6,672	361	39	
1 Intermediate stenographer -----	4,194	361	40	
Operating Expenses				
Printing -----	1,300	361	52	
Subtotal -----	\$16,258			
Division of Industrial Accidents				
Salaries and Wages				
2 Referees ----- (vacant position)	\$25,152	362	21	
1 Permanent Disability rating specialist ----- (vacant position)	6,360	362	23	
2 Hearing reporters ----- (vacant position)	14,016	362	24	
1 Senior stenographer ----- (vacant position)	4,512	362	25	
1 Senior legal stenographer ----- (vacant position)	4,740	362	25	
1 Senior typist-clerk ----- (vacant position)	4,512	362	25	
1 Intermediate stenographer ----- (vacant position)	4,092	362	25	
2 Associate counsel ----- (new position)	20,688	362	30	
2 Junior counsel ----- (new position)	12,720	362	31	
4 Intermediate stenographer ----- (new position)	16,776	362	37	
Operating Expenses				
Contractual medical examinations -----	2,969	362	50	
Subtotal -----	\$116,537			
Division of Industrial Safety				
Salaries and Wages				
7 Safety engineers ----- (vacant position)	\$51,492	363	10	
2 Intermediate typist-clerk ----- (vacant position)	7,800	363	12	
1 Special representative ----- (new position)	8,214	363	17	
2 Safety engineer (electrical) ----- (new position)	14,712	363	18	
1 Safety engineer (construction) ----- (new position)	7,356	363	19	
1 Intermediate typist-clerk ----- (new position)	3,996	363	20	
Operating Expenses				
General expense -----	2,500	363	28	
Communications -----	1,500	363	30	
Subtotal -----	\$97,570			
Division of Industrial Welfare				
Salaries and Wages				
2 Industrial welfare agent ----- (vacant position)	\$14,016	364	5	
1 Senior stenographer ----- (vacant position)	4,512	364	6	
Subtotal -----	\$18,528			
Division of Labor Law Enforcement				
Salaries and Wages				
1 Deputy labor commissioner ----- (vacant position)	\$7,356	364	75	
1.5 Intermediate stenographer ----- (vacant position)	6,138	365	5	
3 Deputy labor commissioner ----- (new position)	22,068	365	10	
5 Intermediate stenographer ----- (new position)	20,868	365	11	
Subtotal -----	\$56,430			
Division of Apprenticeship Standards				
Salaries and Wages				
1 Intermediate stenographer ----- (vacant position)	\$4,092	365	60	
Operating Expenses				
Traveling—in-state -----	8,000	365	72	
Subtotal -----	\$12,092			

## Department of Industrial Relations—Continued

Summary of Recommended Reductions—Continued			
Division of Labor Statistics and Research		Budget	
Salaries and Wages	Amount	Page	Line
1 Junior research technician _____ (vacant position)	\$5,496	367	27
1 Senior typist-clerk _____ (vacant position)	3,900	367	27
Operating Expenses			
General expense _____	7,500	367	36
Communications _____	2,000	367	38
Traveling—in-state _____	3,000	367	39
Tabulating machine operation _____	14,904	367	40
Subtotal _____	\$36,800		
Division of Fair Employment Practices			
Salaries and Wages			
2 Fair employment practice consultant _____ (vacant position)	\$14,712	368	6
2 Senior stenographer _____ (new positions)	9,024	368	11
Operating Expenses			
Traveling—in-state _____	3,000	368	20
Subtotal _____	\$26,736		
GRAND TOTAL _____	\$410,635		

The recommended reductions in total amount, represent 3.2 percent of the total support request of the department for the budget year.

## ANALYSIS

Expenditures proposed for the Department of Industrial Relations for fiscal year 1962-1963 amount to \$13,326,021, an increase of \$1,159,-984, or 9.5 percent over estimated expenditures of this department for the current year.

## Salaries and Wages

Wage and salary expenditures for fiscal year 1962-1963 are scheduled at \$9,908,892, a proposed increase of \$693,547 or 7.4 percent over the \$9,215,345 scheduled for expenditure in the current year. Wages and salaries as proposed would account for 79.1 percent of the department support expenditure for the budget year.

Proposed new positions number 90.6 with salary savings estimated on the basis of 52.1 which would appear to provide a net gain of only 38.5 effective positions.

## Vacant Positions

We have made special comment in the analysis of each separate division of the department with reference to authorized positions which, according to information supplied by the department at our request, were vacant as of July 1, 1961, or before, which remained continuously vacant to and were still vacant on December 1, 1961, a period of at least 5 months.

We have specifically recommended the deletion of these positions in order that the wage and salary money allocated in the department budget, for positions which do not appear to be currently necessary for the continued operation of the department, may be removed from the department appropriation and thereafter become available for other state purposes.

Item 139

Industrial Relations

Department of Industrial Relations—Continued

We do not recommend the deletion of all identifiable, unfilled positions such as those, for example, which have become vacant since July 1, 1961, as the result of normal turnover and which may remain unfilled for a brief period. Attention is directed rather, to those positions which have been or in the future may be held vacant for extended periods of time, to enable the agency to operate within the limits of allocated funds or for other reasons and which, under allocation budgeting, may continue to remain unfilled.

Since the department has been able to operate for approximately a half year without the benefit of these authorized but nevertheless vacant positions, there can be little justification for their continued authorization in the budget year on a workload basis.

To the extent that such positions are deemed essential to continued department operation, but are temporarily unfilled for reasons beyond the immediate control of the department, the department should come back to the Legislature for their authorization by showing how the work cannot be done without the positions, a fact not in evidence when positions are vacant.

Operating Expenses

Operating expenses proposed in total by the department for fiscal year 1962-1963 amount to \$2,674,670, an increase of \$382,095 or 16.6 percent over estimated operating expenses for all divisions within the department during the current year.

We have, in general, recommended reductions in the separate analyses of the several divisions where it appears that after adjusting the 1960-1961 base year expenditures upward to reflect personnel increases, the amount proposed for expenditure in the budget year appears to be excessive after allowing for normal growth and price increases.

Equipment

Equipment costs proposed in total for the department for fiscal year 1962-1963 amount to \$101,232, an increase of \$2,446 or 2.4 percent over estimated expenditures for the current year.

Division of Administration

Total expenditures proposed for the Division of Administration for fiscal year 1962-1963 amount to \$1,753,320, an increase of \$156,653, or 9.8 percent, over estimated expenditures for the current year.

Salaries and Wages

Vacant Position

The following position is one which, as of December 1, 1961, had been continuously vacant since July 1, 1961, according to information supplied by the department:

*1 Intermediate stenographer (budget page 360, line 63)----- \$4,092*

*We recommend that this position if still unfilled be abolished for a saving of \$4,092.*

This position may be one of the type described in the departmental general summary. If it is still vacant it must be recognized that the

## Department of Industrial Relations—Continued

agency has continued to operate, apparently without serious detriment, for a period of over seven months without the benefit of the services which the position could have provided. There appears to be little, if any, justification for continuing this authorized position in the budget.

## Operating Expenses

*Traveling—In-state (budget page 360, line 75)-----* \$13,236

The division proposes to spend in the budget year, \$3,770, or 39.8 percent, more for traveling in the State than it did in fiscal year 1960-1961.

*We recommend the deletion of \$2,000 to reduce this item of \$11,236.*

With the major exception of some air fare rates which have risen about 5 percent, the various elements entering into the cost of employee traveling show no appreciable increase over the costs in the base year of 1960-1961. Our recommended reduction will still allow for an increase in the funds available to the agency for travel purposes.

*Traveling—Out-of-state (budget page 360, line 76)-----* \$7,198

This division provides most of the funds to cover the costs of out-of-state trips by various officers and employees of the several divisions of the department.

In its proposals for out-of-state travel for fiscal year 1962-1963 three trips are specified, for example, two for the Division of Housing and one for the Division of Labor Law Enforcement, none of which were routinely made either in the base year of 1960-1961 or scheduled for the current year, at an estimated total cost of \$1,200.

*We recommend the deletion of \$1,500 to reduce this item to \$5,698.*

While there may be some identifiable value in the attendance of department officials and employees at out-of-state meetings and conferences where the interests of the State are involved, the amount proposed to be budgeted for 1962-1963 exceeds the expenditures of the base year by \$1,628, an increase of 29.2 percent. Since this item of operating expense is not related to substantial numbers of personnel, the increased level of expenditure does not appear to be justified in view of needed economies in the budget year.

*Specialized training (budget page 360, line 77)-----* \$8,537

This division provides the money to cover the costs of specialized training for various employees of the several divisions of the department.

For its 1962-1963 specialized training program, the department proposes: (1) to provide training for the chief and assistant chief of the Division of Industrial Safety in "nuclear technology for executives"; (2) to send one man to the Massachusetts Institute of Technology for a course in "noise reduction"; (3) to hold an amount in the budget to cover the AEC course at Harvard "in case it is needed"; (4) to provide costs of a course in atomic structure for two men; and (5) to send 10 engineers to the University of California for the 10 week AEC course in radiological principles and practices.

## Department of Industrial Relations—Continued

For the Division of Labor Statistics and Research it is proposed (1) to send an employee to Washington, D. C. to study consumer price indexing principles and (2) to pay the costs of attendance locally for one employee to study sampling theory.

*We recommend the deletion of \$2,652 to reduce this item to \$5,885.*

In view of the fact that the Division of Industrial Safety presently has responsibility to provide and administer rules and regulations with respect to safety in employment which would include some aspects of radiation control and in view also of the requirement of Chapter 1711 of the Statutes of 1961—the “Radiation Control Law”—that the division be placed under contract with the Department of Public Health for the purpose of evaluating license applications and to make inspections, we approve of the continuance of the 10 engineer training program for the budget year at a cost of \$5,885 since this is a new field and trained people are not available.

However, the division has offered no compelling reason in face of the need for increased economy in state government, for the remainder of the special training proposals at this time.

*Rent—Building space (budget page 360, line 79)----- \$1,061,373*

This division is responsible for the payment of the rent bills for all premises occupied by the several divisions of the department statewide. The estimated total rent bill of \$1,061,373 for the budget year is an increase of \$271,662 or 25.5 percent over rent costs in the base year of 1960-1961. The estimated rent costs for the budget year represent 60.5 percent of the entire estimated cost of this division and 7.9 percent of the estimated cost of the whole department.

The department proposes to rent during the budget year, 11 new single division office units at an estimated cost of \$19,440.

*We recommend the deletion of \$19,440 to reduce this item to \$1,041,993.*

Ten of the new office units are for the Division of Housing to provide office space for district representatives who now are working and for years past have worked out of their automobiles, homes, and free space provided by local agencies of government, with success and credit to the Division of Housing. One office unit would provide space for a new office of the Industrial Accident Commission.

In view of the economies which are essential in the budget year, we are recommending that the new offices not be established at this time. We further suggest that the department review its criteria for the establishment of new divisional branch offices. Every effort should be made to consolidate offices so that joint space may be occupied and joint clerical, telephone, and public facilities be provided. We have repeatedly recommended that this be done but as yet no positive program for its accomplishment has been undertaken by the department.

*We recommend further that no branch facility be established until and unless it will be occupied by employees of at least two divisions and preferably more.*

While there are rents due under existing single unit leases which have to be paid in the budget year, it appears desirable to us that

## Department of Industrial Relations—Continued

single division branch offices be closed upon expiration of the existing leases.

## Division of Conciliation

Expenditures proposed for this division for fiscal year 1962-63 amount to \$205,779, an increase of \$19,996, or 10.7 percent, over estimated expenditures for the current year.

## Salaries and Wages

## Vacant Position

The following position is one which, as of December 1, 1961, had been continuously vacant since July 1, 1961, according to information supplied by the department:

*1 Intermediate stenographer (budget page 361, line 35)----- \$4,092*

*We recommend that this position, if still unfilled, be abolished for a saving of \$4,092.*

This position may be one of the type described in the departmental general summary. If it is still vacant it must be recognized that the agency has continued to operate, apparently without serious detriment, for a period of over seven months without the benefit of the services which the position could have provided. There appears to be little, if any, justification for continuing this authorized position in the budget.

## Proposed New Positions

*1 Administrative assistant I (budget page 361, line 39)----- \$6,672*

*1 Intermediate stenographer (budget page 361, line 40)----- 4,194*

The division proposes these positions as supporting personnel for the division chief to assist with administrative duties and the preparation of statistical data.

*We recommend deletion of the two proposed positions for a saving of \$10,866.*

According to the published figures of the division, its workload, as indicated by the number of requests received for its services, has declined 7.2 percent during the first four months of the current year as compared to the previous year and the number of cases pending at the end of the four months period is 16.9 percent less than that at the same point last year. As we understand it, the division is now fully staffed with the authorized number of conciliators after a period of vacancy in several of these positions.

With a technical staff of only 12 positions, it appears to us that a clerical staff of five or six, providing a ratio of approximately one clerk to two technical positions is ample and has proved ample in other divisions of the department. In the face of an apparently level or possibly declining workload and a now full staff, we find insufficient justification for any increased level of service to be provided by added supporting positions.

## Operating Expenses

*Printing (budget page 361, line 52)----- \$1,983*

Proposed expenditures of \$1,983 by this division in the budget year is an increase of \$1,423 or 254.1 percent over actual printing costs in the base year of 1960-61.

**Department of Industrial Relations—Continued**

It appears that almost all of the increase in proposed printing costs is due to a repetition in the budget year of the printing of special forms to be used in the administration of the hearing, election, arbitration and grievance procedures for the two operative transit district acts for which the division is given responsibility.

*We recommend the deletion of \$1,300 to reduce this item to \$638.*

It appears that at least two of the potential district contract situations have been closed in the current year without resort to all of the detailed procedures which the law makes available.

It cannot, therefore, reasonably be anticipated that a complete set of all forms and papers will be required in the budget year. The division has not provided supporting detail which would indicate the supply of forms on hand or show why a duplicate print order should be made in the budget year.

**Division of Industrial Accidents**

Expenditures proposed for this division for fiscal year 1962-63 total \$3,723,650, an increase of \$495,821, or 15.3 percent, over estimated expenditures for the current year. This is the largest division within the Department of Industrial Relations, both in annual expenditure and in authorized personnel.

**Salaries and Wages****Vacant Positions**

The following positions are those which, as of December 1, 1961, had been continuously vacant since July 1, 1961, according to information supplied by the department:

2 Referee (budget page 362, line 21)-----	\$25,152
1 Permanent disability rating specialist I (budget page 362, line 23)-----	6,360
2 Hearing reporter (budget page 362, line 24)-----	14,016
1 Senior stenographer (budget page 362, line 25)-----	4,512
1 Senior legal stenographer (budget page 362, line 25)-----	4,740
1 Senior typist-clerk (budget page 362, line 25)-----	4,512
1 Intermediate stenographer (budget page 362, line 25)-----	4,092

*We recommend that these positions, if still unfilled, be abolished for a saving of \$63,384.*

These positions may be of the type described in the departmental general summary. If any of them are still vacant, it must be recognized that the agency has continued to operate, apparently without serious detriment, for a period of over seven months without the benefit of the services which they could have provided. There appears to be little if any justification for continuing these authorized positions in the budget.

**Proposed New Positions**

The division is requesting the following 44 new positions which would constitute 10 new referee teams of four positions each together with two supporting medical and two supporting permanent disability rating positions.



## Department of Industrial Relations—Continued

10 Referee (budget page 362, line 32)-----	\$125,760
2 Consultant and medical examiner (budget page 362, line 33)-----	23,952
2 Permanent disability rating specialist II (budget page 362, line 34)-----	14,712
10 Hearing reporter (budget page 362, line 35)-----	70,080
10 Intermediate typist-clerk (budget page 362, line 36)-----	39,960
10 Senior legal stenographer (budget page 362, line 38)-----	47,400

The primary function of the Industrial Accident Commission is that of a court of limited jurisdiction, created in accordance with Article XX, Section 21 of the Constitution, to assist in providing expeditious and substantial justice in workmen's compensation cases.

Under Labor Code provisions dealing with workmen's compensation an injured workman has the right to apply to the Commission for relief, to have his case heard in 30 days and to have his decision in 30 days following submission of the matter to the assigned referee.

Even though disabling work injuries have recently declined in total, applications to the Commission continue to increase. Published figures indicate that in the five month period from July through November, the number of filings increased 16.5 percent over those of the comparable period in the previous year. No one so far is able to account for the continuing increases though it has been suggested that recently increased benefits under the workmen's compensation law have resulted in more contested claims.

Some years ago a workload formula for this division was devised which if consistently applied would indicate the number of new referee teams needed from time to time to keep abreast of the number of filings and reduce the pending caseload so that applicants might secure the relief sought within statutory time limits.

However, it appears that for the last three years the division has not based its requests for additional personnel to meet its increasing caseload and backlog on the workload formula. As a consequence, its backlog of undecided cases continues to grow and the period of time necessary for the decision in any case is also extended.

*We recommend approval of the 44 positions as budgeted.*

2 Associate counsel (budget page 362, line 30)-----	\$20,688
2 Junior counsel (budget page 362, line 31)-----	12,720
4 Intermediate stenographer (budget page 362, line 37)-----	16,776

The division proposes the four counsel positions as additions to its legal bureau. This bureau advises the department director and the Commission and represents the Commission in court on the review of commission decisions. The four clerical positions are proposed additions to the commission staff. No workload justification is presented for these proposed positions.

*We recommend the deletion of these eight positions for a saving of \$50,184.*

The addition of the proposed four counsel positions would provide a 44 percent increase in the division's legal staff, an increase which can

**Department of Industrial Relations—Continued**

be justified only on a showing that the legal work for the division has increased in similar ratio.

As of the current year the division is staffed with 9 attorney positions to advise the department director and the seven commissioners as well as to represent the commission in the cases which reach a review in the appellate courts. This is a staffing ratio of nine attorneys to eight individuals.

The writ of review procedure in the appellate courts tests only the lawfulness of a commission order, decision or award. We have not been supplied with statistics showing the number, character, increase in filings, or amount of legal study required in these review proceedings.

Applicant petitions for reconsideration of a commission or referee's decision or award involves legal study. However, the commission's report for December 1961 shows that individual commissioners disposed of reconsiderations at the rate of approximately one a day, actually at a disposition rate greater than the filing rate for that month. One case a day for study by a commissioner and counsel does not appear burdensome since individual referees are hearing and deciding an average of slightly more than four cases each working day as revealed by the division's estimates. No justification is presented indicating that there have been any increases in legal position workloads with reference to petitions for reconsideration.

Referee teams, which initially hear all applications for workmen's compensation relief, would appear to have first priority in need since these teams make the first decisions, decisions which in the normal case constitute the final awards made to applicants.

**Operating Expenses**

*Contractual medical examinations (budget page 362, line 50) — \$8,805*

The commission's medical bureau provides medical evaluation examinations for many applicants at its own facilities in San Francisco and Los Angeles by its own staff. Panels of examining doctors are used by the commission at its branch offices for the convenience of applicants and these doctors work under contracts with the commission.

*We recommend the deletion of \$2,969 to reduce this item to \$5,836.*

The proposed expenditure of \$8,805 for this item in fiscal year 1962-63 represents an increase of 81 percent over the actual expenditures for this purpose in the base year of 1960-61. We have not been provided with justification for this increase.

The Commission's estimated number of filings in the budget year would exceed those in the base year by 20 percent.

Our recommendation allows for an increase of approximately 20 percent over expenditures in the base year.

**Division of Industrial Safety**

Expenditures proposed for this division for fiscal year 1962-1963 amount to \$2,282,054, an increase of \$143,009, or 6.6 percent, over estimated expenditures for the current year.

## Department of Industrial Relations—Continued

## Salaries and Wages

## Vacant Positions

The following positions as of December 1, 1961, had all been continuously vacant since July 1, 1961, according to information supplied to us by the department. In fact, one engineer vacancy dates from January, 1961, and two from May, 1961:

7 Safety engineer (budget page 363, line 10)-----	\$51,492
2 Intermediate typist-clerk (budget page 363, line 12)-----	7,800

*We recommend that these positions, if still unfilled, be abolished for a saving of \$59,292.*

These positions may be of the type described in the departmental general summary. If any of them are still vacant, it must be recognized that the agency has continued to operate, apparently without serious detriment, for a period of over seven months and without the benefit of the services which they could have provided. There appears to be little, if any, justification for continuing these authorized positions in the budget.

1 Special representative (budget page 363, line 14)-----	\$8,214
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The State Constitution, in Article 24, subsection 4(a)(5), permits the appointment of one person, exempt from civil service, as a confidential employee of a commission whose members in whole or in part are appointed by the Governor. The proposed special representative whose position was temporarily approved in 1961-1962 would hold such relationship to the Governor-appointed Industrial Safety Board in this division.

*We recommend the deletion of the position of special representative for a saving of \$8,214.*

The establishment of an exempt position, though permitted by law, is not an automatic act but is one which requires the consent of the Legislature. No justification for this position has been supplied nor has any description of existing or proposed workload or duties which would require the attention of this proposed position.

2 Safety engineer—electrical (budget page 363, line 18)-----	\$14,712
1 Safety engineer—construction (budget page 363, line 19)---	7,356
1 Intermediate typist-clerk (budget page 363, line 20)-----	3,996

The four engineering and one clerical positions are sought to provide industrial safety attention to the problems expected to result from acceleration of the state water program with regard to construction and related activity.

*We recommend the deletion of these four positions for a saving of \$26,064.*

In the absence of any stated new problems which will be pressing in the budget year and in the absence of justification directed to the specific need for these proposed positions, it appears unlikely that activity in water program construction in the State will accelerate during the budget year to the point where inspection problems will impose unusual burdens on the existing group of division engineers.

## Department of Industrial Relations—Continued

## Operating Expenses

*General expense (budget page 363, line 28)*----- \$15,005

This item covering generally the costs of office supplies and services for the division is budgeted at a figure which exceeds that of the base year 1960-1961 by \$4,312 or 40.3 percent.

*We recommend the deletion of \$2,500 to reduce this item to \$12,505.*

Department of Finance estimates indicate that in some instances, the cost of office supplies will be less in the budget than those experienced in 1960-61. In the absence of detailed reasons for the proposed increase, it appears that any expanded program or level of service should be curtailed in view of the economy required in the budget year.

*Communications (budget page 363, line 30)*----- \$13,717

The division proposes an expenditure in the budget year for postage which exceeds that of the base year by \$3,233 or 30.8 percent. A substantial part of this increase reflects an apparent greater use of stamped envelopes.

*We recommend the deletion of \$1,500 to reduce this item to \$12,217.*

The cost of first class postage has not increased in the past two years and no justification for the increased use of stamped envelopes has been presented by the division.

## Division of Industrial Welfare

Total expenditures proposed for the Division of Industrial Welfare for fiscal year 1962-1963 amount to \$689,630, an increase of \$99,593, or 16.8 percent, over estimated expenditures for the current year.

Two acts of the Industrial Welfare Commission during 1961 bear upon the workload of this division and its proposed budget for fiscal year 1962-63. First, the commission under Labor Code procedures promulgated two new wage orders for women and minors in agricultural occupations. According to the division estimates 38,000 commercial farm employers plus an unknown number of other agricultural employers thereupon became subject to the division's supervision as a result of these new orders.

Second, the commission after its review of the newly revised "budget for a self-supporting working woman" directed that its 13 other occupational wage orders be reopened for consideration of minimum wage increases designed to conform to the new self-supporting working woman's budget provisions.

Comments on the budget implications of these two commission acts are set forth below.

## Salaries and Wages

## Vacant Positions

The following authorized positions as of December 1, 1961, had been continuously vacant since July 1, 1961, according to information supplied by the department:

2 Industrial welfare agent (budget page 364, line 5)----- \$14,016  
1 Senior stenographer (budget page 364, line 6)----- 4,512

## Department of Industrial Relations—Continued

*We recommend that these positions, if still unfilled, be abolished for a saving of \$18,528.*

These positions may be of the type described in the departmental general summary. If any of them are still vacant, it must be recognized that the agency has continued to operate, apparently without serious detriment, for a period of over seven months and without the benefit of the services which they could have provided. There appears to be little if any justification for continuing these authorized positions in the budget.

## Proposed New Positions

2 Industrial welfare agent (budget page 364, line 13)-----	\$14,016
3 Intermediate stenographer (budget page 364, line 15)-----	12,480

These positions are proposed by the division to continue its current complaint workload level of service. We understand that the division now proposes to staff two new branch offices, one in El Centro and one in Santa Rosa each with one agent and one clerk, with particular responsibility to provide supervision of the agricultural work orders in the areas adjacent to these cities. The division now also proposes to make permanent one position of intermediate stenographer which was administratively approved on a temporary basis during the current year to handle increased complaint workload.

*We recommend approval of the five proposed positions as budgeted.*

In connection with the review of the reopened work orders the following wage and salary expenditures are proposed:

Commissioner (5) per diem (budget page 364, line 10)---	\$1,000
Wage board member (45) per diem (budget page 364, line 11)-----	2,160
1 Technical assistant (budget page 364, line 12)-----	8,112
1 Senior stenographer (budget page 364, line 14)-----	4,740
1.5 Temporary help (budget page 364, line 16)-----	6,202

The division estimates that it costs approximately \$6,508 to revise each of the work orders under the procedures outlined by the Labor Code. The total cost of the current program for fiscal year 1962-1963 is estimated at \$84,690 of which amount the per diems and salaries and wages are scheduled at \$22,214 or 26.3 percent. We comment only on salaries and wages at this point.

*We recommend approval of the proposed amounts as set aside for per diem payments. We also recommend approval of the two full-time positions and the provision for temporary help but only on the basis that the positions be temporary in nature and terminate on June 30, 1963.*

The commission has acted under the provisions of Section 1178 of the Labor Code in finding a basis for the opening of the existing wage orders. The code section outlines the procedures to be followed and the wage board member per diem is provided by the Labor Code. The two full-time positions should provide adequate staffing for the wage boards. These positions should serve only this limited purpose and should ter-

**Item 139****Industrial Relations****Department of Industrial Relations—Continued**

minate at the end of the budget year and not become permanent additions to the division staff.

**Operating Expenses**

In the budget as proposed on-going operating expenses for the division and estimated expenses related to the processing of the wage orders are combined into totals for the various items of general expense, printing, communications, and traveling—in-state. The following table sets forth the comparison by total amounts as we understand it.

<i>Fiscal year</i>	<i>1960-61</i>	<i>1961-62</i>	<i>1962-63</i>
Division operating expense---	\$67,491 (act.)	\$65,041 (est.)	\$72,902 (est.)
Work order expense-----	--	--	62,476 (est.)
Total operating expense--	\$67,491	\$64,041	\$135,478 (est.)

According to this table the proposed operating expense of \$72,902 for division purposes exceeds that of the base year of 1960-1961 by \$5,411 in total, an increase of 8 percent.

*We recommend approval as budgeted.*

**Division of Labor Law Enforcement**

Total expenditures proposed for the Division of Labor Law Enforcement for fiscal year 1962-63 amount to \$1,259,934, an increase of \$79,176, or 6.7 percent over estimated expenditures for the current year.

**Operating Expenses****Vacant Positions**

The following positions as of December 1, 1961 had been continuously vacant since July 1, 1961 according to information provided by the department:

- 1 Deputy labor commissioner (budget page 364, line 75)----- \$7,356  
 1.5 Intermediate stenographer (budget page 365, line 5)----- 6,138

*We recommend that these positions, if still unfilled, be abolished for a savings of \$13,494.*

These positions may be of the type described in the departmental general summary. If any of them are still vacant, it must be recognized that the agency has continued to operate, apparently without serious detriment, for a period of over seven months without the benefit of services which they could have provided. There appears to be little, if any, justification for continuing these authorized positions in the budget.

**Proposed New Positions**

- 3 Deputy labor commissioner (budget page 365, line 10)----- \$22,068  
 5 Intermediate stenographer (budget page 365, line 11)----- 20,868

The division justifies the proposed new positions on the basis of increasing caseload as projected into the budget year. The division seeks to make permanent one of the clerical positions which was approved temporarily in the current year on a complaint workload basis.

*We recommend the deletion of the proposed eight new positions for a saving of \$42,936.*

## Department of Industrial Relations—Continued

In its proposals for the current year's budget and as a basis for justifying new deputy positions which were granted by the Legislature, the division indicated that in 1959 deputy labor commissioners on the average carried a workload of 986 cases.

The following table indicates comparisons with the 1959 figure for the current year and the 1962-63 budget year.

<i>Fiscal year</i>	<i>Division's estimated case volume</i>	<i>Number authorized deputies</i>	<i>Estimated average caseload</i>
1961-62 -----	50,220	57	881
1962-63 -----	54,238	57	951

In view of the fact that the average caseload per deputy, projected on the basis of the present number of authorized positions, apparently will not be as great as the workload in 1959, and in view of economies which are needed in the budget, we find no justification for an increased level of service through the addition of the deputy positions.

Since clerical positions are supporting in nature the existing ratios of clerks to technicians would appear to be adequate.

## Division of Apprenticeship Standards

Expenditures proposed for this division for fiscal year 1962-63 amount to \$1,098,027, an increase of \$48,994, or 4.6 percent, over estimated expenditures for the current year.

Chapter 1892, Statutes of 1961, added a new program to the work of this division. The chapter provides that upon request, the division may provide on-the-job training for journeymen and for trainees in nonapprenticeable occupations. The budget proposals for 1962-63 make no request for added positions as a result of the new program. Some additions to operating expenses are requested, however.

## Salaries and Wages

## Vacant Position

The following position, as of December 1, 1961, had been continuously vacant since March 22, 1961, according to information provided by the department.

*1 Intermediate stenographer (budget page 365, line 60)----- \$4,092*

*We recommend that this position, if still unfilled, be abolished for a savings of \$4,092.*

This position may be one of the type described in the departmental general summary. If it is still vacant it must be recognized that the agency has continued to operate, apparently without serious detriment, for a period of over seven months without the benefit of the services which the position could have provided. There appears to be little, if any, justification for continuing this authorized position in the budget.

## Operating Expenses

*Traveling—In-state (budget page 365, line 72)----- \$98,940*

*We recommend the deletion of \$8,000 to reduce this item to \$90,940.*

From the material supplied in support of the budget request, it appears that the proposed expenditure of \$98,940 includes a potential

**Department of Industrial Relations—Continued**

travel allowance for four new apprenticeship consultant positions initially contemplated for the implementation of the new on-the-job training program. No new positions are being requested in this budget. In the absence of any substantial price increase or growth factor, the proposed expenditure still appears excessive after the elimination of the extra allowances. Any increase in the level of service should be curtailed in a budget year where the need for economy is present.

**Division of Housing**

Expenditures proposed for this division for fiscal year 1962-63 amount to \$590,364, an increase of \$78,548, or 15.3 percent, over estimated expenditures for the current year.

The 1961 General Session of the Legislature enacted a number of bills which revised existing programs and added new programs which are administered by this division. Each of these bills added new costs to the division, but the bills of significant nature carry fee provisions which offset these costs in large measure. Fee schedules have been adopted which will provide for reimbursement of the division's costs where permitted by the law.

The new measures which involve added workload and require additional staffing are the following:

Chapter 1844—State Housing Law

Chapter 2176—Mobile homes and mobile home parks

Chapter 1309—Labor camp registration.

The following 12 positions were administratively approved on a temporary basis to implement these three acts as they became operative:

One area supervisor, 7 district representatives, 1 senior stenographer, and 3 intermediate stenographers.

**Salaries and Wages**

The division now proposes to make permanent the 12 positions which were temporarily approved for the current year, at an estimated salary and wage cost in the budget year of \$71,910.

While the new program bills, which were subsequently enacted were being processed through the Legislature, the division estimated staffing needs for these measures at 33.5 positions. On the basis of the then proposed staffing, total costs of the new programs were estimated at \$317,888 and revenues at \$278,075, a difference in nonreimbursable costs of \$49,813. With the elimination in the proposals for fiscal year 1962-63 of 21.5 positions, it appears that fee reimbursements should adequately cover the costs of the 12 positions now sought to be made permanent and the added operating expenses related to the new programs.

*We recommend approval of the division's budget as proposed.*

**Division of Labor Statistics and Research**

Expenditures proposed for this division for fiscal year 1962-63 amount to \$573,950, an increase of \$55,321, or 10.6 percent over estimated expenditures for the current year.



## Department of Industrial Relations—Continued

## Salaries and Wages

## Vacant Positions

As of December 1, 1961, the following clerical position had been continuously vacant since March 13, 1961, and the technical position since May 19, 1961, according to information provided by the department:

1 Junior research technician (budget page 367, line 27)----- \$5,496  
 1 Senior typist-clerk (budget page 367, line 27)----- 3,900

We recommend that these positions, if still unfilled, be abolished for a saving of \$9,396.

These positions may be of the type described in the departmental general summary. The agency has continued to operate, apparently without serious detriment, for a period of over seven months without the benefit of the services which they could have provided. There appears to be little, if any, justification for continuing these authorized positions in the budget.

## Operating Expenses

General expense (budget page 367, line 36)----- \$15,209

This item covers generally the costs of office supplies and services. The division's proposal for fiscal year 1962-63 exceeds the \$6,446 actual expenditure in the 1960-61 base year by \$8,763, or 135.9 percent. The division justifies the proposed increase principally on the basis of needed additional tabulating supplies because of greater mechanization, needed services heretofore received on a free basis and the costs of securing added salary and wage benchmark data.

We recommend the deletion of \$7,500 to reduce this item to \$7,709.

The necessity or desirability of an expanded level of service has not been detailed in the division's explanations in support of its budget request. Our recommendation provides for growth and price increases. The proposed expenditure would appear to indicate an expanded program or level of service. In view of the need for economy in the budget year, growth of this type should be curtailed.

Communications (budget page 367, line 38)----- \$8,771

The division's proposed postage costs for fiscal year 1962-63 exceed the \$5,957 actual expenditure in the 1960-61 base year by \$2,814, or 47.2 percent. The division explanatory material includes a new postage item for the current and the budget year which includes work related to the cost of living budget for a self-supporting woman, as well as return postage for wage surveys. The remainder of the proposed increase is termed normal expansion.

We recommend the deletion of \$2,000 to reduce this item to \$6,771.

According to the Department of Finance price letter postage costs of the type apparently used for the division purposes have not increased over those in the base year of 1960-61.

A new cost of living budget for a self-supporting woman was compiled and published in the current year and the division's support ex-

## Department of Industrial Relations—Continued

planation does not indicate what work is being continued or for what reason.

Our recommended reduction provides for normal growth. This increase appears to indicate an expanded program or level of service which should be curtailed in view of the need for economy in the budget year.

*Traveling—In-state (budget page 367, line 39)----- \$7,772*

The division's proposed increase to in-state travel costs for fiscal year 1962-63 exceeds the \$4,017 actual expenditure in the 1960-61 base year by \$3,755 or 93.4 percent. The justification for the proposed increase presented by the division, among other points, notes that the division chief, by reason of trips to Washington, D.C., at federal expense, has not been able to undertake his normal amount of job travel in the State and that, therefore, the base year does not present a true travel expenditure pattern.

*We recommend the deletion of \$3,000 to reduce this item to \$4,772.*

The explanation provided does not indicate that there were deficiencies which result in the division by reason of a lack of travel or that any detriment was suffered by those who depend on the services of the division.

Our recommended reduction provides for growth and price increases. In view of the need for economy, any expansion in program should be curtailed.

*Tabulating machine operation (budget page 367, line 40)----- \$34,006*

The proposed increase in the cost of tabulating machine operation by this division for fiscal year 1962-63 exceeds the \$23,840 actual expenditure in the 1960-61 base year by \$10,166, or 42.6 percent. It appears that the extra costs, in part, relate to the operation of new tabulation units and to added costs resulting from night rentals of tabulating equipment.

It further appears in the budget request supporting documents that the division upon recommendation of the Department of Finance proposes during the budget year to purchase eight IBM data processing machines now being rented at an annual cost of \$14,904. The estimated purchase price of \$15,635, however, appears in the equipment request and is not charged to operating expenses.

*We recommend the deletion of \$14,904 to reduce this item to \$19,102.*

The purchase of this equipment will end the necessity to budget for rent and there appears to be no justification for including both rental charges and purchase price in this budget.

#### Division of Fair Employment Practices

Expenditures proposed for this division for fiscal year 1962-1963 total \$341,248, an increase of \$53,042 or 18.4 percent over estimated expenditures for the current year.

## Department of Industrial Relations—Continued

## Salaries and Wages

## Vacant Positions

As of December 1, 1961, the following authorized positions had been continuously vacant since July 1, 1961, according to information supplied by the department:

2 *Fair employment practice consultant (budget page 365, line 6)* ..... \$14,712

*We recommend that these positions, if still unfilled, be abolished for a saving of \$14,712.*

These positions may be of the type described in the departmental general summary. If still vacant, it must be recognized that the agency has continued to operate for a period of over seven months without the benefit of the services which they could have provided. There appears to be no justification for continuing these authorized positions in the budget.

## Proposed New Positions

2 *Senior stenographer (budget page 368, line 11)* ..... \$9,024

The two senior stenographers are proposed, one for San Francisco to serve the special representative, the administrative assistant and two consultants whose positions were approved in the current year budget. The second senior stenographer is proposed for Los Angeles to serve the two consultant positions which were approved for that office in the current year budget.

*We recommend the deletion of the two senior stenographer positions for a saving of \$9,024.*

We point out that two clerical positions were granted by the Legislature in ratio to the four consultant positions approved in the current budget. The division already has two authorized senior stenographer positions. Since only two offices are maintained and, further, since the senior position normally carries some responsibility for supervision, these two proposed new positions would unduly enrich the existing supervisory clerical staff.

It further appears that the presently authorized clerical positions provide an approximate ratio of one clerk to two professional or administrative positions. The one-to-two ratio has proved adequate in other divisions of the department and we find no justification for an increased level of service in this instance.

## Operating Expenses

*Traveling—In-state (budget page 368, line 20)* ..... \$35,059

The division's proposed increased in-state travel costs for fiscal year 1962-1963 exceeds the \$22,919 actual expenditure in the 1960-1961 base year by \$12,140 or 52.9 percent.

The justification presented for increased costs of in-state travel for fiscal year 1962-1963 is that there will be more hearings, more travel necessitated for top staff, some driving of personal cars, more work in remote areas, and that current amounts being spent are limited by the availability of money and do not reflect real needs of the division.

## Department of Industrial Relations—Continued

*We recommend the deletion of \$3,000 to reduce this item to \$32,059.*

Our recommendation includes growth and cost increase factors. According to the information available to us, travel costs, with the exception of some air fares, show no increase over those current in the base year.

Since the amount of travel by commissioners and division personnel is, in large measure, controllable it appears that budget year economies and careful management justifies a reduction of in-state travel.

## STATE FIRE MARSHAL

## ITEMS 140 and 141 of the Budget Bill

Budget page 370

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

Amount requested .....	\$561,249
State employees' retirement .....	45,300
State employees' health and welfare .....	4,740
<b>Total</b> .....	<b>\$611,289</b>
Estimated to be expended in 1961-62 fiscal year .....	596,985
<b>Increase (2.4 percent)</b> .....	<b>\$14,304</b>
<b>TOTAL RECOMMENDED REDUCTION</b> .....	<b>None</b>

## ANALYSIS

The State Fire Marshal, with the assistance of the State Fire Advisory Board, seeks to prevent and protect against fire. Many control capacities are utilized. The State Fire Marshal assists local authorities with the inspection of private mental facilities, public assembly areas and schools; reviews plans for and inspects all state institutions; assists the Department of Public Health with its inspection of private welfare facilities and private and public hospitals; reviews public school drawings for the Division of Architecture; assists the Departments of Corrections and Youth Authority and local agencies with their plan review and inspection of city and county jails, juvenile facilities, courthouses, etc.; controls the use of fireworks, the transportation of explosives and the use of flame retardants and flammable wearing apparel; prepares and distributes to subscribers a list of materials and equipment complete with installation instructions that comply with fire and safety regulations; inspects fairs and expositions; reviews plans of and inspects dry cleaning plants and press shops; regulates transportation of flammable liquids; regulates the sale and servicing of fire extinguishers, and performs other miscellaneous duties. Services relative to the dry cleaning plants are paid for by the Dry Cleaners Fund. The regulation of transportation of flammable liquids was specified by Chapter 1275 of the 1961 Statutes and is scheduled to be self-supporting as a result of license fee reimbursements. Chapter 1207 of the 1961 Statutes requires regulation of the sale and servicing of fire extinguishers. A license fee reimbursement is scheduled to make this service self-supporting.

## State First Marshal—Continued

Reimbursements are estimated to be \$60,493 from the Division of Architecture Public Building Fund for reviewing school plans, \$19,160 from subscribers to the building materials lists, \$87,816 from flammable liquid truck licenses and \$46,457 for fire extinguishers licenses for a total of \$213,926. The Dry Cleaners Fund will provide an additional \$91,030. Flammable materials and fireworks registration is expected to provide \$43,700 in revenue to the General Fund.

Additional workload created by Chapters 1207 and 1275, Statutes of 1961, is reflected in the 7.4 percent salaries and wages increase and the 12.8 percent operating expense increase. Eight new positions were administratively authorized to handle the increased workload, three for Chapters 1207 and five for Chapter 1275. These positions were filled as needed, thus a full year's salary is not reflected in the 1961-62 estimate. One position was deleted due to the necessity to reduce Dry Cleaning inspection to a minimum standard. A new accounting technician position is proposed to handle the increasingly complicated fiscal responsibilities.

The 59.7 percent equipment reduction and increased anticipated revenues from the flammable liquid truck licenses and fire extinguisher licenses compensate in part for the increased salary and operation costs. The total proposal of \$611,289 represents a 2.4 percent, or \$14,304, increase over the 1961-62 estimate.

*We recommend approval of this item as budgeted.*

## DEPARTMENT OF JUSTICE

ITEM 142 of the Budget Bill

Budget page 372

FOR SUPPORT OF THE DEPARTMENT OF JUSTICE  
FROM THE GENERAL FUND

Amount requested .....	\$8,252,697
State employees' retirement .....	459,326
State employees' health and welfare .....	64,302
<b>Total .....</b>	<b>\$8,776,325</b>
Estimated to be expended in 1961-62 fiscal year .....	8,551,193
<b>Increase (2.6 percent) .....</b>	<b>\$225,132</b>
<b>TOTAL RECOMMENDED REDUCTION .....</b>	<b>\$164,040</b>

## Summary of Recommended Reductions

Division of General Administration	Amount	Budget	
Salaries and Wages		Page	Line
1 Assistant administrative analyst (vacant position) .....	\$7,008	372	77
1 Bookkeeping machine operator (new position) .....	4,296	373	33
1 Junior intermediate clerk (new position) .....	3,456	373	34
1 Intermediate clerk (new position) .....	3,996	373	38
1 Intermediate typist-clerk (new position) .....	3,996	373	41
1 Intermediate clerk (new position) .....	3,996	373	43
<b>Subtotal .....</b>	<b>\$26,748</b>		