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# Business, Labor Fire Up To Fight Anti-Smoking Prop. 5

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Fuming over the strong showing by Proposition 5 in a recent poll, major business and labor organizations are firing up for a fight against the anti-smoking initiative.

Much of their argument is that the proposition, which drastically would limit smoking in public places — including many work areas — could cost California business hundreds of millions of dollars.

Moreover, they say, it could cost California business, period.

Proponents counter that such arguments as cost estimates are a smokescreen. A business isn't required to

accommodate smokers but instead may opt to ban smoking instead of remodeling to segregate smokers, they say.

But many in the business community say the only practical approach is to accommodate smokers.

Varying cost estimates are offered for such accommodation. Californians for Common Sense, the major organized opponent of the initiative, estimates the proposition initially would cost the state's businessmen about \$217 million for remodeling. The CCS also projects another \$42 million in annual "productivity loss resulting from segregated smoke breaks," for a total initial cost to business of about

\$259 million. But a federation representing about 13 percent of the state's small businessmen estimates the cost to their members alone at \$244 million.

Organizations declaring their support for the campaign against Proposition 5 by Californians for Common Sense include the California Chamber of Commerce, National Federation of

Small Business, California Hotel and Motel Association, California State Restaurant Association, California Manufacturers Association, American Federation of Labor and the United Auto Workers.

But business doesn't unanimously oppose the proposition. And some in the business community, including such local organizations as the Sacra-

mento Metropolitan Chamber of Commerce and the Sacramento Area Commerce and Trade Organization (SACTO), haven't taken a stand.

Opponents say most of the expense to business would result from remodeling necessary, perhaps periodically, if businessmen are to continue permitting smokers to light up in retail and reception areas, most offices and other work areas, and in employee lounges.

Those costs ultimately would result in higher prices to the consumer, therefore damaging the economy. Moreover, some small firms might be "forced out of business," it is charged.

The economy also would suffer since other firms would be discouraged from relocating in the state because of the added expense and red tape, critics say.

Other arguments include protests by family members who operate a small shop where they would be forbidden to smoke, and one labor official's fears that "arrest records" will result from the initiative and adversely affect a young person's employment record. Proponents, in countering that a smoking ban can be effective and not hurt business, point to a survey of businessmen in Berkeley, which for more than a year has had a

city ordinance about as comprehensive as Proposition 5. Of the 50 businessmen polled, 92 percent reported "no effect" from the ordinance on their business.

However, most of the businessmen surveyed by the Wright Institute of Berkeley were retailers, according to Dr. Mark Sandford of the institute. Additionally, he noted Berkeley has comparatively few smokers — only about 27 percent of the population as opposed to about 37 percent of the U.S. population.

A Field Poll two weeks ago showed 58 percent of the state's registered voters favored Proposition 5, with 38 percent opposed. Those percentages reflect the approximate percentages of smokers and non-smokers in the general population.

In extreme cases, partitioning changes might be "necessary" if just one employee quit smoking or quit his job and was replaced by a non-smoker, according to Dugard Gilles, an official of the California Association of Realtors.

(Incidentally, the proposition bans employment discrimination based on one's being a smoker or not.)

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Moreover, if smoking is to be permitted, leased commercial space might have to be remodeled for or by each new tenant and lessees would be forced to contract for additional space if lounge or reception areas are too small for partitioning, Gilles said.

Many small businessmen complained of possibly ruinous expense stemming from the proposition in a survey conducted by the San Mateo-based National Federation of Independent Businessmen. More than 60 percent of the NFIB's California members reported they opposed the measure, with a few saying the optional remodeling expenses could put them out of business.

Respondents also estimated construction and administrative costs that would stem from the proposition. According to the NFIB, such expenses would total \$242 million for its mem-

bers, which comprise about 54,000 of the 407,000 small businesses in the state.

Although to restaurateurs Proposition 5 isn't as "onerous" as some more restrictive local ordinances, it's opposed by the California State Restaurant Association, which represents about 70 percent of the state's restaurant business, according to the association's communications executive, Stan Kyker.

The California Hotel and Motel Association, which represents "every major hotel and motel," also opposes the proposition, a spokeswoman said.

Although guests would be permitted to smoke in their rooms, the proposition would prove costly by limiting smoking in employee areas — and costly in terms of customer good will in shops, courtesy vehicle and convention facilities.

Would the proposition reduce convention business in the state? "Oh, absolutely," she said.

"Oh, absolutely," echoed a state Chamber of Commerce official when asked if he thought Proposition 5 would discourage businesses from relocating to California.

To Mike Braun, the chamber's director of health, safety and industrial relations, Proposition 5 is "another symbol . . . of the bad business climate" here and another "nuisance" to such desirable business as moderate-sized manufacturers who already must have "40 to 50 major permits to even start getting into business."

Some labor organizations oppose the proposition not only because of a perceived threat to the economy but also, according to John Henning, executive secretary-treasurer of the California Labor Federation (AFL-CIO), because its restrictions would apply to union halls, meetings and major conventions.

Speaking of the latter, he quipped, "Why, George Meany couldn't smoke his cigar."  
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