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REAGAN FOR GOVERNOR COMMITTEE  
1300 W. Olympic Blvd., Suite 300  
Los Angeles, California 90015  
Contact: Judith Kernoff 383-3124

FOR IMMEDIATE RELEASE  
February 1, 1966

Statement of Ronald Reagan concerning his in-person visits, on Monday, January 31, 1966, to Operation Boot Strap and the Los Angeles Chamber of Commerce Committee on Job Opportunities headed by Mr. Chad McClellan:

"In getting around the state and meeting where ever possible with Negro citizens, I have been impressed with their determination that welfare is not the solution to their problems. They recognize also that "make work" jobs on the public payroll are only a dressed-up form of welfare and can do nothing toward giving them their rightful place in the social structure.

No better example of this determination could be found than Operation Boot Strap, trying, desperately and in the face of great odds, to meet the problem of fitting people for job opportunities.

Equally inspiring is the program originated by the Los Angeles Chamber of Commerce which has mobilized the resources of hundreds of industrial concerns in a cooperative effort with the Negro business community and government agencies to provide jobs and on-the-job training in the most persistent unemployment areas.

This might well turn out to be the pilot program that will, at last, show the way to the solution of long-time unemployment. Here are two examples of how the problems that beset us can be solved by mobilizing the full energies of the people in a creative society, recognizing that our great strength lies in the abilities of all our people."

#####

EXCERPTS FROM SPEECH MADE BY RONALD REAGAN, FRESNO, APRIL 26th.

If the Governor had kept his promise to reduce unemployment in California to a level no higher than the national average, the savings in unemployment insurance payments would amount to \$150 million a year.

But even pending this, millions of dollars in savings are possible if needed reforms are made in the unemployment insurance program.

Since the burden of these added millions falls on the employer the current cost of the program is a definite factor in our poor business climate and in our lack of ability to attract new industries and provide more jobs.

Let me make it plain that I have no intention of suggesting that unemployment insurance should, in any way, be curtailed with regard to protecting California's working men and women. They have a right to depend on this as a legitimate insurance protecting them in the event of lay-offs or unemployment not of their own fault.

In the last few years this administration has re-interpreted the program and now defines it, not as insurance, but as welfare. The Governor's appointees have liberalized it to provide benefits for those who quit voluntarily or who are fired for legitimate cause.

It is even used to augment the earnings of those in seasonal occupations.

The result is that the program has been weakened to the point where there must be concern for its fiscal soundness.

And the eventual victims will be the legitimate working men and women who are being sacrificed to provide prepaid vacations for a segment of our society which has made this a way of life.

In spite of the fact that high employment industries with good records of keeping employees at work have lost their exemptions from this tax and in spite of the fact that employer contributions have increased by 321 percent



with the tax now based on \$4100 per employee instead of the previous \$3,800. The fund which guarantees the program's fiscal soundness has dropped by more than \$330 million because benefit payments under re-interpreted regulations have increased by 351 percent compared to what they were nine years ago.

Basically, what is called for to reverse this trend is a re-examination of the program's administration and a return to the idea that it is an insurance program and away from the present interpretation of it as welfare.

Such a re-examination would take into account seasonal jobs and not pay benefits for times when these jobs are not available. Employees leaving jobs voluntarily or dismissed for misconduct were ineligible for benefits under the original statute. A 1965 amendment changed this and should be corrected to limit benefits to those losing their jobs through no fault of their own.

Under the original statute suitable employment is clearly defined as employment for which the employee is reasonably fitted which is in the vicinity of the employee's residence or last employment and gives him wages either equal to his weekly benefit for total unemployment or provides him work and wages for at least half the number of hours normally worked at full time in his occupation. Today this statute has been misinterpreted to provide that a person can collect insurance if he is not offered a job paying the same or more than he made prior to his unemployment.

The result is that even in a period of relatively high employment, benefits paid are greater than the amount paid into the fund through the employers tax. It has become necessary to use subsidies such as surtaxes, federal loans and assistance to keep the program solvent.

There is a disaster potential here in the event of a depression and since the tax is proportional to the payroll of the employer a period of extreme unemployment could render the program useless.

It is sheer folly and the height of irresponsibility if we fail to act now to put this program on a sound basis for the protection of the working men and women of this state.

In his bid for re-election four years ago the governor promised adequate labor for the farmer. He could have kept that promise by lifting his voice in protest when Labor Secretary Wirtz brought near disaster on California Agriculture with the ridiculous plan to cancel the importation of supplemental labor.....but he remained silent.

Every California Republican Congressman voted against cancellation but 15 democratic congressmen from our state voted to cancel and the measure carried by only 12 votes. Now the governor pretends the experiment was a success, but the total tonnage of vegetables, melons, and strawberries dropped to the lowest level in five years.

Some of this was because acreage was reduced when farmers anticipated the shortage of harvest workers that did subsequently occur.

But tragically, some was because farmers had to stand in their fields and watch crops ripen and rot for lack of workers. The total drop in net income to the high labor crops and associated industries was more than 200 million. Never has there been such an arrogant disregard by government for the people's welfare or for reality. A domestic labor force was promised when there has never been a time when California could meet the peak season demand without importing supplemental workers.

With government's assurance that labor would be provided California applied to the farm placement service of the U.S. Department of Labor, for 50,000 workers. 3272 were provided. Some recruits brought in from other states stayed such a short time their transport costs. Averaged out at \$.97 an hour they worked in the fields.



In one area a packing house was asked to furnish free transportation from a high unemployment area to the orange groves for workers recruited by the state department of employment.

Untrained workers were earning more than \$2 an hour. For four months they carried an ever-changing list of 600 who averaged two days each in the groves before returning to one or the other of our welfare programs.

California's net farm income is lower than it has been in years, with the housewife paying the highest food price in history. Many husbands can't understand why the household allowance that did the job last year goes little more than halfway now.

They should join their wives in front of the vegetable counter when next she does the marketing. They'll learn it's cheaper to eat money.

Last year there was 7,000 acres of winter-fresh tomatoes planted in one farm community alone. There are now 40 acres. The rest are being planted in Mexico.

Canning and packing companies and farmers are crossing the border and taking jobs with them. Some who remain are planting low-labor crops such as hay and grain, already in over supply. And what were the terrible sins of the California farmers that brought on this assault by the planners of the new order? Obviously the most unforgivable was the fact that 98 percent of California's agriculture is not subsidized by the Federal Government.

Farming is our greatest single industry, providing directly or indirectly one third of our employment, and 70 percent of all cash business transactions, and it has consistently paid farm labor 40 cents an hour more than the rate in the rest of the nation.

And what qualifies the planners to bring down havoc on such an industry?

Here is one example of their record:

A few weeks ago on March 22, the Secretary of Labor sent a letter to 10 California Congressmen. He told them happily of a new plan of piece work pay which had boosted Florida's citrus worker's wages 30 percent above the minimum rate which incidently he had set at \$1.15 an hour in contrast to our \$1.40 minimum. He wondered why California couldn't learn from Florida and try such an enlightened approach. He'd even allowed Florida an increased allotment of foreign labor as a reward. The California Congressmen were happy to learn of Florida's plan. They were happier to learn the plan was invented in California and has been in effect here for some time. It has boosted the orange picker's Average Wage to \$2.06 an hour.

Jack Miller of the Agriculture producer's labor committee, had written Mr. Wirtz more than a year ago outlining this plan and had received no answer. The next time a senate sub-committee holds a hearing to improve the farm workers lot I suggest they hold it in another state and that suggestion might well apply to the professional bleeding hearts who conducted that 300 mile easter egg roll from Delano to Sacramento.

California farmers are entitled to a voice in their own affairs. What is more important they deserve an administration in Sacramento that will listen to that voice.

66:15:10: Employment -  
Apprenticeship

August 10, 1966

Mr. M. E. Whiteman  
Whiteman Manufacturing Company  
13020 Pierce Street  
Pacoima, California 91331

Dear Marve:

After we hung up the other night I realized that I might have left a wrong impression about the sound idea you had with regard to the negro unemployed. Actually, I was just gathering my thoughts when you moved on to all that very interesting information about what's in store for me. Your idea is sound and, as a matter of fact, fits in with some things I have been suggesting in the primary. For example, I favor the piece of legislation which now seems to be in limbo because of the war, but which would have granted tax relief or tax credits similar to the allowance for improving equipment and machinery for those companies who were put in on-the-job training. I believe this is a sound measure and should be promoted by Republicans. I believe, and have suggested, that the State should also explore what it might offer as tax inducement for those companies who would add to the normal on-the-job training, particularly to those areas such as Watts, Oakland, etc.

There the government can contribute; it should, both state and federal. This, of course, must involve better vocational training that so much of what we have today. But all in all, this is a sound place for government and private industry to cooperate, and I think would do more than a dozen Wars on Poverty.

It was good to talk to you, and I must say I'm fascinated by your sources of information and the little tidbits they drop. I'll be talking to you.

Best regards,

Ronald Reagan

RR:kd



66: 1303: employment

# Rehabilitation of Aid Recipients Top Goal of New Welfare Chief

BY JERRY GILLAM

Times Staff Writer

MRS. RUTH H. JONES  
836 N. Sanborn Ave., #208  
Los Angeles, Calif. 90029

*Times Sunday  
8/2/66*  
SACRAMENTO — Increased emphasis on the rehabilitation of social welfare aid recipients through work experience is the No. 1 goal of Newton R. Holcomb, the state's new \$24,500-a-year welfare chief.

"The governor asked me to take a look at programs aimed at rehabilitation of welfare recipients and to recommend additional ways to improve them" Holcomb said in a telephone interview.

"I developed a similar program in Santa Clara County, and I would expect to do something about this immediately in Sacramento."

The new director, currently winding up duties as Santa Clara County's assistant executive officer, will start work Sept. 1.

He replaces John M. Wedemeyer, who resigned after Gov. Brown vetoed a tentative agreement to pay state funds to private welfare rights groups for informing aid recipients of how to get all potential benefits.

## Chided by Governor

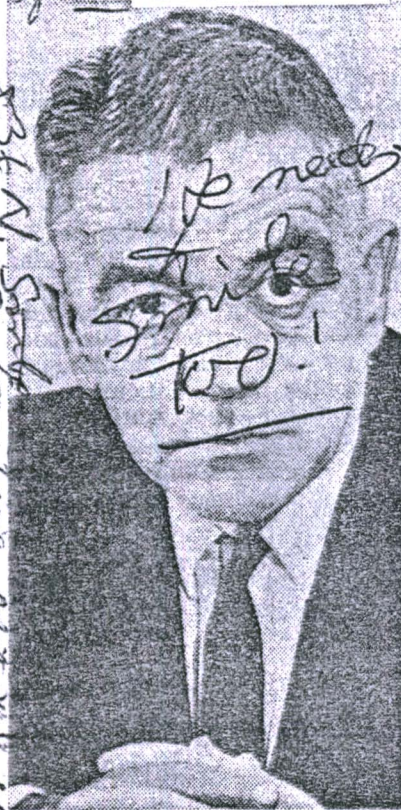
The governor had chided Wedemeyer for his opposition to the so-called Cal-Flex plan advocated by the County Supervisors Assn. to give counties more control over welfare administration.

Holcomb said he's "in general agreement" with most of the Cal-Flex plan and he intends to sit down with county people to discuss its contents "as soon as possible."

"I think there's a great deal of room for improvement in county-state welfare relations," he told The Times. "Things have been gradually deteriorating."

A simplification of the entire welfare administrative process from top to bottom with electronic data-processing replacing paper work as much as possible is another important item on Holcomb's list.

The resignation of Wedemeyer and the naming of Holcomb to re-



Newton R. Holcomb

Wirephoto

place him touched off a controversy that probably will turn into a hot gubernatorial campaign.

A member of the advisory State Social Welfare Board, Percy Steele of San Francisco, accused Brown of working with the County Supervisors Assn. to "engineer" Wedemeyer's resignation.

Steele said he felt Brown wanted Wedemeyer out because the governor is "running scared" against Republican gubernatorial nominee Ronald Reagan, who has urged a cutback in state welfare spending.

About 1.5 million Californians are

Please Turn to Page 26, Col. 3

*836 N. Sanborn Ave. #208 LA 90029*

*12 needs  
to be  
done*

*Reagan - Please return to RHP*



Please return to  
Times 8/21/66

## WELFARE

Continued from Page B

now on welfare at a total cost of about \$1 billion a year in state-federal-county funds.

William MacDougall, general manager of the supervisors association, described Holcomb as a "good man." He added the association is looking forward to "sympathetic hearings from state welfare officials for the first time in seven years."

Wedemeyer took office in 1959 as one of Brown's original appointees. He previously served as Santa Clara County welfare director as did Holcomb.

Although angry at Brown for voiding the contract, representatives of various welfare rights groups who came to Sacramento to protest this action and Wedemeyer's resignation indicated they knew little about Holcomb.

They were lavish, however, in their praise for Wedemeyer, expressing doubt that he could be

replaced to their satisfaction.

"He was our only hope," one woman representative said at a noisy protest meeting in the Capitol.

Holcomb will be no stranger to Sacramento when he arrives here. He previously served six years as chief of administrative services in the State Department of Social Welfare under another director.

He also was chairman of the committee on welfare administration of the governor's Welfare Study Commission which recommended sweeping changes in 1963, some of which were later enacted into law.

One of those changes stripped the State Social Welfare Board of its policy-making duties and vested this power in the hands of the director. This left the board as only a study group.

Holcomb, 54, has no illu-

sions about his new job. He knows he's going to be on the firing line the first day.

"I view it as an opportunity," he said. "I don't like the word 'challenge,' and I'm not going to wait and see about anything."

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66: LHW: employment  
welfare recipients

July 21, 1966

Mrs. Dal Shobert  
7117 McLaren Avenue  
Canoga Park, California

Dear Mrs. Shobert:

I want you to know how much I appreciate your very fine letter and practical suggestions. Your thoughts were sound, and I assure you, I am in great agreement with almost everything you said.

I feel you should know, however, this idea of tying in welfare to the employment picture is one that is contrary to the thinking of those now in our state government. This was the issue with regard to farm labor. The people literally had a choice of staying on welfare or working in the fields, and since the revenue for both was pretty much the same, they elected to sit on the front porch rather than take the jobs. I think we have to review our entire approach to welfare so that able-bodied recipients cannot have that choice, but must take employment when there are jobs available. Welfare itself should be completely and thoroughly investigated, leading toward some practical reforms.

I agree with you also that the time has come for Republicans to start stressing the positive, and this I intend to do in the coming campaign.

Again thanks and best regards.

Sincerely,

Ronald Reagan

RR:kd



66' D.W. Employment  
welfare recipients

October 3, 1966

Mr. N. D. Van Sickle  
12061 Cherry  
Los Alamitos, California

Dear Mr. Van Sickle:

I have received word from our Headquarters, of your questions, and I just want you to know that basically my proposals for welfare include doing more if possible for those truly disabled who must depend on the rest of us, but at the same time, restating the aims of welfare with regard to the able-bodied. Here our purpose should not be just the perpetuation of the dole, but we should seek to train the able-bodied so that they can take their place in productive jobs and become self sustaining.

I have been discussing with a number of industrialists, a program which I believe is practical, involving cooperation between private industry, present government programs, financing job training, and our own state welfare. The idea would be for the state to funnel into these job training programs, the able-bodied from welfare. At the same time, I believe we could mobilize all the jobs not now being done in our public institutions; and welfare recipients who are either awaiting training, or who for some reason cannot take this training, would perform useful service for the public in our state hospitals, schools, and so forth; so that their checks were not welfare but pay checks. I would seek the advice, not only of industrialists but of people presently working with welfare at the county level, and some of the best brains on our campuses and in our philanthropic organizations.

If you have any other questions, please don't hesitate to ask.

Best regards,

Ronald Reagan

RR:pw



# RONALD REAGAN GOVERNOR NEWS RELEASE...

Contact: Lyn Nofziger  
Clyde Beane

Release: IMMEDIATE

LOS ANGELES---A new Republican administration in Sacramento will work to form Job Opportunities Boards throughout the state to train and place jobless workers, Ronald Reagan and Robert Finch said today (October 14) in a joint statement.

Reagan, Republican gubernatorial nominee, and Finch, the GOP candidate for lieutenant governor, proposed what they called "an adequate practical program under today's economic conditions," under which able-bodied persons now on welfare could become self-supporting.

They pointed out that currently a large part of the more than one billion dollars spent annually on welfare in California "goes to persons who need not and, in fact, would prefer not to be on the welfare rolls."

The proposed Job Opportunities Boards would be composed of representatives of business, industry and labor. They would function in cooperation with Federal, state and municipal agencies, as well as with privately-supported agencies.

Reagan and Finch said the function of the Board would be "that of a catalyst and coordinator. It would seek the cooperation and assistance of all employers in the area and develop and classify job needs, qualifications and skill levels. It would coordinate with training programs and projects to the end that those who have participated--particularly welfare recipients--may be placed in available job openings."



"We will hear cries from the advocates of letting government do everything that it won't work," the two Republicans said. "But to those who are skeptical-- either that the program will not work or that private financing will not be forthcoming--we say that it not only will work, but also that it has worked."

They pointed out that the program is the same that has functioned successfully in Watts, placing more than 12,000 formerly-unemployed in jobs in private industry within the last year.

"We propose that the program be extended and applied on a statewide basis," the two men said. "To do so would aid those now on welfare but able to work, and, for once, would help the taxpayer as well."

Reagan and Finch said an outstanding citizen "thoroughly familiar with the state's employment problems" would be asked to organize the program.

10.13.66