

THE TEFANO REPORT

In 1971 a Federal Civil action was filed in the United States district court in Las Vegas, Nevada, against numerous corporate hotel-casinos (hereinafter the Companies), four local labor unions the collective bargaining agent for the hotels, and the joint executive Board for two of the locals.

All the Companies were licensed to do business and were doing business as hotels and restaurants providing accommodations and operating gambling casinos in Clark County, Nevada in or near Las Vegas. Together they employed approximately 20,000 persons. They were all employers within the meaning of 42 U.S.C. 2000 e-(b), and each engaged in an industry affecting commerce within the meaning of 42 U.S.C. 2000 e-(b).

The then United States Attorney General John N. Mitchell alleged that these Companies, et al., had engaged and were engaging in acts and practices which discriminated against blacks, because of their race with respect to their terms, conditions, and privileges of employment. These acts and practices included:

- (a) assigning employees to job classifications on the basis of race and without regard to qualifications;
- (b) failing to provide opportunities for training, advancement, and promotion to black applicants for employment and employees;
- (c) recruiting and hiring employees for certain jobs by relying upon word-of-mouth referrals and personal contacts of incumbent white employees to the disadvantage of blacks; and
- (d) failing to take reasonable and appropriate action to correct the continuing effects of their discrimination.

A direct and proximate result of these alleged acts and practices of employment discrimination, was that more than 90% of the approximately 3,600 blacks employed by the Companies, were limited to the lowest-paying, least-desireable duties and occupations in the Companies.

The United States prayed for a permanent injunction enjoining the Companies and all persons in active concert or participation with them from engaging in these alleged racially discriminatory employment acts and practices.

On June 4, 1971 a Federal District Court consent decree was entered into between all the parties. The effects of the consent decree solution were three-fold: First, it avoided the costly and timely burdens of litigation. The government must have been more concerned with this factor than were the Companies since individually they operate multi-million dollar businesses that yearly gross large profits. Second, the decree acted to insulate the Companies from the charges of employment discrimination. In this context, the Companies could maintain without fear of contradiction that they did not discriminate against blacks, and that they desired to reaffirm policies of providing equal employment opportunities to all persons and to remain in compliance with Federal and State Laws.

Thirdly, and most unfortunately, the decree constituted an understanding between the parties that there would be no investigation of the alleged Title VII violations, thereby circumventing any finding of facts or merits to the allegations and the appropriate application of the law.

The decree had eight sections: (1) general provisions; (2) employment and referral practices; (3) training; (4) recruitment; (5) records; (6) reports; (7) miscellaneous and (8) retention of jurisdictions.

This paper will only specifically address itself to sections (1), (2), and (3), although reference may at times be made to the other sections.

The material which follows introduces statistical evidence to examine blacks' allegations that the Companies have not acted in good faith in carrying out the provision of the decree, and in fact, continue to discriminate in their terms, conditions and privileges of employment. Countering, the Federal Government claims the affirmative action goals of the decree are being met.

According to the Federal Equal Employment Opportunity Commission (hereinafter the EEOC) which is now monitoring company compliance with the decree, the Companies are making a 'concerted effort' to live up to the terms of the decree. But the EEOC is quick to point out that the Companies are having their problems in finding 'qualified' blacks to fill supervisory and managerial positions. Yet, adds EEOC, the Companies are making efforts to look for and promote blacks to supervisory and managerial positions when the personnel are found and the vacancies occur.

This paper will be an attempt to ferret out and examine these allegations and claims through the analysis of statistical evidence provided in the Companies' quarterly reports. From this analysis of the statistical evidence should come answers to the questions of whether the Companies have taken steps to eliminate what the Federal Government recognized to be pre-decree employment practices and employ efforts toward conscientious fulfillment, are their policies nonetheless resulting in discriminatory effect against blacks as a class? And if the Companies' employment practices - however intended - are in fact falling more harshly on Blacks than on others, can these practices be justified by business necessity under law? Finally, the statistical evidence presented should provide an answer to the question of whether the Companies have fulfilled their consent decree pledge to act in good faith to eliminate alleged patterns and practices of employment discrimination.

The legal question which must be answered is whether the Companies are still in violation of 730(A) of Title VII of the United States Code. The factual issues are simply whether there are continuing 'patterns or practices' in Company employment which have a disparate impact on blacks as a class, and, if so, whether the practices are racially motivated. Is racial discrimination the regular rather than the unusual practice?

**What are YOU doing to help YOUR community?**



**Safety First When Cooling Off**

A Service Of Underwriters Laboratories Inc.



Trying to beat the heat this summer? If your plans include cooling off with a portable electric fan or a window air conditioner, Underwriters Laboratories Inc. (UL) reminds you to take time for a safety check before you use the appliances.

Your electric fan should have guards or enclosures which are securely fastened. Grill openings should be small enough that someone's fingers, especially a child's, cannot accidentally contact a moving fan blade. Testing for these potential hazards is just part of the investigation conducted by UL engineers before a fan qualifies for Listing by UL.

Other precautions for the safe operation of your portable fan include:

- \* Reading and following the manufacturer's safety and operating instructions.
- \* Checking for frayed cords or broken plugs.
- \* Placing the fan on a level, stable surface.
- \* Positioning the fan and cord so that they won't be

bumped into or knocked over by people walking through the room.

Before installing your window air conditioner for the coming season, check for any cracks or deterioration in the power cord insulation or exterior enclosure. If water gets into the air conditioner, it could result in a short circuit or other electrical damage. UL Listed air conditioners are tested for water resistance to rainstorms, but damage can occur to the units through age and use.

If your air conditioner requires a 220 volt electrical line, make sure you carefully follow the manufacturer's instructions for correct installation. Never tamper with the plug or wiring to try to get the unit to operate from the standard household wiring. If new wiring is needed, have it installed by a qualified electrician in accordance with the National Electrical Code.

By following these suggestions, UL hopes you will have a cooler and safer summer.

**REVEREND JACKSON GOES TO SOUTH AFRICA**

observe and speak to a broad cross-section of people in South Africa, so that we can see and speak with clarity and authority on the South African situation.

He said they will talk with a broad cross-section of people to get an assessment of U.S. and other foreign business involvement in South Africa.

Rev. Jackson said that all links in the human rights train must be connected, and that the world is truly one and we must now develop that perspective in clearer focus.

Mr. O'Dell and Dr. Schomer were granted visas several weeks ago. But because of Operation PUSH's historical position of South Africa and because of Rev. Jackson's involvement in opposing the fight between New Yorker Bill Sharkey and South African heavyweight, Kallie Knoetze, in Miami Beach, Florida on January 13 of this year, Rev. Jackson's visa was not O.K.'d until a few days before he left.

Rev. Jackson said there was danger in going but there was also a danger in not going. 'There is the danger that I would have broken my word to the people of South Africa, because I had expressed a commitment to them to come. And, since social change always involves a degree of risk, not to go to South Africa because it is dangerous would compromise one's very commitment and mission to seek justice in the world', Jackson said.

**HUGHES REPORT CONT'D**

From Page 2 - From Hollywood to Wall Street, the war of the EEO hiring quotas is on. It's a new beginning.

The Screen Actors Guild, one of George Meany's more dramatic constituents, is preparing to go public with complaints of discrimination against minorities on screen and tube. The nation's entire banking field will be swept by the 36-year-old federal equal opportunity chief, Weldon Rougeau, in search of financial houses which haven't upgraded blacks, Hispanics - and, of course, women - in a matching problem with white males.

Big coal companies are being "reviewed" - meaning being probed - because they don't appear to have hired sufficient women to dig the bituminous stuff. There are some 2,000 females in

the industry. Further, the whole construction industry - the nation's biggest - is also being microscoped to make certain that women and blacks are getting a share of the highest paid hard-hat jobs, according to Labor Department standards.

Soon, for the first time, the government - through Rougeau's Office of Federal Contract Compliance Programs, a Labor Department bureau with authority over some 41 million workers - will announce a national quota standard for black hiring in building and construction.

This will be a set formula - not just "goals and timetables" but a strict quota system easily definable and violations just as easily punishable by debarment from doing business with the U.S.

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