NATIONAL RECOVERY ADMINISTRATION

CODES OF FAIR COMPETITION

Nos. 1-37

VOLUME I

JUNE [illegible] TO OCTOBER 11, 1933

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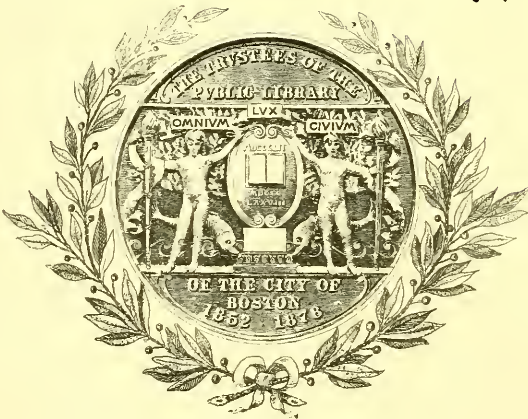


NATIONAL RECOVERY ADMINISTRATION

HUGH S. JOHNSON, Administrator for Industrial Recovery

CODES OF FAIR COMPETITION

Nos. 1—57

AS APPROVED

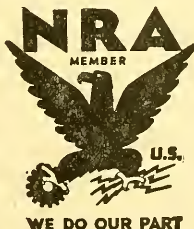
BY

PRESIDENT ROOSEVELT

JUNE 16–OCTOBER 11, 1933

WITH SUPPLEMENTAL CODES, AMENDMENTS, AND EXECUTIVE ORDERS ISSUED BETWEEN THESE DATES

VOLUME I



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CODES OF FAIR COMPETITION

Approved Code No. 1

CODE OF FAIR COMPETITION

FOR THE

COTTON TEXTILE INDUSTRY

As Approved on July 9, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

The Cotton Textile Code, a stenographic transcript of the hearing thereof, a report and recommendations of the National Recovery Administration thereon, (including a special statistical analysis of the industry by the Division of Planning and Research) and reports showing unanimous approval of such report and recommendations by each, the Labor Advisory Board, the Industrial Advisory Board, and the Consumers' Advisory Board, having been submitted to the President, the following are his orders thereon.

In accordance with Section 3 (a), National Industrial Recovery Act, the Cotton Textile Code submitted by duly qualified trade associations of the Cotton Textile Industry on June 16, 1933, in full compliance with all pertinent provisions of that Act, is hereby approved by the President subject to the following interpretations and conditions:

(1) Limitations on the use of productive machinery shall not apply to production of tire yarns or fabrics for rubber tires for a period of three weeks after this date.

(2) The Planning Committee of the Industry, provided for in the Code, will take up at once the question of employee purchase of homes in mill-villages, especially in the South, and will submit to the Administration before January 1st, 1934, a plan looking toward eventual employee home-ownership.

(3) Approval of the minimum wages proposed by the Code is not to be regarded as approval of their economic sufficiency but is granted in the belief that, in view of the large increase in wage payments provided by the Code, any higher minima at this time might react to reduce consumption and employment, and on the understanding that if and as conditions improve the subject may be reopened with a view to increasing them.

(4) That office employees be included within the benefits of the Code.

(5) The existing amounts by which wages in the higher-paid classes, up to workers receiving $30 per week, exceed wages in the lowest paid class, shall be maintained.

(6) While the exception of repair shop crews, engineers, electricians and watching crews from the maximum hour provisions is

approved, it is on the condition that time and one half be paid for overtime.

(7) While the exception of cleaners and outside workers is approved for the present, it is on condition that the Planning and Supervisory Committee provided by Section 6 prepare and submit to the Administration, by January 1, 1934, a schedule of minimum wages and of maximum hours for these classes.

(8) It is interpreted that the provisions for maximum hours establish a maximum of hours of labor per week *for every employee covered*, so that under no circumstances will such an employee be employed or permitted to work for one or more employers in the industry in the aggregate in excess of the prescribed number of hours in a single week.

(9) It is interpreted that the provisions for a minimum wage in this code establish a guaranteed minimum rate of pay per hour of employment regardless of whether the employee's compensation is otherwise based on a time rate or upon a piece work performance. This is to avoid frustration of the purpose of the code by changing from hour to piece-work rules.

(10) Until adoption of further provisions of this Code necessary to prevent any improper speeding up of work to the disadvantage of employees ("stretch-outs") and in a manner destructive of the purposes of the National Industrial Recovery Act, it is required that any and all increases in the amount of work or production required of employees over that required on July 1, 1933, must be submitted to and approved by the agency created by section six of the code and by the administration and if not so submitted such increases will be regarded as a prima facie violation of the provision for minimum wages.

(11) The code will be in operation as to the whole industry but, opportunity shall be given for administrative consideration of every application of the code in particular instances to any person directly affected who has not in person or by a representative consented and agreed to the terms of the code. Any such person shall be given an opportunity for a hearing before the Administrator or his representative, and for a stay of the application to him of any provision of the code, prior to incurring any liability to the enforcement of the code against him by any of the means provided in the National Industrial Recovery Act, pending such hearing. At such hearing any objection to the application of the code in the specific circumstances may be presented and will be heard.

(12) This approval is limited to a four months' period with the right to ask for a modification at any time and subject to a request for renewal for another four months at any time before its expiration.

(13) Section 6 of the Code is approved on condition that the Administration be permitted to name three members of the Planning and Supervisory Committee of the industry. Such members shall have no vote but in all other respects shall be members of such Planning and Supervisory Committee.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE,
July 9, 1933.

JULY 9, 1933.

To the PRESIDENT:

I. PRELIMINARY STATEMENT

I have the honor to submit herein my report on the Cotton Textile Code and hearing submitted and conducted in accordance with the provisions of the National Recovery Act.

There is attached hereto:

Exhibit 1. The Code as finally proposed.

Exhibit 2. Notice of Hearing.

Exhibit 3. Statement of Procedure.

Exhibit 4. Economic and Statistical Analysis of the Code and of the Industry, prepared by the Division of Research and Planning of this Administration, conducted by Dr. Alexander Sachs.

Exhibit 5. Transcript of the Record.

Appendix 1. List of Witnesses.

II. THE CODE AND THE HEARING (UNCONTROVERTED MATTER OMITTED)

The Code may be summarized as follows:

SECTION 1. *Definitions.*—This is the Spinning and Weaving division of the Cotton Textile Industry. The only controverted matter in this section was a definition of "productive machinery" as cotton looms and spindles. The question of the validity of excluding carding machines as auxiliary was raised by President McMahon, of the United Textile Workers, and was justified by Mr. Robert Amory that inasmuch as the product of the card is not sold it cannot lead to overproduction yet the flexibility of running it is necessary to balance the mill's operation (II-K-8-M-2). Mr. Batty, Secretary, New Bedford and Fall River Textile Councils (Labor) concurred that this was an unsubstantial objection.

SEC. 2. Proposes a minimum wage of $12 in the South and $13 in the North—exempts learners for six weeks, also cleaners and outside employees.

SEC. 3. Provides for a 40-hour work week and an 80-hour machine work week and excepts repair crews, engineers, electricians, firemen, office and supervisory staff, shipping, watching, and outside crews and cleaners.

SEC. 4. Abolishes child labor (minors under 16).

SEC. 5. Provides for periodical statistical reports from all members of the Cotton Textile Institute, bearing on wages, hours, production, and consumption, etc.

SEC. 6. Sets up as a continuing planning and fair-practice agency the Cotton Textile Industry Committee of all the affected trade associations to supervise the execution of the code, to develop statistical accounting, credit, and other controls, and to carry out long-range

NOTE.—References in parentheses refer to Transcript of Hearings.

planning in the interest of the industry and the stabilization of employment. This is the proposed self-government agency of the industry, to function subject to the approval of the Administration.

Sec. 7. Provides that the Committee may tender its good offices to secure, by mediation, modifications of existing contracts rendered burdensome by costs increased by this code.

Sec. 8. Mandatory statutory recitation of the Rights of Labor.

Sec. 9. Mandatory statutory recitation of the President's right to cancel, modify, or amend.

Sec. 10. Provides for consideration by the President of future amendments at the instance of the industry.

This code was formulated during the Congressional debate on the Recovery Act by conference among representatives of the industry, with unofficial assistance of the present Administrator's aides. It was submited the day the President signed the Act. After due legal published notice the hearing opened on June 27th and concluded July 1st.

The hearing was presided over by the Administrator and conducted by Deputy Administrator William H. Allen with the aid of members of the staff of the National Recovery Administration in the presence of the Industrial Advisory Board, appointed by the Secretary of Commerce, the Labor Advisory Board, appointed by the Secretary of Labor, and the Consumers' Advisory Board, appointed by the Administrator. Representatives of the Department of Justice and the Federal Trade Commission were also in attendance. The hearing was attended by considerable numbers (about 500) of the public and a full press complement.

The code was presented by duly qualified representatives of the industry after due qualifications of its proponents complying with all statutory requirements as representing 75% of the capacity of the industry. In accordance with announced procedure, every person who had filed an appearance, whether as a worker, employer, or consumer, was freely heard in public, including a representative of a Communist organization.

All statutory and regulatory requirements were complied with.

III. Summary of and Conclusions on the Evidence

1. *Hours of Labor.* (Proposed Reduction of Weekly Hours to 40.)

President McMahon, of the United Textile Workers of America, affiliated with the American Federation of Labor (who had participated in the formulation of the code and had concurred in it before submission) submitted at the hearing amendments to his original statement and to the code and urged that the hours of work be limited to 35 instead of the proposed 40, in order to bring about a reabsorption of the unemployed of the industry (II-H 3 ff.; I-7-11; J-1 ff). President Green of the American Federation of Labor went further and asked for a 30-hour week on the ground that "the work available at the May level in industry generally would provide only 25.6 hours per week for all who needed work," and that it was, therefore, best to arrange a single standard, presumably regardless of differences between industries as to rates of activity and employment (Statement, p. 6; Record III-S-9, III-S-11). Both testified to the prevalence in the past year of as high as a 53-to-54-hour week for the indus-

try and suggested as an objective the bringing up of the employment to the level which prevailed in the period from 1923 to 1929 when approximately 450,000 persons were engaged in the industry as compared with the May 1933 rate given by Mr. Green as around 350,000 on 48 hours a week (Record III-I-7; statement of Mr. Green, page 6; Record III-I-5).

The isolated figures cited by Mr. McMahon and Mr. Green as to numbers employed and hours reflecting conditions as of varying dates in the past half year were all based upon official government and other public sources. Hence, the issue resolves itself into a statistical one of determining the necessary and feasible hours and shifts for handling the present level of cotton textiles production and taking care of the seasonal fluctuations and spurts in demand for the products of the industry. An exhaustive analysis of this sort was carried out by our Research and Planning Division (Dr. Sachs), and the results thereof, submitted in the course of the hearing to President Green of the American Federation of Labor and to Dr. Wolman of the Labor Advisory Board, were uncontroverted by the former and concurred in by the latter.

Briefly, in the course of the depression, employment in the Cotton Textile Industry has declined from 425,000 in 1929 to a low mark in March of this year of 314,000, or 26%. Since then, under the impetus of the recovery policies of the Government, this industry, like other consumers goods industries, has been enjoying a sharp revival, with rising employment, having reached 346,000 for the month of May, and around 400,000 in June.

With productive operations in June around the 1929 level, and this month above it, it is clear that hours and shifts should be so fixed as to allow a general average of production at least as high as 1929. In that year there were processed 3,370,000,000 pounds of cotton, or 5% below the peak year of 1927. This was at the rate of 65,700,000 pounds per full working week, taking the working year as 51.3 working weeks. The labor required in 1929 to process the 65,700,000 pounds of cotton was in man-hours 20,600,000 for an effective working week of 49 hours. Under the proposed code, limiting the week to 40 hours, the effective average working week, allowing for those manufacturers who will not be able to obtain the maximum, would be 39 hours. Hence, dividing the 20,600,000 man-hours by the 39 effective hours *yields 528,000, as the employees required for producing an average 1929 weekly level of cotton production. In other words, the 40-hour limit would not only call back to work those who became unemployed since 1929, but would call for 13% more employees than the average in the peak year of 1927 when 467,000 were employed.* It is furthermore noteworthy that this computation only provides for the 1929 average and does not make any allowance whatsoever for the seasonal peaks or sudden spurts of demand which according to the experience of the past decade may well carry production from 10 to 20% above any apparently well-established level. To provide for such a 15% spurt above the normal at any given period would require the full utilization of the 10 to 15% increase in labor efficiency that has developed in the depression under conditions of the very long hours which have obtained hitherto. *Accordingly, the industry under the 40-hour week would presently absorb the available corps of textile workers and assuming a continuation of the present trend would pro-*

vide openings for unemployed from related or nearby industries, whose absorption would, according to Mr. Batty of the New Bedford Textile Council, require a very considerable apprenticeship. On the data submitted and on the basis of the present requirements of the industry, the reduction in the working week to forty hours will effect the re-employment of the hitherto unemployed and permit the substantial absorption from the outside of a potential 15 to 25% employment over and above the predepression level.

It must be kept in mind that there is nothing static about such conclusions. Should there be a marked recession in production the question of hours would have to be reconsidered. For this and other reasons hereinafter set forth approval should be limited to a four months' period.

2. *Limit on machine hours.*

The provision in the code to limit the operation of productive machinery to two shifts a week of forty hours each was vigorously supported by representatives of the industry as a means of preventing overproduction and unemployment and as a means of aiding the large number of small mills which lack the resources for more than two forty-hour shifts and which otherwise would be at a competitive disadvantage in meeting increases in labor costs resulting from the code.

Certain labor representatives appeared not to be concerned about a limitation in shifts. Mr Green stated, "If necessary to work two shifts, or three shifts, or even four, I think that should be permitted," (III-T-1), but ended up (III-W-4) by declaring that he was "not fundamentally opposed to the regulation of the hours of machines." A similar position was taken by Mr. Frey (III-Y-3), though the burden of his testimony as to the widening gap even before the depression between increasing labor productivity and inadequate mass-purchasing power tended to throw into relief the importance of controlling technological unemployment.

The predominant view of the industry was that while less than the maximum of two shifts might easily cause shortages and lead to unreasonably high prices to the consumer, the needs of the country can be fully taken care of by two shifts, which are not likely to be utilized by more than half of the mills, thus avoiding the overproduction involved in three shifts and the resulting migration and concentration of the business in special areas (1-F-8). The proposed limitation was also defended—by members of the industry—on social grounds as eliminating the use of the so-called "grave-yard" shift.

The strongest objection to the limitation of machinery came from representatives of outside but overlapping industries and companies which carry on cotton textile production as an integrated part of other manufactures such as the tire fabrics and surgical supply industries. Mr. Russell Watson, of Johnson and Johnson, favored three shifts in the interests of low prices for surgical dressings. of affording opportunity for the more efficient units of the industry (II-C, D-ff) and on the ground that limitations applied to his company would throw some employees out of work. On the other hand, Mr. Kendall, who is engaged in the same business, declared that in an industry like textiles, an over-supply of production machinery coupled with unrestricted machine hours would not only make it difficult to bring about a reasonable equilibrium between consumption and production, but would seriously interfere with the reemployment

of labor and the geographical distribution of that reemployment, and in addition would tend toward monopoly by the concentration of the production in a few efficient plants (II-G-11, 13).

The same issue arose in respect of the application made by Mr. Stillman of the Goodyear Company in behalf of the so-called "Big Four" tire producers for exclusion of the tire fabric operations from the scope of the term "cotton textile industry" and so from the consequent limitation upon machine hours (I-Q-II, R-1-5). A contrary position was taken by Mr. Seiberling speaking for the non-integrated tire companies which obtain their fabrics from outside textile mills instead of their own subsidiaries as is the case with the "Big Four." It was estimated by him that the difference in cost of running an eighty-hour cotton-fabric mill against one running one hundred forty-four machine hours would be 6¢ per pound or equivalent to 25¢ a tire which "is more (profit) per tire than the industry has made within the last three years" (I-S-2-5). This situation in his opinion, would "unquestionably tend to promote monopoly by the Big Four" (I-S-7).

On these grounds, a request was made on behalf of all the manufacturers of tires for a delay until September 1st in the application of the machine-hour provision of the code to spindles or looms producing tires, yarns, or fabrics (memoranda of Mr. C. A. Stillman).

In respect of the request for exemptions by the makers of surgical dressing units and similar requests involving the upholstery, drapery and knitwear units, it is clear that the granting of an exemption would place them in a privileged position and would discriminate against other units of the cotton-textile industry making the same or similar products. As that would contravene the provision in Section 3A of the Act against permitting "monopolies or monopolistic practices," it is recommended that these requests be denied.

In respect to the production of tire yarn and fabrics, the cotton textile industry itself recognizes that owing to the elaborate machinery involved a violently sudden limitation might have a serious effect on the production and sale of automobiles and tires. It is therefore recommended that the interested tire companies present within two weeks after the approval of this code statistical evidence as to the need for limited exemption, and during those two weeks the provisions of the Code limiting the operation of productive machinery should not apply to spindles, looms, or production of *tire* yarns or fabrics, and that at the end of three weeks a final decision on this exemption be made by the Administration.

In respect of limitation of machinery hours of the industry as a whole, the testimony of the workers (particularly III-R-2) and the employers (particularly II-B-1) is eloquent of the danger and distress from overproduction in the fact of the admitted excessive capacity in the industry. The comparisons given in the report of the Director of the Division of Research and Planning between textile and cotton goods industries on the one hand, and general manufacturing on the other hand, disclose the prolonged depression of the industry even during the decade of the post-war prosperity for general manufacturing. The industry has been consistently losing relative to manufacturing industry as a whole in values of product and, what is the most significant, in value added by manufacture, which is the difference between selling value and the cost of materials out of which

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" mill margin " must be paid. Between 1923 and 1929 this margin or value added declined 15% as against a rise of 24% in all other manufactures. It would appear therefore that the causes of low wages lie largely in the general unprofitability of the industry and its inability to command a stable price for its products by reason of the overcapacity of the industry in terms of spindles (which have declined from thirty-seven million at the beginning of 1923 to thirty-one million and a half beginning 1933 *with only 80% active even now at the present high level of activity*), the overproduction in terms of hours and shifts and the lack of internal organization and coordination looking towards a stabilization of production and consumption and employment.

These considerations confirm the view of the industry that an eighty-hour limit on machine operations is necessary and should aid in the organization of the industry with a view to checking the accumulations of diseconomic surpluses (Report, Division of Research and Planning, Chapter I and Chapter V, Part 2). Such a limitation will not interfere with adequate opportunity for fair competition on the part of efficient producers for increasing the volume of their production, nor will it interfere with the interests of consumers and workers. On the contrary the preservation of existing opportunities for employment and profitable operation and the protection of the industry against both undue market stimulation and undue market demoralization require control of machine hours and the working out of additional flexible controls for stabilizing the industry as a whole in the planning provisions of Section 6 of the Code. Especially in view of the instant tendency, which is clearly toward a new and dangerous overproduction, the prevention of dislocations in employment and demoralizing market conditions warrants the machine-hour limits proposed in the code, and the approval of this provision is recommended.

Another problem involving the working rate of machinery is the tendency to increasing the maximum machine load on employees, popularly called the " stretch-out system." This problem, recurrent in the statements of labor representatives, was dealt with in an address by Senator James F. Byrnes of South Carolina at the opening session of the hearing (IK-12-L-5). In pursuance of this, a committee was appointed by the Administrator, consisting of Mr. Robert W. Bruere as Chairman, and Mr. B. E. Geer, representing the industry, and Major Berry, representing labor, with their technical aids. In behalf of the industry Mr. Amory for the North and Mr. T. M. Marchant for the South are conducting inquiries and securing information for the " Stretch-out " Committee. Similarly the Department of Industrial Studies of the Institute of Human Relations at Yale University, is making available to the Committee the results of a study of the system in twenty representative mills. Meanwhile Messrs. Bruere and Geer are making a field trip into the cotton textile centers to conduct engineering studies and to hold a number of open hearings at which all parties at interest may express their minds. As a preliminary result of its work, the Committee has drawn up a proposal designed not only to check the possible tendency towards a too rapid introduction of the " stretch-out " which may be stimulated by the forty-hour week limitation, but also to provide a simple machinery

by which the principle of consent and participation by labor may be effectuated. This proposal, summed up towards the end of this report, is recommended for approval.

3. *Wages.*

The original Code submitted on June 16th, proposed a minimum wage for a forty-hour week of $10 for the South and $11 for the North, which scale towards the end of the hearing, and upon intimation that such low figures could not be considered, was lifted to $12 and $13 respectively.

The labor representatives in their criticism of the original proposed scale of minimum wages made reference to the very low levels of minimum wages prevalent in the industry. President McMahon in his statement in behalf of the United Textile Workers of America, submitted early in June, stated: "Today in several sections of our country, including the North, we have had personal contact with Textile Workers who, after a full working week, were compelled to appeal to public charities to supplement their earnings. *Wages of $5 and $6 a week are common throughout the industry.*" In his testimony at the hearing he protested against accepting $10 as an economically sound wage for any worker regardless of degree of skill (Record II. 1.3); and proposed a minimum for the North of $14 in place of the old one that he had submitted of $12 (Record II. J-1). President Green, of the American Federation of Labor, set the average weekly wage in the Cotton Goods Industry, as of the month of May 1933, as $10.40 (III T-. 7-8) and as of the recent past, in 1932, he said, "*12% of all men employed in the cotton mills studied were receiving wages which averaged below $10 and in some cases below $8 for a 53–54 hour week.* (*III T.-5.*)

Speaking for the consuming public, Miss Lucy Mason, Secretary, National Consumers' League, joined with labor in urging a higher minimum but dismissed the fear expressed by certain labor representatives that the minimum wage might tend to become maximum: "The Consumers' League was the first proponent of minimum wage laws in this country, and it has been their experience that in America minimum wage rates do not tend to become the maximum, but establish bargaining power for the more skilled worker, and that the wages rise rapidly above the minimum (IV. H 1–7).

Figures such as those stated by Mr. Green and others reflect very inadequately the extent of the declines that have taken place in the wages of the unskilled and the skilled, as well, by reason of the progressive narrowing during the depression of the wage differential for the skilled, and besides, the record for unskilled rates applies largely to certain of the more important mills whose wage level, particularly in the latter part of the depression, has been higher than that of the country as a whole. To meet the shortcomings of the wage rate data for this, as well as for other industries, as a basis for determining minimum wages, the Research Division secured from representative mills in the industry sample or illustrative pay rolls for North and South. These pay-roll records showed that *minimum wages as of the low in March-April this year, applicable to between 10% and 20% of the pay rolls, were in the neighborhood of $8 to $8.50 for the South for a fifty-hour week and $9 to $9.50 for the North for a forty-eight-hour work week.*

In attempting to aid in working out a proper minimum wage, this Administration sought to do something more than strive for a compromise between opposing claims. The guiding thought was to effectuate the policy laid down in the President's statement upon signing the National Recovery Act, to wit: " The idea is simply for employers to hire more men to do the existing work and at the same time paying a living wage for the shorter week." This policy sets as an objective and as a norm for the emergency at any rate the restoration of the purchasing power which the worker in the industry had prior to the depression. Now, in 1929, the average unskilled weekly wage in the North was $17.60 ($19.47 for male workers and $15.75 for female workers). *This average unskilled wage for the forty-eight-hour week* has in the course of depression declined to a recent low point of $11.76 in April and $11.62 in January this year (for male workers, $13.27–$13.15 for the respective months, and for female, $9.96 and $10.37). During the same period the decline in the cost of living as computed by our Division of Research has amounted to about 30%. Applying the progressive decline in living costs to the original $17.60 of 1929 weekly earnings. we obtain as a " real " weekly earnings for May this year $12.16; that is. the present required dollars to give the 1929 purchasing power. We have to carry this idea of purchasing power wages one step further. For in a period of price increases living costs tend at first to lag behind the advance in the price level, which has followed in the wake of the end of the liquidity complex and deflation and the synthetic business and price recovery brought about since March of this year.

To lift up and provide adequate purchasing power, we should adjust " real " wages to the moving trend of prices and living costs, else we shall be no more effective than trying to catch a train moving out of the station by aiming for where the back platform was when the train was standing still. There has already occurred an advance of between 16% and 20% in certain comprehensive yet not too insensitive indices of wholesale prices. In general the cost of living changes about 6% for each 10% change in wholesale prices due to the inclusion of certain relatively stable and slowly varying elements. *It appears necessary then to anticipate and adjust for a rise of 10% in the cost of living, which as of May 1933 was 69% of 1929 taken as 100.* This gives the *figure of $13.21 as the requisite average weekly wages for unskilled male and female workers in Northern mills to produce now on a forty-hour week the purchasing power which they had on a forty-eight-hour week in 1929.*

In applying this figure of $13 as the prospective purchasing power parity of the 1929 wage income of the unskilled, consideration should be given to certain geographical differentials in accordance with the last sentence of Section 7 (c) of the Act. The differential between North and South has developed in part from the practice of furnishing housing at much less than cost, far more common in the South than in the North. Evidence under this head was submitted by Colonel G. Anderson, of Macon, Georgia, whose figures indicate the saving per week per employee in a Southern mill village to be in the neighborhood of $2 (T.H-M).

While there was some opposition to the differential as expressed, particularly by Mr. F. C. Dumaine of Amoskeag (IIB), Mr. Robert Amory, representing the Northern part of the industry, stated that

the differential was conceded by the North as warranted, not on the basis of living costs, but on the basis of saving in rents, and that the proposed exemption of cleaners and outside help would further operate in favor of the South to meeting the difference where it is in excess of $1, inasmuch as such help is now paid in the North considerably higher than the proposed minimum (IIIH1–2).

Notwithstanding the probable original justification for the erection by employers of mill villages there is something feudal and repugnant to American principle in the practice of employed-ownership of employee homes. We must recognize existing realities, however, and it is therefore recommended that the existence of the regional differential of $1 per week in the minimum wage between the North and South should be for the present accepted, but it is hoped that, with the creation of real industrial self government and improvement in the minimum wage, an impetus will be given by employers to independent home ownership eventually looking toward home ownership by employees and the conversion of the differential into a wage equivalent.

Applying the proposed minimum of $13 for the North and $12 for the South, to the wage distribution pay rolls of typical mills, it has been calculated by the Division of Research that *the average mill wages throughout the country would be* increased about 30%, and hours reduced over 25%. This proposed minimum wage was in turn tested from the point of view of management by relating it to the "mill-margin," that is to say, to the difference between the *price* of finished cotton goods per pound and the *cost of raw materials* inclusive of power. Being partially subject to adjustment by management (as opposed to raw material costs which are determined by outside forces) the "mill-margin" (under given conditions of material costs) is some measure of the extent to which a wage increase is supportable.

While the proposed increased minimum wage and lower working hours will raise labor costs somewhat above the 50% ratio of wages to "mill-margin" that existed between 1923–29, there has recently occurred a marked improvement in mill-margin back to conditions of profitable operations. Therefore the increased wages could now be absorbed with only a small increase in price to the consumer.

Our studies show, however, that any larger wage increase would require such a mark-up as might impair consumption and so react unfavorably on the President's whole reemployment policy. There is such a thing as taking too big a bite. This was an industry of low wages. We are increasing for certain mills unskilled rates enormously and total wage payments by about 20% and lowering hours over 25%. It is about the limit of present practicability. While it is not enough to produce the general effect at which we are aiming, as a practical matter, it should be accepted for the present. As general purchasing power increases and as the industry gets the benefits which it should reap from the wise self-government authorized under the code, further adjustments can be made.

Far from criticizing management for not proffering more at this time, the courage and cooperative spirit of this industry in coming forward ahead of all others is to be commended and, as will later be shown, these conclusions have the unanimous support and commendation of the whole Labor, Consumers', and Industrial Advisory groups of this Administration.

4. *Exceptions of certain classes.*

The exception of low-paid cleaners and outside employees from hour and wage provisions of the code were subjected to some criticism which seems legitimate (I-H-1; IV-E-1, ff.; compare III-O-5; IV-I-2 and 3; VI-C-7, ff.; II-G-1). The exception of learners for a six weeks' period from the wage scale is open to possible abuse and must be watched in administration (IV-1-12; III-O-5; III-2-2, ff.; IV-K-6).

The exception of office and supervisory staff from the hour provisions is inconsistent with the principle of the President's statement of June 16, 1933, which requires inclusion of the "white collar" class within all benefits of the Act, and an agreement to remedy this defect was reached.

This code applies minimum-wage provisions only to the lowest-paid classes of employees. The general theory is that the normal differentials in the higher grades of skilled labor will automatically be proportionately increased by economic pressure. Mr. William G. Batty, Secretary of the Massachusetts Textile Council, however, argued very persuasively that definite specifications for each pay grade are necessary to protect the higher classification of workers receiving more than the minimum code scales (III-A-5, ff.), but the administrative difficulty of promptly developing such scales is sufficient reason for not including them at this time. It is believed, however, that the President's approval should be conditioned on the understanding that existing differentials in the higher-paid grades shall be maintained (III-Q-7).

The exception of repair-shop crews, engineers, electricians, firemen, shipping and watching crews from the hour scale is subject to criticism which would be removed if such workers are guaranteed time and a half for overtime (III-S-1) (memorandum of Joseph S. McDonald), and it is recommended that approval be so conditioned.

It is recommended that the President direct the planning agency of the industry provided for in the code, to consider and submit a scale of hours and wages for cleaners and outside help and to devise means for so administering the provisions excepting learners as to avoid abuses.

It is further recommended that the President's approval include a condition that the resolution, passed at a meeting of the Cotton Textile Industry Committee, held on June 30, 1933, to include office employees within the hour provisions of the code shall be carried into effect.

5. *Concessions in original proposals obtained during the hearing.*—(Child Labor—Increased Minimum—Stretch-out.)

Increases in the $10 and $11 wage scales originally proposed to $12 and $13, and the elimination of child labor, were provided for in amendments adopted during the hearing.

Of course, the most dramatic and significant development was the voluntary proposal by the industry to abolish child labor. This resulted less from the hearings than from the intendments of the Act itself. This resulted from the President's own concept that a minimum wage applied without distinction as to age would automatically eliminate child labor and it did. The reason why this ancient atrocity could be so easily killed, notwithstanding its tenacity of life

against 25 years of attack, was also intrinsic in the President's idea that employers would be glad to do much by general agreement that no single employer would dare to do separately.

6. *Planning and Supervisory Agency.*—A planning and fair practice agency was provided for in an amendment which is now section 6 of the Code, adopted and submitted by the industry towards the end of the hearing along with other amendments, chief of which were the child-labor provisions and the increases in the proposed minimum wage. While these proposals were advanced too late for complete public discussion, no objections to their inclusion have come in from any of the interested parties. There has been some newspaper criticism on permitting new matter so late in the hearing. This springs from a misconception of the nature of this procedure. It is an administrative process to arrive at a just result. It is not an adversary judicial trial. The amendments were all in the public interest. This method will be continued.

Section 6 was included at the instance of the Administration and with the active collaboration of our Division of Research and Planning (VI-D). It is a series of permissive powers and directions for industrial administration. It sets up a committee for industrial self government. The creation of such a planning agency for the continuous collaboration of the industry with the Administration is an application to an individual industry of the industrial planning and research agency provided under Section 2 (b) of the Act for effectuating the policies of the Act and is an intrinsic and necessary part of these policies.

Recurring reference in the course of this report has been made to the plight of the industry even in the prosperity years prior to the depression. Comparisons between that industry and general manufacturing and business contained in the accompanying economic report bear ample testimony to the need of rational control of production and balancing with consumption, the more pressing because of overcapacity of this staple industry as a byproduct of war expansion, of cut-throat competition from within, and the competition of substitute products from without.

Broadly, the industry proposes an economic clearing house for the development of statistical accounting and economic controls which will aid its members in the conduct of their individual business production and distribution, and (through a service bureau for engineering, accounting, and credit) aid more especially the smaller mills in meeting the emergency and the requirements of the code. As a supplement to this, it projects the development of an open trading association through which, as in the case of commodity exchanges, prices and terms of trading would be reported by all companies with a view to avoid and eliminate unfair and destructive competitive prices and practices. It further proposes to fashion instruments of self-government for dealing with the problems of overcapacity and overproduction by subjecting the installation of additional productive machinery to its scrutiny and the approval or disapproval of the Administration, at the same time allowing for flexibility of control over machinery through recommendations to the Administration for changes in or exemptions from limitation upon machinery hours when the interest of the industry and the public render it necessary.

Finally, mindful of the importance of credit in furthering economic stability, it proposes a cooperation with the banking and credit systems to advise them of the actual functioning of the code and the operations of its members, to the end that available credit be adapted to the needs of the industry considered as a whole and the needs of the small as well as the large units.

The foregoing and other listed functions of the Planning and Fair Practice Agency are thus placed within framework in which the common interests in stabilization of profitable activity and employment at adequate wages can be brought into focus in practice. It remains to provide the framework for cooperation on the part of this agency with the Administration to which it is to make recommendations which, when approved by the Administration, have the same force and effect as provisions of the code.

For the purpose of permitting the development of cooperative planning and rational self-government in this industry, as in other industries, and for the purpose of protecting the public interest, it is recommended that Section VI of the code be approved with the condition that the Administrator shall appoint a committee of three, one representing labor in the cotton textile industry, one representing the owners and managers of the industry, and one representing the Administration of the Recovery Act, to act with such agency in supervising the execution of the code and in promoting the purposes defined by Section 6 for the effectuation of the policy of the Recovery Act.

Other provisions of the code were not subjected to controversy; were found advisable in the Administration's own analysis, and their approval is recommended.

7. *Suggested Conditions on Approval.*

For obvious reasons, it is recommended that the following conditions be imposed on approval of the cotton textile code:

(a) *Maximum hours to apply to particular persons.*—It is interpreted that the provisions for maximum hours established a maximum of hours of labor per week *for every employee covered*, so that under no circumstances will such an employee be employed or permitted to work for one or more employers in the industry in the aggregate in excess of the prescribed number of hours in a single week.

(b) *Piece work not to frustrate the code.*—It is interpreted that the provisions for a minimum wage in this code establish a guaranteed minimum rate of pay per hour of employment regardless of whether the employee's compensation is otherwise based on a time rate or upon a piece-work performance. This is to avoid frustration of the purpose of the code by changing from hour to piece-work rules.

(c) "*Stretch-outs*" *to be held in abeyance.*—Until adoption of further provisions of this code necessary to prevent any improper speeding up of work to the disadvantage of employees ("stretch-outs") and in a manner destructive of the purposes of the National Industrial Recovery Act, it is required that any and all increases in the amount of work or production required of employees over that required on July 1, 1933, must be submitted to and approved by the agency created by section VI of the code and by the Administration and if not so submitted such increases will be regarded as a prima facie violation of the provision for minimum wages.

(d) *Nonsignatories to be given a hearing.*—Opportunity shall be given for administrative consideration of every application of the code in particular instances to any person directly affected who has not in person or by a representative consented and agreed to the terms of the code. Any such person shall be given an opportunity for a hearing before the Administrator or his representative, and for a stay of the application to him of any provision of the code, prior to incurring any liability to the enforcement of the code against him by any of the means provided in the National Industrial Recovery Act. At such hearing any objection to the application of the Code in the specific circumstances may be presented and will be heard.

(e) *Temporary approval.*—The existing condition in the Cotton Textile Industry is not static. It may change very quickly. This is the first code and is frankly experimental. Its approval should be limited to a four months' period with the right to ask for a modification at any time and subject to a request for renewal for another four months at any time before its expiration.

The attention of the President is called to the provision of Section I of the code, by virtue of which approval of the code on or before Sunday, July 9, will make it effective on Monday, July 17.

Respectfully submitted.

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

COTTON TEXTILE INDUSTRY

To effectuate the policy of Title I of the National Industrial Recovery Act, during the period of the emergency, by reducing and relieving unemployment; improving the standards of labor; eliminating competitive practices destructive of the interests of the public, employees, and employers; relieving the disastrous effects of overcapacity, and otherwise rehabilitating the cotton textile industry; and by increasing the consumption of industrial and agricultural products by increasing purchasing power; and in other respects, the following provisions are established as a code of fair competition for the cotton textile industry:

I. *Definitions.*—The term "cotton textile industry" as used herein is defined to mean the manufacture of cotton yarn and/or cotton woven fabrics, whether as a final process or as a part of a larger or further process. The term "employees" as used herein shall include all persons employed in the conduct of such operations. The term "productive machinery" as used herein is defined to mean spinning spindles and/or looms. The term "effective date" as used herein is defined to be July 17, 1933, or if this code shall not have been approved by the President two weeks prior thereto, then the second Monday after such approval. The term "persons" shall include natural persons, partnerships, associations, and corporations.

II. On and after the effective date, the minimum wage that shall be paid by employers in the cotton textile industry to any of their employees—except learners during a six weeks' apprenticeship, cleaners, and outside employees—shall be at the rate of $12 per week when employed in the Southern section of the industry and at the rate of $13 per week when employed in the Northern section for 40 hours of labor.

III. On and after the effective date, employers in the cotton textile industry shall not operate on a schedule of hours of labor for their employees—except repair-shop crews, engineers, electricians, firemen, office and supervisory staff, shipping, watching and outside crews, and cleaners—in excess of 40 hours per week, and they shall not operate productive machinery in the cotton textile industry for more than 2 shifts of 40 hours each per week.

IV. On and after the effective date, employers in the cotton textile industry shall not employ any minor under the age of 16 years.

V. With a view to keeping the President informed as to the observance or nonobservance of this Code of Fair Competition, and as to whether the cotton textile industry is taking appropriate steps to effectuate the declared policy of the National Industrial Recovery Act, each person engaged in the cotton textile industry will furnish duly certified reports in substance as follows and in such form as may hereafter be provided:

(a) *Wages and hours of labor.*—Returns every four weeks showing actual hours worked by the various occupational groups of employees and minimum weekly rates of wage.

(b) *Machinery data.*—In the case of mills having no looms, returns should be made every four weeks showing the number of spinning spindles in place, the number of spinning spindles actually operating each week, the number of shifts, and the total number of spindle hours each week. In the case of mills having no spinning spindles, returns every four weeks showing the number of looms in place, the number of looms actually operated each week, the number of shifts and the total number of loom hours each week. In the case of mills that have spinning spindles and looms, returns every four weeks showing the number of spinning spindles and looms in place; the number of spinning spindles and looms actually operated each week, the number of shifts, and the total number of spindle hours and loom hours each week.

(c) *Reports of production, stocks, and orders.*—Weekly returns showing production in terms of the commonly used unit, i.e. linear yards, or pounds or pieces; stocks on hand both sold and unsold stated in the same terms and Unfilled Orders stated also in the same terms. These returns are to be confined to staple constructions and broad divisions of cotton textiles. The Cotton-Textile Institute, Inc., 320 Broadway, New York City, is constituted the agency to collect and receive such reports.

VI. To further effectuate the policies of the Act, the Cotton Textile Industry Committee, the applicants herein, or such successor committee or committees as may hereafter be constituted by the action of the Cotton Textile Institute, the American Cotton Manufacturers Association, and the National Association of Cotton Manufacturers, is set up to cooperate with the Administrator as a planning and fair-practice agency for the cotton textile industry. Such agency may from time to time present to the Administrator recommendations based on conditions in the industry as they may develop from time to time which will tend to effectuate the operation of the provisions of this code and the policy of the National Industrial Recovery Act, and in particular along the following lines:

1. Recommendations as to the requirements by the Administrator of such further reports from persons engaged in the cotton textile industry of statistical information and keeping of uniform accounts as may be required to secure the proper observance of the code and promote the proper balancing of production and consumption and the stabilization of the industry and employment.

2. Recommendations for the setting up of a service bureau for engineering, accounting, credit, and other purposes to aid the smaller mills in meeting the conditions of the emergency and the requirements of this code.

3. Recommendations (1) for the requirement by the Administrator of registration by persons engaged in the cotton textile industry of their productive machinery, (2) for the requirement by the Administrator that prior to the installation of additional productive machinery by persons engaged or engaging in the cotton textile industry, except for the replacement of a similar number of existing looms or spindles or to bring the operation of existing productive machinery into balance, such persons shall secure certificates that such installa-

tion will be consistent with effectuating the policy of the National Industrial Recovery Act during the period of the emergency, and (3) for the granting or withholding by the Administrator of such certificates if so required by him.

4. Recommendations for changes in, or exemptions from the provisions of this code as to the working hours of machinery which will tend to preserve a balance of productive activity with consumption requirements, so that the interests of the industry and the public may be properly served.

5. Recommendations for the making of requirements by the Administrator as to practices by persons engaged in the cotton textile industry as to methods and conditions of trading, the naming and reporting of prices which may be appropriate to avoid discrimination, to promote the stabilization of the industry, to prevent and eliminate unfair and destructive competitive prices and practices.

6. Recommendations for regulating the disposal of distress merchandise in a way to secure the protection of the owners and to promote sound and stable conditions in the industry.

7. Recommendations as to the making available to the suppliers of credit to those engaged in the industry of information regarding terms of, and actual functioning of any or all of the provisions of the code, the conditions of the industry and regarding the operations of any and all of the members of the industry covered by such code to the end that during the period of emergency available credit may be adapted to the needs of such industry considered as a whole and to the needs of the small as well as to the large units.

8. Recommendations for dealing with any inequalities that may otherwise arise to endanger the stability of the industry and of production and employment.

Such recommendations, when approved by the Administrator, shall have the same force and effect as any other provisions of this code.

Such agency is also set up to cooperate with the Administrator in making investigations as to the functioning and observance of any of the provisions of this code, at its own instance or on complaint by any person affected, and to report the same to the Administrator.

Such agency is also set up for the purpose of investigating and informing the Administrator on behalf of the cotton textile industry as to the importation of competitive articles into the United States in substantial quantities or increasing ratio to domestic production on such terms or under such conditions as to render ineffective or seriously to endanger the maintenance of this code and as an agency for making complaint to the President on behalf of the Cotton Textile Industry, under the provisions of the National Industrial Recovery Act, with respect thereto.

VII. Where the costs of executing contracts entered into in the cotton textile industry prior to the presentation to Congress of the National Industrial Recovery Act are increased by the application of the provisions of that Act to the industry, it is equitable and promotive of the purposes of the Act that appropriate adjustments of such contracts to reflect such increased costs be arrived at by arbitral proceedings or otherwise, and the Cotton Textile Industry Committee, the applicant for this code, is constituted an agency to assist in effecting such adjustments.

VIII. Employers in the Cotton Textile Industry shall comply with the requirements of the National Industrial Recovery Act as follows: "(1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; (2) that no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and (3) that employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President."

IX. This code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of Clause 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule or regulation, issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this code or any conditions imposed by him upon his approval thereof.

X. Such of the provisions of this code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions of this code or additional codes will be submitted for the approval of the President to prevent unfair competition in price and other unfair and destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions hereof.

Approved Code No. 1.
Registry No. 299-25.

EXECUTIVE ORDERS APPLYING PROVISIONS OF THE COTTON TEXTILE CODE TO OTHER INDUSTRIES

Executive Order

In supplement to an application filed for approval of a code of fair competition for the rayon weaving industry, the applicants have requested immediate approval of certain provisions, and after due consideration, acting under the Provisions of the National Industrial Recovery Act, I agree with the applicants who have filed said code for the rayon weaving industry, that the provisions of section V, paragraphs A, B, D and E, which are identical with corresponding provisions in the Cotton Textile Code, approved by me July 9, 1933, should be made effective on July 17, 1933, which is the effective date of the Cotton Textile Code, and I hereby approve of said provisions of said code for the rayon weaving industry subject to the interpretation and conditions imposed by me on my approval of the corresponding provisions of said Cotton Textile Code, and subject further to such revision or modification as I may find proper after a hearing has been held on said code of fair competition for the rayon weaving industry, now set for July 25, 1933.

FRANKLIN D. ROOSEVELT.

Approval recommended:

Hugh S. Johnson,
Administrator.

The White House,
July 14, 1933.

Executive Order

In supplement to an application filed for approval of a Code of Fair Competition for the Throwing Industry, the applicants have requested immediate approval of certain provisions of said Code, with amendments thereto, and after due consideration, acting under the Provisions of the National Industrial Recovery Act, I agree with the applicants who have filed said Code for the Throwing Industry that the provisions of Sections III, IV, V, IX which, as amended, are identical with corresponding provisions in the Cotton Textile Code, approved by me July 9, 1933, should be made effective as amended on July 17, 1933, which is the effective date of the Cotton Textile Code, and I therefore hereby approve of said provisions of said Code for the Throwing Industry, as amended, subject to the interpretations and conditions imposed by me on my approval of the corresponding provisions of said Cotton Textile Code and subject further to such revisions or modifications as I may find proper after a hearing has been held on such Code of Fair Competition for the Throwing Industry, now set for July 25, 1933.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
July 14, 1933.

Executive Order

Pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and pending action upon a Code of Fair Competition to be presented by the Silk Association of America, I agree with the Committee representing the Broad Silk and Rayon Weavers Division, the Converters Division, the Special Fabrics Division, the Ribbon Division, and the Woven Label Division, of the Silk Association of America, that they shall be bound beginning July 17 by the provisions of the Cotton Textile Industry Code as set forth in the telegram, dated July 14, offering this agreement to the President of the United States, pursuant to Section 4 of the National Recovery Act, which telegram is signed by Henry E. Stehli, James C. Black, Paul C. Debry, Sol C. Moss, Ramsay Peugnet, George G. Sommaripa, and addressed to Mr. Nelson Slater, Deputy Administrator, Department of Commerce, Washington, D.C., with the express understanding that this agreement is subject to cancellation at any time without notice.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
July 15, 1933.

Executive Order

In supplement to an application filed for approval of a Code of Fair Competition for the Cotton Thread Industry, the applicants have requested immediate approval of certain provisions, and after due consideration, acting under the provisions of the National Industrial Recovery Act, I agree with the applicants who have filed said Code for the Cotton Thread Industry that the provisions of Title 2, Paragraphs 5 and 6 and the provisions of Title 3, paragraphs 4 and 5, which are identical with corresponding provisions in the Cotton Textile Code, approved by me July 9, 1933, should be made effective on July 17, 1933, which is the effective date of the Cotton Textile Code, and I therefore hereby approve of said provisions of said Code for the Cotton Thread Industry subject to the interpretations and conditions imposed by me on my approval of the corresponding provisions of said Cotton Textile Code and subject further to such revisions or modifications as I may find proper after a hearing has been held on said Code of Fair Competition for the Cotton Thread Industry.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
July 16, 1933.

Executive Order

A Code of Fair Competition for the Cotton Textile Industry has been heretofore approved by Order of the President dated July 9, 1933, on certain conditions set forth in such order. The applicants for said Code have now requested the withdrawal of condition 12 of said order providing for the termination of approval at the end of four months unless expressly renewed, have accepted certain other conditions, have proposed amendments to the Code to effectuate the intent of the remaining conditions, and have requested that final approval be given to the Code as so amended and on such conditions.

Pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, on the report and recommendation of the Administrator and on consideration.

It is ordered that the condition heretofore imposed as to the termination of approval of the Code is now withdrawn and that the Code of Fair Competition for the Cotton Textile Industry is finally approved with the conditions so accepted and with the amendments so proposed, as set forth in Schedule A attached hereto.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
July 16, 1933.

SCHEDULE A

Application to the President by the Cotton Textile Industry Committee for Final Approval of Code of Fair Competition for the Cotton Textile Industry

The Cotton Textile Industry Committee, the applicant for the approval of the Code of Fair Competition for the Cotton Textile Industry, submitted for the approval of the President June 16, 1933, and as revised June 30, 1933, accepts the interpretations and conditions to the approval thereof set forth in paragraphs 1, 3, 7, 8, 9, and 13 of the order of the President dated July 9, 1933, and asks the approval of the President to the following amendments to such code as properly complying with and effectuating the conditions provided for in paragraphs 2, 4, 5, 6, 10, and 11 of said order of approval, and asks for the final approval by the President of the Code of Fair Competition for the Cotton Textile Industry as so amended, and on the conditions so accepted and with the omission of the condition in paragraph 12 of such order as to the termination of the approval at the end of four months.

1. It shall be one of the functions of the Planning and Fair Practice Agency provided for in Section 6 of the code to consider the question of plans for eventual employee ownership of homes in mill villages and submit to the Recovery Administration prior to January 1, 1934, its report in the matter.

2. On and after July 31, 1933, the maximum hours of labor for office employees in the Cotton Textile Industry shall be an average of forty hours a week over each period of six months.

3. The amount of differences existing prior to July 17, 1933, between the wage rates paid various classes of employees (receiving more than the established minimum wage) shall not be decreased—in no event, however, shall any employer pay any employee a wage rate which will yield a less wage for a work week of 40 hours than such employee was receiving for the same class of work for the longer week of 48 hours or more prevailing prior to July 17, 1933. It shall be a function of the Planning and Fair Practice Agency provided for in Paragraph 6 of the code to observe the operation of these provisions and recommend such further provisions as experience may indicate to be appropriate to effectuate their purposes.

4. On and after the effective date the maximum hours of labor of repair shop crews, engineers, electricians, and watching crews in the Cotton Textile Industry shall, except in case of emergency work, be forty hours a week with a tolerance of 10 percent. Any emergency time in any mill shall be reported monthly to the Planning and Fair Practice Agency provided for in Paragraph 6 of the Code, through the Cotton-Textile Institute.

5. Until adoption of further provisions of this code that may prove necessary to prevent any improper speeding up of work (stretch-outs), no employee of any mill in the Cotton Textile Industry shall be required to do any work in excess of the practices as to the class of work of such employee prevailing on July 1, 1933, or prior to the Share-the-Work Movement, unless such increase is submitted to and approved by the Agency created by Section 6 of the code and by the National Recovery Administration.

6. This code shall be in operation on and after the effective date as to the whole cotton textile industry except as an exemption from or a stay of the application of its provisions may be granted by the Administrator to a person applying for the same or except as provided in an executive order. No distinction shall be made in such exemptions between persons who have and have not joined in applying for the approval of this code.

Respectfully submitted.

The Cotton Textile Industry Committee,
George A. Sloan, *Chairman*.

July 15, 1933.

THE COTTON-TEXTILE INSTITUTE, INC.,
Washington, D.C., August 1, 1933.

Hon. HUGH S. JOHNSON,
Administrator National Recovery Administration,
Washington, D.C.

SIR: The Cotton Textile Industry Committee, the Planning and Fair Practice Agency for the Cotton Textile Industry, constituted by Section VI, of the Code of Fair Competition for the Cotton Textile Industry, finally approved by the President July 16, 1933, recommends to the Administrator an amendment in the form attached hereto of the Code of Fair Competition for the Cotton Textile Industry, making an appropriate provision to prevent any improper speeding up of work (stretch-out) and to supersede the present temporary provision with regard to such speeding up of work (stretch-out) now embodied in Paragraph XV of said Code.

Respectfully submitted.

THE COTTON TEXTILE INDUSTRY COMMITTEE,
By GEORGE A. SLOAN, *Chairman.*
LEO WOLMAN.
NELSON SLATER.

Approved:
HUGH S. JOHNSON,
August 8, 1933.

AMENDMENT TO CODE OF FAIR COMPETITION FOR THE COTTON TEXTILE INDUSTRY

[1] XVII. To make proper provision with regard to the stretch-out (or specialization) system or any other problem of working conditions in the Cotton Textile Industry, it is provided:

1. There shall be constituted by appointment of the Administrator a Cotton Textile National Industrial Relations Board, to be composed of three members, one to be nominated by the Cotton Textile Industry Committee to represent the employers, one to be nominated by the Labor Advisory Board of the National Recovery Administration to represent the employees, and a third to be selected by the Administrator. This National Board shall be provided by the National Recovery Administration with a per diem for actual days engaged in its work and with such secretarial and expert technical assistance as it may require in the performance of its duties.

2. The Administrator, upon the nomination of the Cotton Textile National Industrial Relations Board shall appoint in each state in which the cotton textile industry operates a State Cotton Textile Industrial Relations Board composed of three members, one of whom shall be selected from the employers of the cotton textile industry, one from the employees of the cotton textile industry, and a third to represent the public.

3. Whenever, in any cotton textile mill, a controversy shall arise between employer and employees as to the stretch-out (or specialization) system or any other problem of working conditions, the employer and the employees may establish in such mill an Industrial Relations Committee chosen from the management and the employees of the mill and on which the employer and the employees shall have equal representation of not more than three representatives each. If such a committee is not otherwise established, the employer or the employee, or both, may apply to the State Industrial Relations Board for assistance and cooperation in the establishment in such mill of such industrial relations committee. The term of service of each such mill committee shall be limited to the adjustment of such controversy or problem of working conditions for the adjustment of which the committee was created.

If the representatives of the employers and of the employees in such industrial relations committee are unable to arrive at an agreement and united action with respect to such differences of opinion, the representatives of the employers or of the employees, or both, may appeal to the State Industrial Relations Board for cooperation and assistance in arriving at an agreement and united action.

It shall be the duty of such Industrial Relations Committee to endeavor to adjust such controversy. In cases where such committee reaches agreement with respect to any such controversy, such agreement shall be final except that it shall be submitted to the Cotton Textile National Industrial Relations Board for review and approval under such regulations as such National Board may establish.

This provision for such industrial relations committee within the particular mills shall be without prejudice to the freedom of association of employees and the other provisions of Section 7, of the Industrial Recovery Act.

4. It shall be the duty of the State Industrial Relations Board, where their assistance is requested, as provided in subsection 3, to cooperate with employers and employees in organizing industrial-relations committees in individual cotton textile mills and to cooperate with such committees in the development of conference procedures and in the adjustment of differences of opinion with respect to the operation or introduction of the stretch-out system and other problems of working conditions.

In the event that the State Industrial Relations Board is unable to bring about agreement and united action of labor and management in a controversy so appealed to it, such State Industrial Relations Board shall present the controversy to the National Industrial Relations Board for hearing and final adjustment.

5. The National Industrial Relations Board shall hear and finally determine all such questions brought before it on appeal by the State Industrial Relations Boards and certify its decisions to the Administrator and shall have authority to codify the experience of the industrial-relations committees of the various mills and state boards with a view to establishing standards of general practice with respect to the stretch-out (or specialization) system or other problems of working conditions.

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[1] This number is arrived at by continuing from Section X (the last section of the original code) and considering the six sections of Schedule A preceding as Sections XI–XVI, inclusive.

Approved Code No. 2

CODE OF FAIR COMPETITION

FOR THE

SHIPBUILDING AND SHIPREPAIRING INDUSTRY

As Approved on July 26, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

A Code of Fair Competition for the Shipbuilding and Shiprepairing Industry, having been heretofore submitted to the National Recovery Administration, hearings having been held thereon, and an amended code of fair competition having been submitted on July 25, 1933, said original code and said amended code having been submitted by duly qualified and authorized representatives of the Industry complying with the statutory requirements as representing eighty percent of the capacity of the industry, and said code being in full compliance with all pertinent provisions of the National Industrial Recovery Act, Now Therefore

Pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, on the report and recommendation of the administrator appointed by me under the authority of said Act, and on consideration:

It is ordered that the said Code of Fair Competition for the Shipbuilding and Shiprepairing Industry, as amended and submitted on July 25, 1933, is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
July 26, 1933.

29851——296-125——34

JULY 25, 1933.

To the President:

I—INTRODUCTION

This is a report of the hearing on the Code of Fair Competition and Trade Practices for the Shipbuilding and Shiprepairing Industry in the United States conducted in Washington on July 19, 20, and 21, 1933, according to the provisions of the National Industrial Recovery Act.

In accordance with the customary procedure, every person who filed an appearance was freely heard in public, and all statutory and regulatory requirements were complied with.

The code which is attached was presented by duly qualified and authorized representatives of the industry, complying with the statutory requirements, as representing 80% of the capacity of the industry.

II—CHARACTER AND THE PRESENT CONDITION OF THE INDUSTRY

The American Shipbuilding Industry is characterized by a great overcapacity of physical facilities which are a heritage of the War.

Labor in this industry may be characterized as highly paid in comparison with that of other manufacturing industries. Furthermore, its labor is mainly semiskilled and skilled and the proportion of common labor is smaller than in many other industries.

The present average conditions of employment and the present levels of pay rolls are brought out clearly in the following indices taken from the records of the Bureau of Labor statistics:

	Average				
	1929	1930	1931	1932	1933
Employment index	100.0	105.9	81.9	65.2	47.4
Pay-roll index	100.0	103.4	70.0	47.8	29.6

It is estimated by the representatives of this industry that with the new Naval Shipbuilding Program and working under the restrictions of hours of employment contained in this code, total employment in the industry will be increased materially above the highest levels of employment reached since the War, raising the employment from its present levels of about 15,000 men to approximately 60,000.

III—Discussion of Code

Following is a brief discussion of each of the sections of the proposed code. In the event that there was no objection raised to these sections in the Hearings no comment is offered thereon.

1. *Definition of Terms.*—No objections were offered in this section.

2. *General Regulations.*—The labor representatives requested a modification of the Statutory regulations regarding the relationship between the employer and the employee covered in this Section of the code.

Our council advises me that the regulations in the code are adequate and directly in accordance with the Act.

3. *Regulations of Hours of Work*—(a) Merchant Shipbuilding and Shiprepairing.—No employee on an hourly rate may work in excess of an average of thirty-six (36) hours per week, based upon a six (6) months period; nor more than forty (40) hours during any one week. If any employee on an hourly rate works in excess of eight (8) hours in any one day, the wage paid will be at the rate of not less than one and one half (1½) times the regular hourly rate. but otherwise according to the prevailing custom in each port, for such time as may be in excess of eight (8) hours.

(b) Shipbuilding for the United States Government.—No employee on an hourly rate may work in excess of thirty-two (32) hours per week. If any employee on an hourly rate works in excess of eight (8) hours in any one day the wage paid will be at the rate of not less than one and one half (1½) times the regular hourly rate, but otherwise according to the prevailing custom in each port, for such time as may be in excess of eight (8) hours.

(c) Exceptions.—For a period of six (6) months exception may be made in the number of hours of employment for the employees of the shipbuilders engaged in designing, engineering, and in mold loft and order departments and such others as are necessary for the preparation of plans and ordering of materials to start work on new ship construction, but in no event shall the number of hours worked be in excess of forty-eight (48) hours per week, and in no case or class of cases not approved by the Planning and Fair Practice Committee provided for in Section (8).

4—Minimum Wage Rates

(a) The minimum pay for labor, except apprentices, learners, casual and incidental labor, shall be at the rate of forty-five (45) cents per hour in the North and thirty-five (35) cents per hour in the South.

(1) Apprentices and learners shall not be paid less than the minimum wage after two (2) years of employment.

(2) Casual and incidental labor to be paid not less than eighty (80) percent of the minimum wage, the total number of such casual and incidental employees in any calendar month not to exceed eight (8) percent of the total number of skilled and semiskilled employees during the same period.

(b) The amount of difference existing prior to July 1, 1933, between the wage rates paid various classes of employees receiving more than the established minimum wage shall not be decreased. In no event

shall any employer pay any employee a wage rate which will yield a less wage for a work week of thirty-six (36) hours than such employee was receiving for the same class of work for a forty (40) hour week prior to July 1, 1933. It is understood that there shall be no difference between hourly wage rates on commercial work and on naval work, for the same class of labor.

(c) It shall be a function of the Planning and Fair Practice Agency provided for in Paragraph 8 (a) of this code to observe the operation of these provisions and recommend such further provisions as experience may indicate to be appropriate to effectuate their purpose.

The original Shipbuilding Code stipulated a forty (40) hour week with a minimum wage for common labor at the rate of forty (40) cents per hour in the North and thirty-five (35) cents per hour in the South.

The provisions affecting the wage scale, the minimum hourly wage rate, the weekly work hours, the exemptions in Parts 3 and 4 of the code and the differential in wages between the North and South were bitterly contested by the labor group.

Representatives of fourteen labor unions unanimously advocated a thirty (30) hour week and an eighty-three and one third (83⅓) cents minimum hourly rate and additional provisions as follows:

1. A thirty (30) hour week.
2. Abolition of overtime except for maintenance purposes. Double wage for such overtime.
3. Minimum wage of twenty five (25) dollars per week. Maintenance of present weekly earnings for thirty (30) hours work for higher wage groups.
4. Abolition of subcontracting.
5. Temporary prohibition of employment of new apprentices.

At subsequent negotiations the sponsors of the code and the labor representatives were definitely agreed upon the provisions for minimum wages, maximum hours, and the exceptions as stated in the final code attached to this memorandum.

A representative of the Ship Owners Association, whose membership consists of 90% of the large merchant ship operating companies in the United States, testified in favor of the employment provisions of the code, and emphasized the effect which a radical advance in shipbuilding and shiprepairing costs would have on the placing of contracts for new ships and repairing, which would add a further capital charge to all American ships in competition with foreign shipping.

Slight modification in hours were also requested by the Great Lakes Division of the industry and two individual Southern yards requested a wider differential than five (5) cents an hour between the North and the South originally proposed.

The Naval Construction Program covered in Title II of the N.I.R.A. is a primary factor in considering the Shipbuilding Code. From a total appropriation of $238,000,000, contracts amounting to $118,-000,000 to be executed during the next three years are to be placed by the Navy Department in private yards. The Navy Department

and the Naval Ship Construction Department both testified in favor of the original maximum hours and minimum wage rates requested by the industry because of their effect upon the costs and the deliveries of the ships to be ordered and the ships at present under construction for the Navy in both private and Navy Yards.

6—Arbitration of Existing Contracts

Part (6) is a direct copy of the provision included in the Cotton Textile Code which was approved by the President.

7—Unfair Methods of Competition

To accomplish the purpose contemplated by this Act, the members signatory to this code agree that the following practices are hereby declared to be unfair methods of competition.

(a) To sell any product(s) or service(s) below the reasonable cost for such product(s) or service(s).

For this purpose, cost is defined as the cost of direct labor plus the cost of materials plus an adequate amount for overhead including an amount for the use of any plant facilities employed as determined by cost accounting methods recognided in the industry and approved by the Committee constituted for the enforcement of this code as provided in Section 8 (a).

(b) To give or accept rebates, refunds, allowances, unearned discounts, or special services directly or indirectly in connection with any work performed or to receipt bills for insurance work until payment is made.

Enforcement of paragraph (a) will be difficult. Industry, however, feels that it would have an influence in promoting better accounting methods and will result in an improved competitive situation throughout the industry.

Paragraph (b) of this section was not objected to by anyone at the hearing.

8—Administration

This section is along the lines of the provisions of the Cotton Textile Code. No objection was raised to these provisions in the hearing.

Respectfully submitted.

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

SHIPBUILDING AND SHIPREPAIRING INDUSTRY

To effectuate the policy of Title I of the National Industrial Recovery Act, the following provisions are established as a Code of Fair Competition for the Shipbuilding and Shiprepairing Industry.

1—Definition of Terms

The terms " shipbuilder " and " shiprepairer," when used in this code, includes a person, partnership, or corporation engaged in the business of building, fabricating, repairing, reconstructing, remodeling, and assembling oceangoing, harbor and inland water-way vessels, and floating marine equipment of every type above ten tons, including the building within their plants of machinery, equipment, and other ship's parts.

2—General Regulations

The shipbuilders and shiprepairers will comply with the following specific provisions of the National Industrial Recovery Act:

(a) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(b) That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

(c) That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

3—Regulations of Hours of Work

(a) *Merchant Shipbuilding and Shiprepairing.*—No employee on an hour rate may work in excess of an average of thirty-six (36) hours per week, based upon a six (6) months' period; nor more than forty (40) hours during any one week. If any employee on an hourly rate works in excess of eight (8) hours in any one day, the wage paid will be at the rate of not less than one and one half (1½) times the regular hourly rate, but otherwise according to the prevailing custom in each port, for such time as may be in excess of eight (8) hours.

(b) *Shipbuilding for the United States Government.*—No employee on an hourly rate may work in excess of thirty-two (32) hours per week. If any employee on an hourly rate works in excess of eight (8) hours in any one day, the wage paid will be at the rate of not less than one and one half (1½) times the regular hourly rate, but otherwise according to the prevailing custom in each port, for such time as may be in excess of eight (8) hours.

(c) *Exceptions.*—For a period of six (6) months' exception may be made in the number of hours of employment for the employees of the shipbuilders engaged in designing, engineering and in mold loft and order departments and such others as are necessary for the preparation of plans and ordering of materials to start work on new ship construction, but in no event shall the number of hours worked be in excess of forty-eight (48) hours per week, and in no case or class of cases not approved by the Planning and Fair Practice Committee provided for in Section (8).

4—Minimum Wage Rates

(a) The minimum pay for labor, except apprentices, learners, casual and incidental labor, shall be at the rate of forty-five (45) cents per hour in the North and thirty-five (35) cents per hour in the South.

(1) Apprentices and learners shall not be paid less than the minimum wage after two (2) years of employment.

(2) Casual and incidental labor to be paid not less than eighty (80) percent of the minimum wage, the total number of such casual and incidental employees in any calendar month not to exceed eight (8) percent of the total number of skilled and semiskilled employees during the same period.

(b) The amount of differences existing prior to July 1, 1933, between the wage rates paid various classes of employees receiving more than the established minimum wage shall not be decreased. In no event shall any employer pay an employee a wage rate which will yield a less wage for a work week of thirty-six (36) hours than such employee was receiving for the same class of work for a forty (40) hour week prior to July 1, 1933. It is understood that there shall be no difference between hourly wage rates on commercial work and on naval work, for the same class of labor, in the same establishment.

5—Prohibition of Child Labor

On and after the effective date of this code, employers shall not employ any minor under the age of sixteen (16) years.

6—Arbitration of Existing Contracts

Where the costs to the contractor of executing contracts entered into in the shipbuilding and shiprepairing industry prior to the presentation to Congress of the National Industrial Recovery Act or the adoption of this code are increased by the application of the provisions of that Act or this code, it is equitable and promotive of the purposes of the Act that appropriate adjustments of such contracts to reflect such increased costs be arrived at by arbitral proceedings or otherwise and the applicants for this code constitute themselves a committee to assist in effecting such adjustments.

7—Unfair Methods of Competition

To accomplish the purpose contemplated by this Act, the members signatory to this code agree that the following practices are hereby declared to be unfair methods of competition:

(a) To sell any products(s) or service(s) below the reasonable cost of such product(s) or service(s).

(1) For this purpose, cost is defined as the cost of direct labor plus the cost of materials plus an adequate amount of overhead, including an amount for the use of any plant facilities employed as determined by cost accounting methods recognized in the industry (and approved by the committee constituted for the enforcement of this code as provided in Section 8 (a)).

(b) To give or accept rebates, refunds, allowances, unearned discounts, or special services directly or indirectly in connection with any work, performed or to receipt bills for insurance work until payment is made.

8—Administration

(a) To effectuate further the policies of the Act, a Shipbuilding and Shiprepairing Industry Committee is hereby designated to cooperate with the administrator as a planning and fair practice agency for the shipbuilding and shiprepairing industry. This committee shall consist of five representatives of the shipbuilders and ship repairers elected by a fair method of selection, to be approved by the Administrator and three members without vote appointed by the President of the United States. Such agency may from time to time present to the administrator recommendations based on conditions in their industry as they may develop from time to time which will tend to effectuate the operation of the provisions of this code and the policy of the National Industrial Recovery Act.

(b) Such agency is also set up to cooperate with the administrator in making investigations as to the functioning and the observance of any provisions of this code, at its own instance or on complaint by any person affected, and to report the same to the administrator.

(c) This code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of Clause 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this code or any conditions imposed by him upon his approval thereof.

(d) Such of the provisions of this code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in the circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions of this code or additional codes will be submitted for the approval of the President to prevent unfair competition in price and other unfair and destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions thereof.

(e) This code shall become effective not later than ten (10) days after its approval by the President.

Approved Code No. 2.
Registry No. 1408/1/01.

O

Approved Code No. 3

CODE OF FAIR COMPETITION

FOR THE

WOOL TEXTILE INDUSTRY

As Approved on July 26, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

A Code of Fair Competition for the Wool Textile Industry, having been heretofore submitted to the National Recovery Administration, hearings having been held thereon, and an Amended Code of Fair Competition having been submitted on July 25, 1933, said original Code and said Amended Code having been submitted by duly qualified and authorized representatives of the Industry complying with the Statutory requirements as representing eighty per cent of the capacity of the Industry, and said Code being in full compliance with all pertinent provisions of the National Industrial Recovery Act, Now Therefore

Pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, on the report and recommendation of the Administrator appointed by me under the authority of said Act, and on consideration:

It is ordered that the said Code of Fair Competition for the Wool Textile Industry, as amended and submitted on July 25, 1933, is hereby approved, subject to the following condition:

(1) To effectuate further the policies of the Act, a Wool Textile Industry Committee be created to cooperate with the Administrator as a Planning and Fair Practice agency for the Wool Textile Industry, which Committee shall consist of five representatives of the Wool Textile Industry elected by a fair method of selection, to be approved by the Administrator, and three members without vote appointed by the Administrator.

FRANKLIN D. ROOSEVELT.

Approval recommended:

Hugh S. Johnson,
Administrator.

The White House,
July 26, 1933.

29850——296-126——34

To the President:

Introduction

This is a report of the hearing on the Code of Fair Practice for the Wool Textile Industry in the United States, conducted in Washington on July 24th and 25th, 1933, in accordance with the provisions of the National Industrial Recovery Act.

In the conduct of the hearing every person who had filed a request for an appearance was freely heard in public and all statutory and regulatory requirements were complied with.

The code which is attached was presented by duly qualified and authorized representatives of the industry, and complies with the statutory requirements, as representing fully eighty percent of the wool textile machinery, including both looms and spindles.

Economic and Statistical Analysis

The first significant factor to consider in connection with the wool textile industry is the fact that since 1923 the gross volume of the industry has been constantly declining, measured both by the per capita consumption of woven goods and the total machinery activity of the industry. In 1923 the per capita consumption of all worsted and woolen woven goods was 7.26 square yards. In 1929 the per capita consumption was 5.41 square yards. Per capita consumption of dress goods for women's wear declined from 3.08 square yards in 1909 to .58 in 1929, an 81 percent decline. In 1923 the average broad loom hours per week were 2,560,000; by 1932 the broad loom hours had consistently fallen to an average of 1,170,000 hours per week.

Due to this constant decline, resulting from the inroads of competing textile fabrics and changes in living habits and styles, the wool textile industry has had extreme difficulty in readjusting its affairs in an orderly manner. Therefore, this code is predicated upon the assumpton that the average activity of this constant period of decline 1923–32 is a reasonable and adequate level of activity to be attained and maintained. The average activity of the 1923–32 period corresponds very closely with the activity of the industry in the year 1929.

A characteristic of the wool textile industry requiring special consideration is the rather wide diversification in the various branches of the industry.

This has been recognized by the National Association of Wool Manufacturers in the groupings provided for in its by-laws. Because of the limited availability of complete and reliable statistics in reference to these individual branches of the industry, it is necessary for the purposes of formulating this code to use figures which

had application to the industry as a whole. It is inevitable, therefore, that particular branches of the industry may be affected differently by the application of a code built upon total figures of the industry, but under the circumstances it is felt that the code as formulated should be immediately adopted, and actual facts obtained through the analysis of the statistics and reports provided for in the code should become the basis in the future for any revisions required to provide properly for the specific needs of subdivisions of the industry.

Minimum Wages and Hours of Labor

The Wool Textile Industry Code provides a minimum wage of $14 in the North and $13 in the South for a 40-hour week. *It is significant that in this code no exceptions from the minimum wage are made for learners or any other class of workers.*

According to a survey made by the sponsors of this code, covering a very substantial cross-section of the entire industry, it is estimated that 43% of the total workers employed in the industry are now receiving less than $14 per week, the minimum proposed by this code. The average weekly wage of this entire group now receiving less than $14 per week is $12.40 per week. Raising this group to the minimum of $14 a week will provide an additional *weekly* total pay roll for the industry of approximately $100,000.

By reason of shortening hours, as provided by this Code, approximately 27,000 workers will be added to wool textile mills pay rolls to operate the industry on the basis of the 1929 level of activity. The addition of these 27,000 workers even at a minimum of $14 per week would add an additional $378,000 weekly pay roll. Adding this figure of $378,000 and the $100,000 accounted for above will mean the addition of approximately $478,000 per week to the pay roll of the industry, or $23,900,000 annually on a basis of full-time earnings, in addition to the amount added by reason of raising the wages of the 57% of the wage earners in the industry now earning $14 or more per week on a full-time week basis.

While no similar cross-section study of wages for the industry is available for 1929, the United States Bureau of Labor Statistics in its study of wages and hours in the woolen and worsted textile industry published June 1929, indicated that female doffers, one of the lowest paid classifications of the industry, were paid on an average of 28.4 cents per hour in the year 1928, which rate may be considered comparable to the 35-cent-an-hour minimum provided in this code.

In 1929 there were approximately 147,000 wage earners employed in the wool textile industry. The application of the 40-hour week proposed by this code would require the total employment of approximately 173,000 workers to produce the 1929 volume, or approximately 18% more than the number employed on the average in the year 1929.

The sponsors of the code have made the following recommendations:

"The amendment to Section III prohibits the improper speeding up of work (stretch-outs) beyond the present prevailing practices. In adopting this provision, we wish emphatically to record our belief that improvements in industrial methods, if applied scientifically, have always resulted in benefits both to labor and the public. These benefits must be preserved. On the other hand, the unscientific application of this principle—the so-called stretch-out system—may have been detrimental to labor. In order to prevent abuses, without hampering progress, we hereby request the Administrator to appoint a committee to study this problem in order to insure a practical definition of improper speeding up of work, and to avoid its harmful results."

When the labor representatives clearly understood that the minimum wage proposed in the code applied without qualification or exception, to learners, apprentices and casual labor alike, they at once concurred in the provisions of the code.

Machinery-Hour Limitation

The Code provides for limitation of the hours of machinery operation as a measure designed to stabilize employment and production. In arriving at a basis for machinery-hour limitation the sponsors of the code first gave consideration to the number of looms and spindles available for economical and effective use. The average demand for the 10-year period from 1923 to 1932 was computed in terms of machine-hours required. After making allowances for plant efficiency, balance of preparatory machinery, and especially for normal seasonal variations, it was estimated that if every mill in the industry operated two shifts constantly approximately 69 plant-hours would be required per week to produce at the average 10-year (1923–32) rate of consumption.

The 2 shifts of 40 machine-hours are required to maintain a 69-hour machine-hour schedule, as only 80% of the looms in either a Woolen or a Worsted Mill are available for operation at any one time.

The provision in the Code regulating machinery hours was the only point at issue upon which a minority of the industry took exception. This minority withdrew its objection in favor of the majority. *It was a fine exhibition of sportsmanship and unselfishness.* A thorough analysis of this particular problem will be undertaken immediately to obtain the actual facts by accurate statistical study and research.

In this connection it is recommended that the Administrator appoint a committee of five, consisting of one of recognized experience with technical knowledge from a textile educational institution, one to represent the Administrator, one to represent the Bureau of Census, one of recognized ability in the field of economic and statistical research, and one of recognized ability in the wool textile industry, but who has no direct personal interest in the industry.

* * * * * * *

This hearing which has brought together one of the oldest and most highly competitive industries in the United States, might well serve as a fitting example of the broad, liberal give-and-take attitude which the National Industrial Recovery Act and the clarifying statements which have been broadcast from Washington have created in the minds of American Industrialists.

Respectfully submitted.

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

WOOL TEXTILE INDUSTRY

To effectuate the policy of Title I of the National Industry Recovery Act, during the period of the emergency, by reducing unemployment, improving the standards of labor, eliminating practices inimical to the interests of the public, employees, and employers, and otherwise to improve the condition of the wool manufacturing industry, to increase the consumption of industrial and agricultural products by increasing purchasing power, and in other respects, the following provisions are established as a code of fair competition for the wool textile industry:

I—Definitions

As used herein the term " wool textile industry " shall include the following branches: Manufacture of worsted men's wear, worsted women's wear, carded men's wear, carded women's wear, blankets, cotton warp fabrics, reworked wool, knitted woolen goods, worsted sales yarn (Bradford System), worsted sales yarn (French System), carded sales yarn, and combing, wool scouring and carbonizing, and such other related branches as may from time to time be included under the provisions of this code.

The term " employers " shall mean all persons who employ labor in the conduct of any branch of the wool textile industry, as defined above.

The term " employees " shall mean all persons employed in the conduct of any branch of the wool textile industry, as defined above.

The term " effective date " shall mean August 14, 1933, or, if this code shall not have been approved by the President at least two weeks prior to that date, then the second Monday after such approval.

The term " person " shall mean any individual, partnership, association, trust, or corporation.

II—Minimum Wage

On and after the effective date the wages that shall be paid by any employer to any employee employed North of the Mason and Dixon Line shall be at not less than the rate of 35¢ an hour, or of $14 per week for forty hours of labor.

On and after the effective date the wages that shall be paid by any employer to any employee employed South of the Mason and Dixon Line shall be at not less than the rate of 32½¢ an hour, or of $13 per week for forty hours of labor.

As to wages of employees now receiving not less than the minimum wage established by this code, no employer shall, on or after the effective date, pay any such employee a wage rate which will yield a less wage for a work week of forty hours than such employee was receiving for the same class of work for the established longer week of forty-eight hours or more prevailing prior to the effective date.

III—Hours of Labor

On and after the effective date no employer shall employ any employee in excess of forty hours per week, this, however, not to apply to hours of labor for repairshop crews, engineers, electricians, firemen, office, sales, and supervisory staff, shipping, watching, and outside crews.

Until adoption of further provisions of this code that may prove necessary to prevent any improper speeding up of work (stretchouts), no employee of any mill in the wool textile industry shall be required to do any work in excess of the practices as to the class of work of such employee prevailing on July 1, 1933, unless such increase is submitted to and approved by the Administrator.

IV—Hours of Operation of Machinery

On and after the effective date no employer shall operate any comb or any spinning spindle or any loom or any knitting machine for more than two shifts of forty hours each per week.

V—Employment of Minors

On and after the effective date employers shall not employ any minor under the age of sixteen years.

VI—Reports

For the purpose of supplying the President and the Administrator with requisite data as to the observance and effectiveness of this code, and as to whether the wool textile industry is taking appropriate steps to enable it intelligently to adjust its hours of labor, wages, and productive capacity to changing demands of consumers, industrial trends, and other conditions in accordance with the declared policy of the National Industrial Recovery Act, each employer shall furnish regular reports as hereinafter provided. The National Association of Wool Manufacturers, 229 Fourth Avenue, New York City, is hereby constituted the agency to provide for the collection and receipt of such reports and for the forwarding of the substance of such reports to the President, the Association to provide for receiving and holding such reports themselves in confidence. Such reports shall be in such form, and shall be furnished at such intervals, as shall be prescribed by the Association, and shall contain such information relevant to the purposes of this code, as shall be prescribed by the Association from time to time, including information with respect to the following or related subjects:

1. Employment, hours, wages, and wage rates.

2. Production, orders, billings, and stocks (in process and finished) of products manufactured.
3. Financial and cost data.
4. Activity, purchases, sales, and scrapping of machinery.
5. Consumption and stocks of raw materials.

VII—Prior Contracts

It is hereby declared to be the policy of this code that where the costs of executing contracts for wool or worsted yarns or textiles, entered into prior to the effective date of this code, are increased as a result of the operation of provisions of this code, appropriate adjustments of such contracts should be made so as to reflect such increased costs, and, further, that where the performance of orders for wool or worsted yarns or textiles, accepted prior to the effective date of this code, is delayed or prolonged as a result of the operation of provisions of this code, appropriate additional time should be allowed for the completion of such orders. The National Association of Wool Manufacturers is hereby constituted an agency to assist in effecting such adjustments, where such adjustments are not agreed upon by the parties.

VIII—Provisions from Recovery Act

Employers shall comply with the requirements of the National Industrial Recovery Act as follows:

1. That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;
2. That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and
3. That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

IX—Cancellation or Modification

This code and all the provisions thereof are expressly made subject to the right of the President, in accordance with Sec. 10 (b) of Title I of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act.

X—Changes and Additions

Such of the provisions of this code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated in such manner as may be indicated by the needs of the public, by changes

in circumstances, or by experience; all the provisions of this code, unless so modified or eliminated, shall remain in effect until the expiration date of Title I of the National Industrial Recovery Act.

In order to enable the industry to conduct its operations subject to the provisions of this code, to establish fair trade practices within the industry and with those dealing with the industry, and otherwise to effectuate the purposes of Title I of the National Industrial Recovery Act, supplementary provisions of this code or additional codes may be submitted from time to time for the approval of the President.

XI—Partial Invalidity

If any provision of this code is declared invalid or unenforceable, the remaining provisions thereof shall nevertheless continue in full force and effect in the same manner as if they had been separately presented for approval and approved by the President.

Approved Code No. 3.
Registry No. 286-04.

Approved Code No. 4

CODE OF FAIR COMPETITION

FOR THE

ELECTRICAL MANUFACTURING INDUSTRY

As Approved on August 4, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Electrical Manufacturing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations and findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
August 4, 1933.

29232°——296-56——34

To the PRESIDENT:

INTRODUCTION

This is a report of the Hearing on the Code of Fair Competition for the Electrical Manufacturing Industry in the United States, conducted in the Caucus Room of the New House Office Building in Washington, D.C., on July 19th and 21st, 1933, in accordance with the provisions of the National Industrial Recovery Act.

GENERAL CHARACTERISTICS OF THE INDUSTRY

According to the report of 1929 of the Bureau of Census, the Electrical Manufacturing Industry is declared to embrace establishments engaged primarily in the manufacture of machinery, apparatus and supplies for employment directly in the generation, storage, transmission, or utilization of electrical energy. Under this classification by the Census Bureau is included electrical machinery, such as motors and generators, batteries, conduits, control apparatus, fans, household apparatus, insulated wire and cable, lamps, switchboard equipment, transformers, wiring devices, and a great number of other groups. However, in the actual compilation of the statistics for the industry, the year of 1929, the manufacturers of radio apparatus and tubes were also included in the figures of the Census Bureau. It does not cover establishments principally producing electric-light fixtures, electric signs, motor-driven tools, mechanical refrigerators, washing machines, and other machines and apparatus constructed with built-in motors.

Based upon such method of compilation, the Bureau of Census report shows the total number of wage earners employed by the Electrical Industry in the year 1929 as 328,722 persons—with a total pay roll of $456,377,629—value of product sold being in excess of two billion dollars.

However, the Code of Fair Competition, which is presented for that industry, defines the industry as including the manufacture of electrical apparatus, appliances, materials or supplies, and allied products, and further, provides that any organization or group of manufacturers representing a substantial part of any branch or subdivision of the industry may be exempted from the code by the Administrator, and thus permitting such subdivision or branch to present its own code of fair competition. As a result, it is extremely difficult at this time to determine exactly the subdivisions or branches of the electrical industry that will come under the provisions of and be regulated by the code on which this report is based. However, the Committee for the Industry reports that under any condition a substantial part of the industry has already joined with them in the formulation and presentation of their code and that, accordingly, the code, as here presented, involves the operations of

companies employing in excess of 125,000 persons at the present time. The Radio Manufacturers have already filed a code for their industry and, accordingly, are not included in the figures as above outlined.

In this application for the approval of this code, it is stated that the applicants confidently believed their membership to include more than 75% of the productive capacity of the entire electrical field.

I find that:

(a) the code complies in all respects with the pertinent provisions of Title I of the Act, including, without limitation, subsection (a) of Section 7, and subsection (b) of Section 10 thereof; and that

(b) the National Electrical Manufacturers Asociation imposes no inequitable restrictions on admission to membership therein and is truly representative of the Electrical Manufacturing Industry; and that

(c) the code is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

Further, that the provisions of the code will result in a substantial increase in wages, and that, when improvement of business requires the industry to operate at 60% of the 1929 volume, there will be employed in the industry a greater number of persons than to be found at any peak period of operation.

The Code provides for wage scales and maximum hours of work for all office employees as well as those engaged in process operations.

Accordingly, I hereby recommend the approval of the Code of Fair Competition for the Electrical Manufacturing Industry.

Respectfully submitted.

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

ELECTRICAL MANUFACTURING INDUSTRY

To effectuate the policy of Title I of the National Industrial Recovery Act, the following provisions are established as a National Industrial Recovery Code for the Electrical Manufacturing Industry:

I. *Definitions*.—The term "electrical manufacturing industry" as used herein is defined to mean the manufacture for sale of electrical apparatus, appliances, material or supplies, and such other electrical or allied products as are natural affiliates. The term "person" as used herein shall include natural persons, partnerships, associations, trusts, trustees, trustees in bankruptcy, receivers, and corporations. The term "employer" as used herein shall include every person promoting, or actively engaged in, the manufacture for sale of the products of the electrical manufacturing industry as herein defined, *provided*, *however*, that organizations or groups of employers representing a substantial part of any branch or subdivision of the industry may be exempted by the Administrator from the provisions of this code. The term "effective date" as used herein is defined to be the eleventh day after this code shall have been approved by the President of the United States.

II. As required by Section 7 (a) of Title I of the National Industrial Recovery Act, the following provisions are conditions of this Code:

"(1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; (2) that no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and (3) that employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President."

III. (a) On and after the effective date employers shall not employ anyone under the age of sixteen years.

(b) On and after the effective date the minimum wage that shall be paid by any employer to any employee engaged in the processing of the products of the electrical manufacturing industry and in labor operations directly incident thereto shall be 40¢ per hour, unless the rate per hour for the same class of labor was on July 15, 1929, less than 40¢, in which case the rate per hour paid shall be not less than the rate per hour paid on July 15, 1929, but in no event shall

the rate per hour be less than 32¢ per hour, and provided, also, that learners may be paid not less than 80 percent of the minimum rate paid determined in the manner above provided, but the number of learners receiving less than such minimum rate so determined shall not exceed 5 percent of the total number of employees engaged in the processing of products and in labor operations directly incident thereto.

(c) On and after the effective date the minimum wage that shall be paid by any employer to all other employees, except commission salespeople, shall be at the rate of $15 per week; provided, however, that office boys or girls, and learners may be paid not less than 80 percent of such minimum wage, but the number of such office boys or girls, and learners paid at a rate of less than $15 per week shall not exceed 5 percent of the total number of employees covered by the provisions of this paragraph (c).

(d) The minimum rate of wages provided in this Article shall apply to all employees in all localities, unless the Administrator or his representative shall fix a lower rate for particular localities.

(e) Not later than ninety (90) days after the effective date the electrical manufacturing industry shall report to the Administrator through the Board of Governors of National Electrical Manufacturers Association the action taken by all employers in adjusting the hourly wage rates for all employees receiving more than the minimum rates provided in paragraph (b) of this Article.

IV. On and after the effective date employers shall not operate on a schedule of hours—

(a) For employees engaged in the processing of products of the electrical manufacturing industry, and in labor operations directly incident thereto, in excess of 36 hours per week.

(b) For all other employees, except executive, administrative, and supervisory employees, and traveling and commission salespeople, in excess of 40 hours per week.

Provided, *however*, That these limitations shall not apply to those branches of the electrical manufacturing industry in which seasonal or peak demand places an unusual and temporary burden upon such branches; in such cases such number of hours may be worked as are required by the necessities of the situation, but at the end of each calendar month every employer shall report to the Administrator through the Board of Governors of National Electrical Manufacturers Association, in such detail as may be required, the number of man-hours worked in that month on account of seasonal or peak demand requirements, and the ratio which said man-hours bear to the total number of man-hours of labor during said month; and

Provided, *further*, That these limitations shall not apply in cases of emergency, but at the end of each calendar month every employer shall report to the supervisory agency, hereinafter provided for, in such detail as may be required, the number of man-hours worked in that month for emergency reasons and the ratio which said emergency man-hours bear to the total number of man-hours of labor during said month.

V. National Electrical Manufacturers Association is hereby designated the agency for administering, supervising, and promoting the performance of the provisions of this code by the members of the electrical manufacturing industry.

With a view to keeping the President of the United States and the Administrator informed as to the observance or nonobservance of this Code and as to whether the electrical manufacturing industry is taking appropriate steps to effectuate in all respects the declared policy of the National Industrial Recovery Act, each employer shall, not less than once in each year, prepare and file with the Board of Governors or the Executive Committee of the National Electrical Manufacturers Association an earnings statement and balance sheet in a form approved by said Board of Governors or said Executive Committee or in a form acceptable to any recognized stock exchange. Each employer shall likewise prepare and file with such person or organization as the Board of Governors or the Executive Committee of National Electrical Manufacturers Association may designate and at such times and in such manner as may be prescribed, statistics of plant capacity, volume of production, volume of sales in units and dollars, orders received, unfilled orders, stocks on hand, inventory, both raw and finished, number of employees, wage rates, employee earnings, hours of work, and such other data or information as the Board of Governors or the Executive Committee of National Electrical Manufacturers Association may from time to time require.

VI. Except as otherwise provided in the National Industrial Recovery Act all statistics, data, and information filed in accordance with the provisions of Article V shall be confidential, and the statistics, data, and information of one employer shall not be revealed to any other employer except that for the purpose of facilitating the administration and enforcement of the provisions of this code, the Board of Governors, or the Executive Committee of National Electrical Manufacturers Association, by their duly authorized representatives (who shall not be in the employ of any employer affected by this code), shall have access to any and all statistics, data, and information that may be furnished in accordance with the provisions of this code.

VII. Any employer may participate in any endeavors of National Electrical Manufacturers Association in the preparation of any revisions of, or additions or supplements to this code by accepting the proper pro rata share of the cost and responsibility of creating and administering it, either by becoming a member of National Electrical Manufacturers Association, or by paying to it an amount equal to the dues from time to time provided to be paid by a member in like situation of National Electrical Manufacturers Association.

VIII. Every employer shall use an accounting system which conforms to the principles of and is at least as detailed and complete as the uniform and standard method of accounting set forth in the Sixth Edition of the Manual of Accounting, prepared and published by the National Electrical Manufacturers Association, and a costing system which conforms to the principles of and is at least as detailed and complete as the standard and uniform method of costing to be formulated or approved by the Board of Governors or Executive Committee of National Electrical Manufacturers Association, with such variations therefrom as may be required by the individual conditions affecting any employers or group of employers and as may be approved by the Board of Governors of the Executive Committee of National Electrical Manufacturers Association or the supervisory

agency and made supplements to the said Manual of Accounting or method of costing.

IX. No employer shall sell or exchange any product of his manufacture at a price or upon such terms or conditions that will result in the customer paying for the goods received less than the cost to the seller, determined in accordance with the uniform and standard method of costing hereinabove prescribed; provided, however, that dropped lines, seconds, or inventories which must be converted into cash to meet emergency needs may be disposed of in such manner and on such terms and conditions as the supervisory agency may approve, and as are necessary to move such product into buyers' hands; and provided further, that selling below cost in order to meet existing competition on products of equivalent design, character, quality, or specifications shall not be deemed a violation of this Article if provision therefor is made in supplemental codes for any branch or subdivision of the industry which may be hereafter prepared and duly approved by the Administrator.

X. If the supervisory agency determines that in any branch or subdivision of the electrical manufacturing industry it has been the generally recognized practice to sell a specified product on the basis of printed net price lists, or price lists with discount sheets, and fixed terms of payment which are distributed to the trade, each manufacturer of such product shall, within ten (10) days after notice of such determination, file with the supervisory agency a net price list or a price list and discount sheet, as the case may be, individually prepared by him showing his current prices, or prices and discounts, and terms of payment, and the supervisory agency shall immediately send copies thereof to all known manufacturers of such specified product. Revised price lists with or without discount sheets may be filed from time to time thereafter with the supervisory agency by any manufacturer of such product, to become effective upon the date specified therein, but such revised price lists and discount sheets shall be filed with the supervisory agency ten days in advance of the effective date, unless the supervisory agency shall authorize a shorter period. Copies of revised price lists and discount sheets, with notice of the effective date specified, shall be immediately sent to all known manufacturers of such product, who thereupon may file, if they so desire, revisions of their price lists and/or discount sheets, which shall become effective upon the date when the revised price list or discount sheet first filed shall go into effect.

If the supervisory agency shall determine that in any branch or subdivision of the electrical manufacturing industry not now selling its product on the basis of price lists with or without discount sheets with fixed terms of payment the distribution or marketing conditions in said branch or subdivision are similar to or the same as the distribution or marketing conditions in a branch or subdivision of the industry where the use of price lists with or without discount sheets is well recognized, and that a system of selling on net price lists or price lists and discount sheets should be put into effect in such branch or subdivision, each manufacturer of the product or products of such branch or subdivision shall within twenty (20) days after notice of such determination file with the supervisory agency net price lists or price lists and discount sheets, as the supervisory agency may direct, containing fixed terms of payment,

showing his prices and discounts and terms of payment, and such price lists and/or discount sheets and terms of payment may be revised in the manner hereinabove provided.

No employer shall sell directly or indirectly by any means whatsoever any product of the industry covered by the provisions of this Article at a price lower or at discounts greater or on more favorable terms of payment than those provided in his current net price lists or price lists and discount sheets.

XI. Aggregations of employers having a common interest and common problems will be grouped by National Electrical Manufacturers Association for administrative purposes in various subdivisions or product classifications and report of such grouping made to the Administrator.

XII. In each subdivision or product classification there will be a supervisory agency approved or appointed by the Board of Governors or the Executive Committee of National Electrical Manufacturers Association and report thereof made to the Administrator. If formal complaint is made to National Electrical Manufacturers Association that the provisions of this code have been violated by any employer, the proper supervisory agency shall investigate the facts and to that end may cause such examination or audit to be made as may be deemed necessary.

XIII. The President may from time to time cancel or modify any order, approval, license, rule, or regulation issued under Title I of the National Industrial Recovery Act.

XIV. Such of the provisions of this code as are not required by the National Industrial Recovery Act to be included herein may, with the approval of the President of the United States, be modified or eliminated as changed circumstances or experiences may indicate. This code is intended to be a basic code, and study of the trade practices of the electrical manufacturing industry will be continued by the Board of Governors of National Electrical Manufacturers Association with the intention of submitting to the Administrator for approval from time to time, additions to this code applicable to all employers in the electrical manufacturing industry and supplemental codes applicable to one or more branches or subdivisions or product classifications of the electrical manufacturing industry, such supplemental codes, however, to conform to and be consistent with the provisions of this code as now constituted or hereafter changed.

XV. If any employer of labor in the electrical manufacturing industry is also an employer of labor in any other industry, the provisions of this code shall apply to and affect only that part of his business which is included in the electrical manufacturing industry.

Approved Code No. 4.
Registry No. 1308/10.

O

Approved Code No. 5

CODE OF FAIR COMPETITION

FOR THE

COAT AND SUIT INDUSTRY

As Approved on August 4, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Coat and Suit Industry, and hearings having been held thereon, and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
August 4, 1933.

29904——296-127——34

CODE OF FAIR COMPETITION

FOR THE

COAT AND SUIT INDUSTRY

Part I—Labor

To effectuate the policy of Title I of the National Industrial Recovery Act, during the period of the emergency, by reducing and relieving unemployment, improving the standards of labor, eliminating competitive practices destructive of the interests of the public, employees and employers and otherwise rehabilitating the coat and suit industry, the following provisions are established as a code of fair competition for the coat and suit industry:

FIRST—DEFINITIONS

The term "effective date" as used herein is defined to be the first Monday following the approval of this code by the President.

The term "persons" as used herein shall include natural persons, partnerships, associations, and corporations.

The term "employer" as used herein shall include every person (whether individual, partnership, association, or corporation) engaged in the production and/or wholesale distribution of coats and suits, as contractor, sub-contractor, manufacturer, sub-manufacturer, wholesaler, or jobber.

The term "manufacturing employee" as used herein is defined to mean one who is engaged in the cutting, machine operating, hand-sewing, pressing, basting, examining, sample making, finishing, draping, pinning, busheling, grading, or any other hand or machine operation upon garments in any factory in the coat and suit industry.

The term "non-manufacturing employee" as used herein is defined to mean all persons engaged in the coat and suit industry not included in any of the above classifications.

The term "coat and suit industry" as used herein is defined to include the manufacture and/or wholesale distribution of women's, misses', children's, and infants' coats, jackets, capes, wraps, riding habits, knickers, suits, ensembles, and skirts, in whole or in part, made of woolen, silk (only when made into tailored garments), velvet, plush, and other woven or purchased knitted materials. In such instances where a single concern is engaged in the manufacture and/or wholesale distribution of such commodities as well as the manufacture and/or wholesale distribution of other commodities not described above, such concerns will be deemed a part of the coat and suit industry to the extent of that portion of their business that lies in the field herein defined.

For the purposes of administration two areas have been established: the Eastern Area shall include the states of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, Pennsylvania, New Jersey, Delaware, and Maryland; the Western Area shall include all parts of the U.S.A. not included in the Eastern Area. The Baltimore market is included in the Eastern Area with the provision that the employers association therein may request the appointment of a Commission by the Administrator to determine after investigation what modifications should be granted, if any.

SECOND

On and after the effective date, employers in the coat and suit industry shall not employ as manufacturing employees any persons under the age of eighteen (18) years, and as non-manufacturing employees any persons under the age of sixteen (16) years.

THIRD

On and after the effective date, employers in the coat and suit industry shall not operate on a schedule of hours of labor for their employees, except clerical and service employees working in office and shipping departments, in excess of thirty-five (35) hours per week.

Such work shall be divided into five (5) working days, the working hours to be from 8:30 a.m. to 4:30 p.m. with one hour interval for lunch. Non-manufacturing employees shall not work in excess of forty (40) hours per week. There shall be no more than one shift of workers in any day. No overtime is permitted except that the Administrator may grant an extension of hours in the busy season when and if, in his judgment, labor in the industry is fully employed and conditions make such an order advisable.

This provision shall apply to any individual who may do the work of a manufacturing employee as defined herein.

No home work shall be allowed and no work shall be done or permitted in tenement houses, basements or in any unsanitary buildings or buildings unsafe on account of fire risks.

FOURTH

On and after the effective date, the basic minimum wage that shall be paid by employers in the coat and suit industry to any of their non-manufacturing employees shall be at the rate of $14 per week.

FIFTH

Eastern Area.—On and after the effective date, manufacturing employees for the Eastern Area enumerated below shall be paid not less than the following minimum wage scale, for each full week's work:

	Per week
Coat and Suit Cutter	$47. 00
Samplemakers	40. 00
Examiners	36. 00
Drapers	29. 00
Begraders on skirts	32. 00
Bushelmen who also do Pinning, Marking, and general work on garments	36. 00

The employers in the crafts enumerated below shall work on a piece rate basis. They shall receive guaranteed minimum wages, not less than the following:

	Per hour
Jacket, Coat, Reefer & Dress Operators, Male	$1.00
Jacket, Coat, Reefer & Dress Operators, Female	.90
Skirt Operators, Male	.90
Skirt Operators, Female	.80
Piece Tailors	.90
Reefer, Jacket, and Coat Finishers	.85
Jacket, Coat & Reefer Finishers' Helpers	.63
Jacket, Coat, Reefer & Dress Upper Pressers	1.00
Jacket, Coat, Reefer & Dress Under Pressers	.90
Skirt Upper Pressers	.90
Skirt Under Pressers	.85
Skirt Basters	.60
Skirt Finishers	.60
Machine Pressers	1.30

All manufacturers in the Eastern Area operating outside the limits of New York and Philadelphia shall operate on a scale ten (10) percent less than provided herein for the Eastern Area.

In fixing piece work rates on garments, the same shall be computed on a basis to yield to the worker of average skill of the various crafts for each hour of continuous work, the following amounts:

	Per hour
Jacket, Coat, Reefer & Dress Operators	$1.50
Skirt Operators	1.40
Piece Tailors	1.30
Reefer, Jacket and Coat Finishers	1.25
Jacket, Coat & Reefer Finishers Helpers	1.00
Jacket, Coat & Reefer & Dress upper Pressers	1.35
Jacket, Coat, Reefer & Dress under Pressers	1.25
Skirt Upper Pressers	1.25
Skirt Under Pressers	1.25
Skirt Basters	.80
Skirt Finishers	.70
Machine Pressers	1.80

Western Area.—On and after the effective date, manufacturing employees, for the Western Area, enumerated below, shall be paid not less than the following minimum wage scale, for each full week's work:

	Per week
Coat and Suit Cutters	$41.00
Semi-skilled Cutters	39.00
Clothing and Lining Pilers	33.00
Pilers	28.00
Canvas Cutters	26.00
Apprentice Cutters for six months	22.00
Sample Makers	40.00
Examiners	32.50

The employees in the crafts enumerated below shall work on a piece-rate basis. They shall receive guaranteed minimum wages, not less than the following:

	Male, per hour
Jacket, Coat, Reefer & Dress Operators	$0.85
Skirt Operator	.75
Jacket, Coat, Reefer and Dress Upper Pressers	.85
Jacket, Coat, Reefers and Dress Under Pressers	.77
Jacket, Coat, Reefer and Dress Part Pressers	.65
Jacket, Coat, Reefer Finishers	.75
Apprentices in the above classifications for a period not exceeding six months	.60

	Female, per hour
Jacket, Coat, Reefer and Dress Operators	$0. 75
Jacket, Coat, Reefer and Dress Operators (semi-skilled)	. 62
Skirt Operators	. 70
Lining Ironers	. 60
Jacket, Coat, Reefer and Dress Finishers	. 63
Jacket, Coat, Reefer Finisher's Helpers	. 53
Jacket, Coat, Reefer, Skirt Buttonsewers	. 53
Apprentices in the above classifications for a period not exceeding six months	. 47

In fixing piece-work rates on garments, the same shall be computed on basis to yield to the worker of average skill of the various crafts for each hour of continuous work the following amounts:

	Male, per hour
Jacket, Coat, Reefer, and Dress Operators	$1. 26
Skirt Operator	1. 15
Jacket, Coat, Reefer, and Dress Upper Pressers	1. 26
Jacket, Coat, Reefer, and Dress Under Pressers	1. 15
Jacket, Coat, Reefer, and Dress Part Pressers	. 92
Jacket, Coat, and Reefer Finishers	1. 10

	Female, per hour
Jacket, Coat, Reefer, and Dress Operators	$0. 95
Jacket, Coat, Reefer, and Dress Operators (semi-skilled)	. 88
Skirt Operators	. 90
Lining Ironers	. 82
Jacket, Coat, Reefer, and Dress Finishers	. 84
Jacket, Coat, Reefer Finishers' Helpers	. 70
Jacket, Coat, Reefer, Skirt Buttonsewers	. 70

The Western Area shall operate on the basis of the present existing classifications subject to further study by the Coat and Suit Code Authority who will make recommendations to the Administrator for such changes as will eliminate such competitive irregularities as may be found to exist.

Both Areas.—Compensation for employment now in excess of the minimum wage set forth herein shall not be reduced, notwithstanding that the hours worked in such employment may be hereby reduced.

SIXTH

During the years 1924 and 1925, an unemployment insurance fund was established and existed in the coat and suit industry. It was discontinued because of the general disorganization of the industry. There is every hope and expectation on the part of the employers and employees that through the National Industrial Recovery Act steps may again be taken to put into active operation an unemployment insurance fund. Accordingly, such fund shall be resumed as soon as the enforcement of uniform labor standards and general stabilization have reached a point at which the provisions for payment of unemployment insurance contributions can be generally enforced throughout the industry. The time when the conditions in the industry shall have reached a point when such fund may be reestablished shall be determined by the Code Authority hereinafter mentioned and the Administrator. When it is reestablished, it shall be in accordance with such provisions as shall be determined upon by the said Code Authority and the Administrator.

SEVENTH

Further to effectuate the provisions of this Code and to eliminate substandard and sweatshop conditions in the coat and suit industry, all garments manufactured or distributed shall bear an N.R.A. label, which shall be attached to every garment. It shall bear a registration number specially assigned to each employer in the industry and remain attached to such garment when placed on sale by the retail distributor. All employers, as herein defined, whether or not members of the associations herein mentioned, may apply to the Coat and Suit Code Authority for a permit to use the N.R.A. label, which permit to use the label shall be granted to them, but only if they comply with the standards set forth in this code. The Coat and Suit Code Authority hereinafter mentioned shall establish the appropriate machinery for the issuance of labels, inspection, examination, and supervision of employers engaged in the industry of such garments.

EIGHTH

The responsibility for the administration and enforcement of this code shall be vested in a Coat and Suit Code Authority.

This Coat and Suit Code Authority shall be constituted as follows:

Two members selected from each of the three associations submitting this code;

Two members selected by the International Ladies' Garment Workers Union;

Two members selected collectively by the associations in the Western Area.

The Coat and Suit Code Authority is expressly authorized to deputize its representatives to do and perform such acts as may be necessary to carry into effect the provisions, purpose, and intent of this Code.

The Coat and Suit Code Authority shall be empowered to consider and act upon the following recommendations:

(a) Recommendations as to the requirement by the Administrator of such other and further reports from persons engaged in the Coat and Suit industry of statistical information and the keeping of uniform accounts as may be required to secure the proper observances of the Code and promote the proper balancing of production, distribution, and consumption and the stabilization of the industry and employment.

(b) Recommendations for the setting up of a Service Bureau for engineering, accounting, credit, or any other purposes that may aid in the conditions of this emergency and the requirements of this Code.

(c) Recommendations for the making of rules by the Administrator as to practices by persons engaged in the coat and suit industry as to methods and conditions of trading, the naming and reporting of prices which may be appropriate to avoid discrimination, to promote the stabilization of the industry, to prevent and eliminate unfair and destructive prices and practices.

(d) Recommendations for regulating the disposal of distress merchandise in a way that will secure the protection of the owners thereof and at the same time promote sound and stable conditions in the industry.

(e) Recommendations as to the making available to the suppliers of credit to those engaged in the industry all information regarding terms of and actual functioning of any or all of the provisions of the Code, the conditions of the industry and regarding the operations of any and all persons engaged in the industry and covered by this Code, to the end that during the period of the emergency available credit may be adapted to the needs of the coat and suit industry, considered as a whole, and to the needs of the small as well as of the large units.

(f) Recommendations for dealing with any inequalities that may otherwise arise that may endanger the stability of the industry and/or production and employment.

Such recommendations, when approved by the Administrator shall have the same force and effect as any other provision of this Code.

The Coat and Suit Code Authority shall have power to examine all books of accounts and records of employers so far as necessary to ascertain whether they are observing the provisions of this Code, and all employers shall submit their books and records for such examination.

The Coat and Suit Code Authority shall have power to appoint a director, a staff of accountants, and such other employees as may be required for the effective discharge of its functions.

The expense of maintaining the Coat and Suit Code Authority shall be borne by the International Ladies' Garment Workers Union, the parties to this Code, and all other employers in the industry in such proportions and amounts and in such manner as may be determined by the Coat and Suit Code Authority.

The Coat and Suit Code Authority shall proceed through subcommittees to evolve standards for size and quality, including shrinkage tolerance and color fastness and protection against piracy in styles, and shall report within three months after the taking effect of this Code, such standards to be effective three months thereafter.

NINTH

It is recognized that in the Eastern and Western Areas the methods employed to a very large extent in the production of garments in the coat and suit industry necessitate the employment of contractors and sub-manufacturers. Accordingly, all firms engaged in the coat and suit industry who cause their garments thus to be made by contractors and sub-manufacturers as aforesaid, shall designate the contractors actually required, shall confine and distribute their work equitably to and among them, and shall adhere to the payment of rates for such production in an amount sufficient to enable the contractor or sub-manufacturer to pay the employees the wages and earnings provided for in this Code, together with an allowance for the contractor's overhead.

To insure the observance of this provision, the committee named in this Code, together with the Administrator, shall formulate provisions to carry into effect the purpose and intent hereof.

TENTH

Employers in the coat and suit industry shall comply with the requirements of the National Industrial Recovery Act as follows:

(a) Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(b) No employee and no one seeking employment shall be required, as a condition of employment, to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

(c) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

ELEVENTH

(a) This Code is not designed to promote monopolies and shall not be availed of for that purpose.

(b) The provisions of this Code shall not be so interpreted or administered as to eliminate or oppress small enterprises or to discriminate against them.

TWELFTH

Wherever in this industry agreements between employers and employees arrived at by collective bargaining shall exist or shall come into existence hereafter, all the provisions of such agreements with reference to labor standards not prohibited by law and not inconsistent with NIRA shall be administered as though a part of this code.

THIRTEENTH

This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of Clause 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation, issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this code or any conditions imposed by him upon his approval thereof.

Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions to this Code or additional codes will be submitted for approval of the President to prevent unfair competition in price and other unfair and destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions hereof.

Approved Code No. 5.
Registry No. 215-1-10.

O

Approved Code No. 6

CODE OF FAIR COMPETITION

FOR THE

LACE MANUFACTURING INDUSTRY

As Approved on August 14, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

A Code of Fair Competition for the Lace Manufacturing Industry, having been heretofore submitted to the National Recovery Administration, hearings having been held thereon, and an Amended Code of Fair Competition having been submitted on August 7, 1933, said original Code and said Amended Code having been submitted by duly qualified and authorized representatives of the Industry complying with the Statutory requirements as representing fully seventy-five percent of the capacity of the Industry, and said Code being in full compliance with all pertinent provisions of the National Industrial Recovery Act, Now Therefore

Pursuant to the authority vested in me by Title I of the National Recovery Act, approved June 16, 1933, on the report and recommendation of the Administrator appointed by me under the authority of said Act, and on consideration:

It is ordered that the said Code of Fair Competition for the Lace Manufacturing Industry, as amended and submitted on July 7, 1933, is hereby approved, subject to the following condition:

(1) To effectuate further the policies of the Act, a Lace Manufacturing Industry Committee be created to cooperate with the Administrator as a Planning and Fair Practice agency for the Lace Manufacturing Industry, which Committee shall consist of five representatives of the Lace Manufacturing Industry elected by a fair method of selection, to be approved by the Administrator, and three members without vote appointed by the Administrator.

FRANKLIN D. ROOSEVELT.

Approval recommended:

Hugh S. Johnson,
Administrator.

The White House,
August 14, 1933.

29849——296-128——34

TO THE PRESIDENT:

INTRODUCTION

This is a report of the hearing on the Code of Fair Competition for the Lace Manufacturing Industry in the United States, conducted in Washington on July 28th, 1933, in accordance with the provisions of the National Industrial Recovery Act.

In the conduct of the hearing every person who had filed a request for an appearance was freely heard in public, and all statutory and regulatory requirements were fully complied with.

The Code which is attached was presented by duly qualified and authorized representatives of the industry, and complies with the statutory requirements, as representing fully seventy-five percent of the lace textile machinery in the United States.

ECONOMIC AND STATISTICAL ANALYSIS

The Lace Manufacturing industry in normal years has an annual output of about $30,000,000. It produces machine-made lace goods of cotton, silk, rayon, and some other materials. A majority of the mills purchase their yarns, some of which are imported.

The peak year for the Lace Manufacturing Industry, not only in point of value of products but also in number of persons employed, was 1923. In that year 7,307 workers were employed. In 1931, the latest figures available, 6,043 workers were employed.

Over 50 percent of this industry is located in the State of Pennsylvania. The other states in order of importance are Rhode Island, New York, and New Jersey.

The number of employees by States in 1931 was as follows:

All United States	6, 043
Pennsylvania	3, 065
Rhode Island	972
New York	780
All Others	1, 226

In the Lace Manufacturing Industry a large variation in quality and design of product is prevalent. There are four distinct types of machines utilized in production and it is, therefore, particularly difficult to establish a unit of comparison. This has been recognized in the resulting adoption of "quarterage", or 9 inches of width on a loom, as the most practically applicable unit.

Due to the paucity of figures heretofore existing in the industry and its various branches, it has been necessary in the formulation of this Code to employ "quarterage", in its application to the industry as a whole.

In the absence of accurate figures it is recommended and believed justifiable that this Code be immediately adopted; and that actual facts obtained through the analysis of statistics and reports as pro-

vided in this Code shall become the basis in the future for any revisions required to provide properly for the specific needs of the Industry.

MINIMUM WAGES AND HOURS OF LABOR

There is no information obtainable as to the number of workers actually employed at this time, nor is there any data available to show the actual hours the employees work. According to figures supplied by the United States Bureau of the Census in 1931, the prevailing hours of labor per week were as follows:

Prevailing hours of work

Hours	Number of establishments	Number of workers employed	Percent of total employed
Under 40 hours	2	482	8.0
40 to 44 hours	2	569	9.5
45 to 48 hours	9	1,626	27.1
49 to 54 hours	22	2,367	39.4
Over 54 hours	5	960	16.

It is, therefore, obvious that the universal adoption of the 40-hour maximum work week will operate to spread employment, although no figures are available that could be used as a basis accurately to predict the exact effect.

From 1929 to 1931 wages were decreased 15.6 percent. It was testified at the hearing that a reduction of 10 percent took place in 1932. The wage bill is normally about 25 percent of the value of product, but in 1931 the ratio of wages to value of product increased to 32.8 percent.

It is not possible with the data available to determine whether or not the proposed minimum wage would result in any great change in the earnings of the workers.

MACHINERY-HOUR LIMITATION

This Code provides for limitation of machinery operation as a measure designed to increase employment and stabilize employment and production.

A basis for this limitation was determined by careful computation of the number of machines available and the demand for the product thereof, making due allowances for plant efficiency, proper balance of product, seasonal variations, and with the general intention to increase employment. Two shifts of 40 machine hours are provided in this Code, although numerous mills have been operating full 24 hours per day. The agreement reached by various members of the industry in this connection is believed to evince a commendable spirit of cooperation and a sincere desire to carry out the letter as well as the spirit of the National Industrial Recovery Act.

A thorough analysis of this problem will be undertaken immediately and a complete compilation of accurate statistical facts will be made.

In order further to effectuate the policies of the Act, it is recommended that the Administrator appoint a Lace Manufacturing Industry Committee to cooperate with the Administrator as a planning and fair-practice agency for this Industry; and that this committee consist of five representatives of the Lace Industry elected by fair method with the approval of the Administrator and of three members appointed by the Administrator, as follows; one of recognized experience and technical knowledge from a textile educational institution, one to represent the Administrator, and one of recognized ability in the Lace Manufacturing Industry but without direct personal interest therein.

It is believed that this hearing, which has brought together all diversified branches of the Lace Manufacturing Industry is a fitting example of cooperative spirit in a highly competitive field and is exemplary of a sincere desire on the part of this Industry to manifest the attitude anticipated in the National Recovery Act. This spirit might well be emulated by all branches of American Industry.

Respectfully submitted,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

LACE MANUFACTURING INDUSTRY

To effectuate the policy of Title I of the National Industrial Recovery Act, during the period of the emergency, by reducing and relieving unemployment, improving the standards of labor, eliminating competitive practices destructive of the interests of the public, employees and employers, and otherwise rehabilitating the lace manufacturing industry and by increasing the consumption of industrial and agricultural products by increasing purchasing power, and in other respects, the following provisions are established as a code of fair competition for the lace manufacturing industry.

I

Definitions.—The term "Lace Manufacturing Industry", as used herein, is defined to mean the manufacture of the products of Levers, Go-through, Mechlin, Barmen, and Bobbinet machines and/or any and all processing thereof.

The term "employees", as used herein, shall include all persons employed in the conduct of such operations.

The term "employers" shall mean all persons who employ labor in the conduct of any branch of the lace manufacturing industry, as defined above.

The term "productive machinery", as used herein, is defined to mean Levers, Go-through, Mechlin, Barmen, and Bobbinet machines.

The term "rack", as used herein, shall mean 1,920 motions of a Levers or Go-through machine, 1,440 motions of a Bobbinet machine or 1,440 motions of a Mechlin machine.

The term "effective date", as used herein, is defined to be the second Monday after the approval by the President of the United States of this code or any part thereof or addition thereto.

The term "persons" shall include natural persons, partnerships, associations, trusts, including trustees in bankruptcy and receivers and corporations.

II

On and after the effective date, the minimum wage that shall be paid by employers in the Lace Manufacturing Industry to any of the employees shall be at the rate of $13.00 per week for forty hours of labor, except that learners during a six weeks' apprenticeship shall be paid not less than 80 percent of the minimum wage and shall not exceed in number one learner to six craftsmen.

III

On and after the effective date employers in the Lace Manufacturing Industry shall not operate on a schedule of hours of labor for

their employees in excess of forty hours per week and they shall not operate productive machinery in the lace manufacturing industry for more than two shifts of forty hours each per week, no matter by whom operated.

No one shall be employed in the lace manufacturing industry for more than forty hours per week except as follows:

(a) Repair-shop crews, outside-sales force, executives, and supervisory staff.

(b) Engineers, electricians, firemen, designers, draftsmen, and shipping crews; but provided further that all such employees shall be paid at the rate of time and one half for all hours per week over forty.

(c) Provided further that any excepted employees, if employed other than in their stated duties, shall be restricted to forty hours per week.

On and after the effective date, employers in the lace manufacturing industry shall not employ any minor under the age of sixteen years.

IV

With a view to keeping the President informed as to the observance or nonobservance of this code of fair competition, and as to whether the lace manufacturing industry is taking appropriate steps to effectuate the declared policy of the National Industrial Recovery Act, each person engaged in the Lace Manufacturing Industry will furnish duly certified reports in substance as follows and in such form as may hereafter be provided.

(a) *Wages and Hours of Labor.*—Returns for every four (4) weeks, showing for each of the four (4) weeks, immediately preceding, the following:

1. Number of operatives of productive machinery employed.
2. Total hours worked by all operatives of productive machinery.
3. Maximum hours worked by any employee other than those excepted in paragraph III (a).
4. Minimum rate per hour paid to any employee other than those excepted in paragraph II.

(b) *Machinery Data.*—Returns every four (4) weeks showing the number of quarters existing in each plant, the number of machines actually operated each week of each specific classification, as later adopted, the total number of machine hours and racks produced each week of each specific classification.

(c) *Sales.*—Returns every four (4) weeks showing the total net sales in dollars.

The American Lace Manufacturers Association (106 West 38th Street), New York City, is constituted the agency to collect and receive such reports.

V

To further effectuate the policies of the Act, the American Lace Manufacturers Association, the applicants herein, or such committee or committees as may hereafter be constituted by the action of the American Lace Manufacturers Association, is set up to cooperate with the Administrator as a planning and fair practice agency for the

lace manufacturing industry. Such agency may from time to time present to the Administrator recommendations based on conditions in the industry as they may develop from time to time which will tend to effectuate the operation of the provisions of this Code and the policy of the National Industrial Recovery Act, and in particular along the following lines:

1. Recommendations as to the requirements by the Administrator of such further reports from persons engaged in the lace-manufacturing industry of statistical information and keeping of uniform accounts as may be required to secure the proper observance of the code and promote the proper balancing of production and consumption and stabilization of the industry and employment.

2. Recommendations for the setting-up of a service bureau for engineering, accounting, credit, and other purposes to aid the smaller mills in meeting the conditions of the emergency and the requirements of this code.

3. Recommendations (1) for the requirement by the Administrator of registration by persons engaged in the lace-manufacturing industry of their productive machinery, (2) for the requirement by the Administrator that prior to the installation of additional productive machinery by persons engaged or engaging in the lace-manufacturing industry, except for the replacement of a similar number of now-existing machines or to parts of productive machinery to be used for replacement or maintenance of now-existing productive machinery, such persons shall secure certificates that such installation will be consistent with effectuating the policy of the National Industrial Recovery Act during the period of the emergency, and (3) for the granting or withholding by the Administrator of such certificates if so required by him.

4. Recommendations for changes in, or exemptions from, the provisions of this code as to the working hours of machinery which will tend to preserve a balance of productive activity with consumption requirements, so that the interests of the industry and the public may be properly served.

5. Recommendations for the making of requirements by the Administrator as to practices by persons engaged in the lace-manufacturing industry as to methods and conditions of trading, the naming and reporting of prices which may be appropriate to avoid discrimination, to promote the stabilization of the industry, to prevent and eliminate unfair and destructive competitive prices and practices.

6. Recommendations for regulating the disposal of distress merchandise in a way to secure the protection of the owners and to promote sound and stable conditions in the industry.

7. Recommendations as to the making available to the suppliers of credit to those engaged in the industry of information regarding terms of, and actual functioning of, any or all of the provisions of the Code, the conditions of the industry and regarding the operations of any and all of the members of the industry covered by such code to the end that during the period of emergency available credit may be adapted to the needs of such industry considered as a whole and to the needs of the small as well as the large units.

8. Recommendations for dealing with any inequalities that may otherwise arise to endanger the stability of the industry and of production and employment.

Such recommendations, after hearing and when aproved by the President, shall have the same force and effect as any other provision of this Code.

Such agency is also set up to cooperate with the Administrator in making investigations as to the functioning and observance of any of the provisions of this Code, at its own instance or on complaint by any person affected, and to report the same to the Administrator.

Such agency is also set up for the purpose of investigating and informing the Administrator on behalf of the lace-manufacturing industry as to the importation of competitive articles into the United States in substantial quantities or increasing ratio to domestic production on such terms or under such conditions as to render ineffective or seriously to endanger the maintenance of this Code and as an agency for making complaint to the President on behalf of the lace-manufacturing industry, under the provisions of the National Industrial Recovery Act, with respect thereto.

VI

Where the costs of executing contracts entered into in the lace-manufacturing industry prior to the Approval of the President of the United States of this Code are increased by the application of the provisions of that Act to the industry, it is equitable and promotive of the purposes of the National Industrial Recovery Act that appropriate adjustments of such contracts to reflect such increased costs be arrived at by arbitral proceeding or otherwise, and the American Lace Manufacturers Association, the applicant for this Code, is constituted an agency to assist in effecting such adjustments.

VII

The American Lace Manufacturers Association, now situated at 106 West 38th Street, New York City, shall be constituted the administrative agency in cooperation with the Administrator, in accordance with the provisions of this Code.

VIII

Any employer may participate in the endeavors of the American Lace Manufacturers Association relative to the revisions or additions to this Code by accepting the proper pro rata share of the cost and responsibility of creating and administering it, either by becoming a member of said Association or by paying to it an amount equal to the dues from time to time provided to be paid by a member in like situation of American Lace Manufacturers Association.

IX

Employers in the Lace Manufacturing Industry shall comply with the requirements of the National Industrial Recovery Act as follows: "(1) That employees shall have the right to organize and

bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; (2) that no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and (3) that employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President."

X

This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of Clause 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule or regulation, issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

XI

Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions to this Code or additional codes will be submitted for the approval of the President to prevent unfair competition in price and other unfair and destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions hereof.

By Hugo N. Schloss,
Henry Giebel,
H. S. Bromley,
Walter H. Tarver.

I, H. A. Philips, Chairman of the Code Committee of the American Lace Manufacturers Association, do hereby certify that the foregoing is a true copy of the Code of Fair Competition for the Lace Manufacturing Industry submitted to the Administrator under the National Industrial Recovery Act on July 13, 1933, as amended by authority of the Board of Directors of the American Lace Manufacturers Association.

[seal]

H. A. Philips,
Chairman of the Code Committee.

Dated August 7, 1933.

Approved Code No. 6.
Registry No. 244-01.

Approved Code No. 7

CODE OF FAIR COMPETITION

FOR THE

CORSET AND BRASSIERE INDUSTRY

As Approved on August 14, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Corset and Brassiere Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations and findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
August 14, 1933.

29905——296-129——34

CODE OF FAIR COMPETITION

FOR THE

CORSET AND BRASSIERE INDUSTRY

1. Purpose

(a) The Corset and Brassiere Association of America, a national trade association representative of the industry throughout the United States, pursuant to the purpose of the Corset and Brassiere Industry to cooperate with the President of the United States in effectuating the policy declared in Title I of the National Industrial Recovery Act, does hereby recommend and submit for approval, pursuant to Section 3 of said Title, the following Code of Fair Competition and plans for its Administration for all corset and brassiere manufacturers and distributors insofar as it pertains to this industry.

This Code is set up for the purpose of increasing employment, establishing fair and adequate wages, eliminating wasteful practices destructive to the interests of the public, employees, and employers.

This Code shall become effective the second Monday following its approval by the President.

(b) *Definition.*—The term Corset and Brassiere Industry is used to cover persons, partnerships, and corporations, which manufacture and sell corsets, step-in-corsets, brassieres, bandeau-brassieres; corsets, girdle-corsets, or step-in-corsets attached to brassieres or bandeau-brassieres; all similar body-supporting garments.

(c) *Administration.*—For the purpose of administering this Code, the Corset and Brassiere Industry shall be divided into divisions as set forth below. Each such division may be independent and self-governing with respect to all conditions and problems relating exclusively to the said division. Proposals with respect to matters affecting more than one division may be initiated by any division, and shall be submitted for consideration to the Code Authority of the Corset and Brassiere Industry, hereinafter described, and its determination shall be binding upon said division and all other divisions affected thereby.

(d) "Person" as used herein includes any individual, firm, partnership, or corporation in the industry.

(e) *Division A.*—Persons who sell to retailers, jobbers, chain stores, catalog houses, and other distributors who resell.

Division B.—Persons who manufacture stock garments, or purchase them for sale, and distribute them by the direct-to-consumer method of selling.

Division C.—Persons who manufacture only made-to-measure (custom-made) garments, or purchase them for sale, which are distributed only by the direct-to-consumer method of selling.

2. Minimum Age of Employees

Persons in the industry shall not employ anyone under sixteen years of age.

3. Wages and Conditions of Employment

(a) Except as hereinafter provided, on and after the effective date hereof, the minimum wage which shall be paid by persons in the Corset and Brassiere Industry to any of their employees shall be at the rate of $14.00 a week, except that cutters shall not be paid less than at the rate of $25.00 for a week of 40 hours.

(b) No person shall reduce compensation for employment now in excess of the minimum wages hereby agreed to (notwithstanding that the hours of work of such employment may be hereby reduced), but shall increase the pay for such employment by an equitable readjustment of all pay schedules, whether for time-work or piece-work.

(c) Learners or apprentices shall be paid a minimum of 27½ cents per hour, or at the rate of $11.00 a week, for the first six weeks, and thereafter the minimum wage provided under Rule 3 (a). If the operation they are learning has a piece-work rate and the amount earned at piece-rate is more than $11.00 a week, the learner or apprentice must be paid on a piece-rate basis. No person in this industry may knowingly employ as a learner or apprentice, an employee who has previously been employed in any plant in this industry on a similar operation as a learner or apprentice.

(d) To assure employment to workers who are physically handicapped and to avoid their becoming a burden to the state, such employees are exempted from the provisions of Rule 3 (a), provided such employees shall not exceed in number 5 percent of the total workers employed by a person.

(e) Persons in the Corset and Brassiere Industry shall comply with the requirements of the National Industrial Recovery Act as follows:

"(1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; (2) that no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and (3) that employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President."

4. Hours of Labor and Operation

(a) The maximum hours of productive operation for any plant in this industry shall be forty hours per week, provided, however, that no plant shall operate in excess of five days in any week.

(b) The maximum hours of work for any employee, except executives, executives' assistants, designers, office workers, shipping clerks, repair crews, watchmen, porters, salesmen, and truckmen, shall be forty hours per week.

(c) Each person shall post in a conspicuous place in each work room in his factory Sections 3 and 4 of this Code.

(d) The provisions for maximum hours set out in this article establish a maximum number of hours of labor per week for every employee covered, so that under no circumstances shall such an employee be employed or be permitted to work for one or more persons in the industry in the aggregate in excess of the prescribed number of hours in a single week.

5. Sanitary Requirements

(a) Since the products of this industry are customarily worn next to the body, all persons shall conduct a clean, sanitary factory. The minimum standard shall be in compliance with the standards set in that part of the factory law of the State of New York, which is applicable to plants in this industry.

(b) No person shall employ workers except in his own plant or plants. No home work shall be allowed.

(c) No person shall knowingly purchase materials to be used in his product which have not been made in a clean and sanitary factory, and it shall be stipulated on each purchase order that: "The material covered by this order must be manufactured in a clean and sanitary factory."

(d) No person shall purchase garments for resale which are manufactured wholly or in part under conditions which do not conform with the provisions of this Code.

(e) All persons shall insert on each invoice covering a shipment of their manufactured product, the following statement: "This merchandise was manufactured in compliance with the Code of Fair Competition of the Corset and Brassiere Industry."

6. Modification

This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of Section 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation, issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

7. Monopoly

Nothing in this Code shall be interpreted or applied in such a manner as to permit or promote monopolies, permit or encourage unfair competition, eliminate, oppress, or discriminate against small enterprises.

8. Code Authority

(a) A Code Authority for the Corset and Brassiere Industry shall consist of eight to ten members. Two members shall be appointed by the Administrator and not less than six nor more than eight shall be appointed by the President of the Corset and Brassiere Association of America subject to the approval of the Board of Directors. Members of the Authority may be removed by the Board of Directors of the Association with the approval of the Administrator.

(b) The Code Authority shall elect such officers and shall assign to them such duties as it may consider advisable. The Code Authority may appoint subcommittees for the proper subdivision of its several functions and representative of such geographical sections of the country as it may designate. The Code Authority shall provide its own rules of procedure.

(c) The Code Authority shall have full and complete authority for the administration and enforcement of this Code, subject to an appeal to the Administrator.

(d) Any complaint concerning an alleged violation of the Code shall be submitted to the Code Authority in writing and by registered mail. The complaint shall contain a complete statement of the facts and shall refer specifically to that part of the code which is alleged to have been violated. The Code Authority shall obtain such information as, in its opinion, shall be necessary to establish the facts. If it shall appear to the Code Authority that there has been a violation of the Code, a statement of the charges shall be sent by registered mail to the person who is alleged to have committed the violation. The statement of charges shall fix the time and place for a hearing and at this hearing the person who is charged with the violation shall be given an opportunity of presenting his defense. If it is the decision of the Code Authority that a violation of the Code has been committed. it shall report the violation to the Administrator of the National Industrial Recovery Act or take such other action as the Administrator may approve to enforce the provisions of the Act.

(e) The cost of the supervision needed to secure proper observance of this Code and any additions thereto, compilation of statistical data and such other activities as may be necessary shall be apportioned pro rata so far as practicable to all persons in the industry whether or not they are members of the Corset and Brassiere Association of America.

(f) The Code Authority shall investigate the importation of competitive articles into the United States on such terms or under such conditions as to render ineffective or seriously endanger the maintenance of this Code and act as the agency for making complaint to the President on behalf of the Corset and Brassiere Industry.

(g) All disputes between a dealer and a person as to quality or as to whether or not merchandise delivered is comparable with original sample should be referred to the Code Authority for arbitration and if so referred, the Code Authority will conduct the proceedings to settle the dispute under the rules of arbitration of the Corset and Brassiere Association of America.

(h) It shall undertake any duties which may be required by the Administrator to carry out the provisions of the National Industrial Recovery Act and recommend to the Administrator any further requirements which may be necessary. Such recommendations, when approved by the Administrator shall have all the force of the provisions of the Code as originally approved.

(i) Any complaint, difference, controversy, or question of fair competition arising under or out of this Code, or relating to standards as to maximum hours of labor, minimum rates of pay or other working conditions provided for therein, or concerning the interpretation or application of any provision thereof, shall be submitted to the Code Authority and their decision shall be final, subject to the approval of the Administrator.

9. Fair Trade Practice Rules

(a) *Advertising.*—1. No person shall contribute more than fifty percent (50%) of the net cost of the space to the retailer for any retailer's advertisement covering the person's product. No person shall pay any of the cost of advertising on corsets, combinations, girdle-corsets, or step-in-corsets which are advertised for retail sale at less than two dollars ($2.00), or on brassieres or bandeaux-brassieres which are advertised for retail sale at less than one dollar ($1.00), nor shall a person pay any part of the cost of advertising a retailer's own brand.

2. No person shall pay any of the cost of an advertisement by a retailer which covers a special sale, i.e. merchandise advertised at a special price or at less than the price at which the merchandise is usually sold by the retailer.

3. No person shall pay any part of the cost of an advertisement by a retailer which advertises the product of more than one person in this industry in the same advertisement.

4. No person shall pay for any advertisement in any publication by a retailer which is issued less than twelve times a year.

(b) *Display forms.*—No person shall furnish a display form without his own brand name appearing prominently thereon. Nor shall any person furnish a display form advertising a corset, combination, girdle-corset, or step-in-corset retailing for less than two dollars ($2.00), or a brassiere or bandeau retailing for less than one dollar ($1.00).

(c) *Demonstrators.*—1. No person shall furnish to any retail store demonstrators for a period longer than one week nor oftener than twice each year, and persons shall not represent them to be employees of the retail store.

2. However, the foregoing paragraph is not applicable to a person who manufactures and/or sells surgical supports through retail distributors.

(d) *Delivery.*—On all orders for five dollars ($5.00) or less there shall be a service charge of twenty-five cents (25¢).

(e) *Returns.*—1. No merchandise may be accepted for return except for defects in manufacture, delay in delivery, or errors in shipment.

Each invoice covering shipments will bear this imprint:

"The merchandise covered by this invoice left our factory in perfect condition. Please examine *immediately on receipt.* All claims for damages and shortages *must be made in writing within 10 days* from date of receipt of merchandise. No claims will be allowed at time of settlement.

"These goods *cannot be returned* unless by our written consent. Our salesmen *cannot* authorize the return of any merchandise, nor have they authority to make any allowances."

2. Worn Garments: (a) No credit will be allowed on any garment which has been worn for ten days or longer. (b) A garment which has been worn less than three months, and which in the opinion of the retailer has been damaged in wearing due to faulty material or workmanship may be returned for repair without charge, provided the garment has first been laundered. (c) No garment which has been altered may be returned if the damage was due to the alteration.

3. Any dispute between a dealer and a person arising under the operation of this provision should be settled by amicable adjustment, or, if it is not possible to reach an agreement, the dispute shall be referred to the Arbitration Association for final settlement.

(f) *Dating, discounts, rebates.*—1. The maximum terms for retailers and catalog houses shall be eight percent (8%) ten (10) days e.o.m., or six percent (6%) fifty (50) days from date of invoice, net fifty-one (51) days.

2. The maximum terms for jobbers and chain stores (chain stores selling up to one dollar ($1.00) retail) shall be three percent (3%) ten (10) days e.o.m., net eleven (11) days e.o.m.

3. Shipments made on or after the twenty-fifth (25th) of any month on e.o.m. terms may be dated the first of the following month.

4. No trade discounts, rebates, or extra dating may be allowed.

5. No person or employee thereof may pay to any retailer or his employee any commission or premium money to secure preference for the purchase or sale of such person's merchandise.

(g) *Exchanges and consignments.*—No merchandise may be exchanged at any time, nor may it be consigned, nor may any method of selling be used which has the effect of selling on consignment or memorandum.

(h) *Cost finding.*—To assure fair competition and to prevent the selling of merchandise below cost:

1. The Code Authority will adopt a standard method of cost finding. It will be deemed a method of unfair competition to sell merchandise at less than the cost of production. No special concession in price or rebate of any description may be made on merchandise sold for special sale purposes.

2. Each person shall keep in his own office complete specifications and cost figures on every number in his line.

3. Any person may reduce the price of any number at any time provided the price reduction conforms to the intent of the Code of not selling below the cost of production. It is the meaning of this paragraph that the new price will be used for billing all customers for shipments made on or after the date when the new price went into effect and that it has not been made to circumvent the rules on discounts, dating, rebates, or consignments.

4. If a number cannot be sold at the regular price and must be closed out, a person may reduce his price provided he previously notifies the Code Authority of his intention to do so, accompanying this statement with the number of dozens which he has for sale. No number which has been reduced in price for the purpose of close-out may be put back into a line, nor may any additional quantity of the same number be manufactured after it has been reduced for close-out.

(i) *Wholesale prices.*—To maintain established trade practice, and to limit the multiplication of numbers, but without any attempt at price fixing, each person being free to determine the value to be given at each price, the following shall be the wholesale prices, per dozen, for sale to retailers (except chain stores selling up to one dollar ($1.00) retail), and no intermediate prices may be used:

$2.00 per Dozen	$8.50 per Dozen	$27.00 per Dozen
2.25	10.50	30.00
3.25	12.00	33.00
4.00	15.00	36.00
4.25	16.50	42.00
4.50	18.00	48.00
6.00	21.00	54.00
7.00	22.50	60.00
8.00	24.00	66.00 and up

All merchandise shall be shipped in standard containers. No person may use more than one standard container for any number. If a customer orders merchandise to be put up in a special container, there shall be charged at least five cents (5¢) additional for each container. This charge is to appear as a separate item on the invoice.

(j) *Packing.*—1. Corsets and combinations selling for less than eight dollars ($8.00) a dozen wholesale shall be packed not less than twelve (12) of one size in a container.

2. Corsets and combinations selling for eight dollars ($8.00) a dozen wholesale and less than twelve dollars ($12.00) shall be packed not less than six (6) of one size in a container.

3. Corsets and combinations selling for twelve dollars ($12.00) a dozen wholesale may be packed not less than three (3) of one size in a container.

4. Corsets and combinations selling for over twelve dollars ($12.00) a dozen may be packed one in a container.

5. Brassieres and bandeaux selling for less than four dollars ($4.00) a dozen wholesale shall be packed not less than twelve (12) of one size in a container.

6. Brassieres and bandeaux selling for four dollars ($4.00) a dozen wholesale and not more than seven dollars ($7.00) shall be packed six (6) of one size in a container.

7. Brassieres and bandeaux selling for eight dollars ($8.00) a dozen wholesale and less than twelve dollars ($12.00) shall be packed not less than three (3) of one size in a container.

8. Brassieres and bandeaux selling for twelve dollars ($12.00) and over a dozen wholesale may be packed one in a container.

9. Corsets and combinations regularly packed in bulk may be packed in single containers if priced and billed at not less than fifty cents (50¢) per dozen above the bulk packing price.

10. Corsets and combinations regularly packed one in a container may be packed in bulk in three (3), six (6), or twelve (12) of a size in a container, at a reduction from the regular list price for single packing of not more than twenty-five cents (25¢) per dozen if packed three (3) in a container, or fifty cents (50¢) per dozen if packed six (6) or twelve (12) in a container. No garment packed in bulk may be packed in other quantities than three (3) of a size or multiples thereof.

11. Nothing in Provision (j) is applicable to any shipments made to jobbers, catalog houses, or chain stores selling up to one dollar ($1.00) retail.

(k) *Piracy.*—The Code Authority shall set up a bureau for the registration of original and unique designs and it shall adopt such regulations as the Administrator may approve for the purpose of eliminating style piracy.

DIVISIONS B AND C

Only the persons classified as members of Divisions B or C as defined herein, are subject to provisions (l) to (s), inclusive.

(l) 1. Persons shall not entice away nor endeavor to entice away any sales employee, representative, agent, or exclusive distributor of any competitor with the purpose or effect of unduly hampering or injuring such competitor, or with the purpose of benefiting by the training and experience of such sales employees, representatives, agents, or exclusive distributors, and to this end each person shall include in every contract of employment, agency, or distribution (with the exception of the contracts with salespeople exclusively contacting the consumer) a clause forbidding all such activities.

2. Should any person possess reasonable proof that infraction of this provision has occurred, he shall notify and submit such proof to the person whose employee, representative, agent, or exclusive distributor has committed said infraction, and a copy of such complaint and supporting evidence shall be filed with the Code Authority. Should thereafter the Code Authority decide upon receipt of a complaint and evidence, and after prescribed hearings, that a second infraction of this provision has been committed by the same employee, agent, representative, or exclusive distributor of a person, such person will, upon receipt of notice from the Code Authority and subject to a review by the Administrator, terminate the employment and/or contract and/or all relationship with the offending individual.

3. Nothing in this provision shall be deemed to hinder or in any way obstruct the right on the part of any sales employee, agent, representative, or exclusive distributor to seek and accept on his or her own initiative, employment, or association with a competitor.

(m) Persons shall refrain at all times and shall order their employees, agents, representatives, and exclusive distributors to agree in writing to refrain from issuing or making knowingly false statements in regard to the dependability, financial standing, product, or repute of any competitor.

(n) No person shall represent by design, picture, or statement that such person occupies or utilizes a factory or business space other than is actually occupied or utilized, or represent in advertisements

or otherwise that such person is a manufacturer or owner or operator of a mill or factory when in fact such person does not own, operate, or possess such mill or factory.

(o) In advertising for dealers or sales people, no person shall knowingly make claims of earning power which are exaggerated and misleading, nor shall any person in such advertisements, willfully misrepresent the source of profit, income, commissions, earnings, or compensation the dealer or sales people shall receive. When a person directly or indirectly holds out as an inducement to dealers or sales people or prospective dealers or salespeople a refund of deposit for samples or sales outfits, either upon return of such outfits or upon completion of a predetermined volume of business, said refund shall be promptly made when such conditions are met.

(p) Persons will provide to all their exclusive dealers and sales people, and will require them to use in every transaction a receipt form which shall clearly indicate the name of the product and the person, and which shall provide a space for the full name and address of the dealers or sales people, and a clear and concise statement of the terms of the sale.

(q) Persons shall refrain from and shall order their employees, agents, representatives, and exclusive distributors to agree in writing to refrain from inducing, or attempting to induce, the breach of existing contracts of purchase, or the countermanding of existing orders between competitors and the consumer, by any false or deceptive means whatsoever, or interfering with the performance or fulfillment of any such contracts, or orders, by any such means.

(r) Persons shall furnish to sales employees, other employees, agents, representatives, or exclusive distributors only information and instructions that correspond with facts and are not deceptive or misleading in any respect, and shall expressly inform them at the time of their employment or association with the person (or in the case of present associates shall immediately so inform them) of all the provisions of this Code, or subsequent additions thereto, which regulate the activity and business conduct of such sales employees, other employees, agents, representatives, or exclusive distributors, and that any violation of such provisions will result in immediate dismissal or termination of relationship, and shall further expressly inform them that they have no authority to make statements or promises of any kind inconsistent with the terms, conditions, and provisions of the text books, literature, and advertising materials published by the persons.

(s) All provisions of the general Code are applicable to members of Divisions B and C except that the following sections shall not apply to them: Section 9 (a), Section 9 (b); Section 9 (c); Section 9 (d); Section 9 (e); Section 9 (f); Section 9 (g); Section 9(h) 2 and 3 only; Section 9 (i); Section 9 (j).

(t) *Label provision.*—All garments manufactured or distributed shall bear an NRA label, which shall remain attached to such garments. Such labels shall bear a registration number specially assigned to each manufacturer in the Industry. The privilege of using such labels shall be granted and such labels shall be issued to any person from time to time engaged in the Industry upon application therefor to the Code Authority, accompanied by a statement of

compliance with the provisions of this Code. The privilege of using such labels and the issuance thereof may be withdrawn and cease or may be suspended in respect to any such persons whose operations, after appropriate hearing by the Corset and Brassiere Code Authority and review by the Administrator, shall be found to be in substantial violation of this Code. Persons shall be entitled to obtain and use such labels if they comply with the provisions of this Code.

The Corset and Brassiere Code Authority may establish appropriate machinery for the issuance of such labels in accordance with the foregoing provisions.

(u) *Partial invalidity.*—If any provision of this Code is declared invalid or unenforceable, the remaining provisions thereof shall nevertheless continue in full force and effect in the same manner as if they had been separately presented for approval, and approved by the President.

Approved Code No. 7.
Registry No. 220/1/02.

Approved Code No. 8

CODE OF FAIR COMPETITION

FOR THE

LEGITIMATE FULL LENGTH DRAMATIC AND MUSICAL THEATRICAL INDUSTRY

As Approved on August 16, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Legitimate Full Length Dramatic and Musical Theatrical Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
August 16, 1933.

29848——296-130——34

AUGUST 14, 1933.

INTRODUCTION

To the President:

This is a report of the Hearing on the Code of Fair Competition for the Legitimate Full Length Dramatic and Musical Theatrical Industry in the United States, conducted in the Caucus Room of the Old House Office Building, in Washington, D.C., on August 10th, 1933, in accordance with the provisions of the National Industrial Recovery Act.

GENERAL CHARACTERISTICS OF THE INDUSTRY

The Legitimate Full Length Dramatic and Musical Theatrical Industry is declared to embrace the full length theatrical performances of dramatic and musical plays, including stock company productions, all as differentiated from grand opera, vaudeville, presentation, "rep" show, "tab" show, tent show, wagon show, Chautauqua, show-boat, burlesque or motion or sound picture performance.

The number of persons employed in the industry constantly varies in direct proportion with the number of legitimate theatrical productions publicly presented.

THE CODE

The Code of Fair Competition as revised and presented by this industry has attempted to promote the production of legitimate dramatic and musical productions, and its provisions are designed to that end.

For the first time in the history of the legitimate theatre minimum wages and maximum number of hours have been fixed by agreement for actors, press representatives, company managers, house treasurers, and other labor. Wages have not been reduced, and, indeed, have been raised. Hours generally have been reduced.

The trade practices declared unfair have been especially designed to promote the production of dramatic and musical plays and to attract the investment of capital into this industry.

* * * * * * *

Of the employer groups approving the Code it is stated that the National Association of the Legitimate Theatre embraces more than 95 percent of the employers managing or owning legitimate theatres, or managing or producing full-length dramatic or musical plays, and that the National Dramatic Stock Association embraces more than 60 percent of the persons engaged in the management or production of full-length dramatic or musical stock plays.

I find that:

(a) The Code as revised complies in all respects with the pertinent provisions of Title I of the Act including, without limitations, subsection (a) of Section 7 and subsection (b) of Section 10 thereof; and that

(b) The National Association of the Legitimate Theatre and the National Dramatic Stock Association impose no inequitable restrictions upon admission to membership therein and are truly representative of the legitimate full-length dramatic and musical theatrical industry; and that

(c) The Code is not designed to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

Accordingly, I adopt the report of the Deputy Administrator and I hereby recommend the approval of the Code of Fair Competition for the Legitimate Full-Length Dramatic and Musical Theatrical Industry.

Respectfully submitted.

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

LEGITIMATE FULL LENGTH DRAMATIC AND MUSICAL THEATRICAL INDUSTRY

Preamble

To effectuate the policy of Title I of the National Industrial Recovery Act to remove obstructions to the free flow of interstate and foreign commerce and to promote cooperative action to reduce and relieve unemployment, improve standards of labor, eliminate unfair competitive practices, avoid restriction of production, increase purchasing power, and rehabilitate industry, particularly as it pertains to the dramatic and musical comedy theatre known as the legitimate theatre with the expressed purpose of revitalizing it as a national institution so that the road may be restored and plays may once more be given in every part of the country, the following is adopted as a Code of Fair Competition for the Dramatic and Musical Comedy Theatre known as the Legitimate Theatre.

Article I—Definitions

1. The term " effective date " as used herein is defined to be the tenth day following the approval of this Code by the President.

2. The term " legitimate " is what is generally known as the legitimate full-length theatrical performances of dramatic and musical plays as differentiated from grand opera, vaudeville, presentation, " rep " show, " tab " show, tent show, wagon show, Chautauqua, show-boat, burlesque, or motion or sound picture performances.

3. The term " stock " is defined as legitimate theatrical performances rendered by a resident company of actors appearing in legitimate theatrical productions of dramatic or musical plays theretofore and previously produced, and which productions so given are changed at stated or frequent intervals.

4. The term " persons " as used herein shall include, without limitation, natural persons, partnerships, associations, and corporations.

5. The term " employer " as used herein shall include every person engaged in the management or ownership of theatres presenting, or the management or production of, full-length dramatic or musical plays.

6. The term " employee " as used herein shall include every person employed by any employer (as above defined).

Article II—Administration

1. With the approval of the President there shall be constituted a National Legitimate Theatre Committee to consist of one duly authorized representative each from Actors' Equity Association, Chorus

Equity Association, the International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of U.S. and Canada, American Federation of Musicians of the U.S. and Canada, United Scenic Artists of America, one duly authorized representative from the group of employees not hereinbefore embraced, one representative from The Dramatists' Guild of the Authors' League of America, three duly authorized representatives from the National Association of The Legitimate Theatre, Inc., two duly authorized representatives from the National Dramatic Stock Association (which shall have three representatives as members whenever questions relating solely to stock productions are considered), and not more than three representatives who may be appointed by the National Recovery Administrator.

2. With the approval of the President such committee shall be empowered to assist the National Recovery Administrator in administering the provisions of the Act as set forth in this Code; may initiate and shall consider such recommendations and regulations and interpretations including trade practices as may come before it and in such case shall in deliberations held without publicity and recorded in writing, submit to the National Recovery Administrator its advice setting forth in each instance whether said committee unanimously approves or unanimously rejects or is disagreed upon the proposal, and in such events the National Recovery Administrator shall determine.

3. Such committee shall also supervise the application of this Code and shall notify any and all persons subject to the jurisdiction of this Code of its provisions and regulations and shall designate such agents and delegate such authority as may be necessary to effectuate such purposes.

4. As and when any question shall be deliberated upon by the National Legitimate Theatre Committee with respect to the distribution of theatre tickets, two duly authorized representatives from the National Theatre Ticket Distributors, Inc., shall thereupon and only with reference to such questions become members of said National Legitimate Theatre Committee.

Article III—General Labor Provisions

1. The employers agree that employees of employers subject to the jurisdiction of this Code shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; no employee of employers subject to the jurisdiction of this Code, and no one seeking employment from such employers, shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; employers subject to the jurisdiction of this code shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

2. To effectuate section 7 of the Industrial Recovery Act and in the interest of an American standard of living, the employers declare themselves in favor of fair scales of wages, proper hours and working conditions for all of their employees.

3. There are a number of rules and regulations presently existing in respective or collective agreements between the employers and their organized employees. The employers and employees pledge themselves to work for a readjustment of any and all conditions or rules or regulations which prove either to result in prohibitive production costs or in any loss of employment among all the employees of the employers.

Article IV—Actors

1. For actors with more than two years' theatrical experience, the employers agree to pay a minimum wage as follows: Where the box-office price of the theatrical attraction is $4.50 or more top price, the minimum wage shall be $50 per week; where the top box-office price of the theatrical attraction is $4.00 or more but less than $4.50, the minimum wage shall be $45 per week; where the top box-office price of the theatrical attraction is more than $3.00 but less than $4.00, the minimum wage shall be $42.50 per week; where the top box-office price of the theatrical attraction is $3.00 or under, the minimum wage shall be $40 per week.

2. For actors with less than two years' theatrical experience the employers agree to pay a minimum wage of $25 per week.

3. For the chorus there shall be a minimum wage of $30 per week, the employers subscribing to the wages presently fixed by the Chorus Equity Association.

4. The employers agree that at the end of two weeks of rehearsals, they will pay a full week's salary to all actors receiving $100 a week or less; that for the first and second weeks of production half salaries shall be paid. This provision is designed to aid and assist actors who may require funds during the rehearsal periods. The prepayment of such actors is in the nature of an advance payment of salary.

5. There presently exist abuses with respect to the hours of labor of actors during the rehearsal period. The employers recognize that such abuses exist and hereby pledge themselves to the Actors' Equity Association and the Chorus Equity Association and through the National Legitimate Theatre Committee to adopt and put into force subject to the approval of the National Recovery Administrator within the shortest possible time after the effective date of this Code, regulations of such hours of labor during the rehearsal period which will be fair, just, and humane, conforming to the spirit of the National Industrial Recovery Act, and for the violation of which rules and regulations penalities shall be imposed.

6. The employers agree to a week of not more than 40 hours for actor employees. By reason of the peculiar nature of this industry this provision shall not be binding during the rehearsal periods, such periods having been above provided for.

7. Upon the payment of the week's salary herein provided for at the end of the two weeks of rehearsals, any bond or monies deposited by the employer shall be reduced by the amount of payment actually made against such salaries as described.

Article V—Musicians, Theatrical Stage Employees and Moving Picture Machine Operators

For those employees associated with organizations of or performing the duties of theatrical stage employees, moving picture machine operators or musicians, there shall be a minimum wage of thirty dollars ($30.00) per week for eight performances per week and pro rata per performance or for rehearsals, and a forty-hour week. However, where the prevailing wage scale as of July 1st, 1933, enforced by the American Federation of Musicians or any of its locals with respect to musicians and enforced by the International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators or any of its locals with respect to theatrical stage employees or motion picture machine operators, whether weekly or daily, and the division of hours of labor, whether weekly or daily, are at a rate exceeding the minimum weekly wage scale herein provided for or less than the maximum number of hours per week herein provided for, such prevailing scales and hours of labor throughout the country shall be deemed to be and hereby are declared to be the minimum scale of wages and maximum number of hours with respect to such employees under this section of the Code.

Article VI—Scenic Artists

1. Since the relations of the employers are with firms of Scenic Artists having contractual relations with organizations of such labor, no minimum wage or maximum number of hours of labor with respect to such labor is fixed herein.

Article VII—Transfer Men

1. The situation above set forth with respect to the scenic artists prevails also with respect to transfer men. The employers declare in favor of revision of the agreements of the Theatrical Truckmen's Union and the Allied Theatrical Transfer Association and pledge themselves to work for a readjustment of their present transfer costs.

Article VIII—Theatrical Wardrobe Attendants

1. For those employees associated with organizations of or performing the duties of theatrical wardrobe attendants, there shall be a minimum wage of $30 per week for a 40-hour week. However, where the present prevailing wage scale enforced by the Theatrical Wardrobe Attendants' Union is a rate exceeding the minimum weekly wage scale herein provided for, such prevailing scale throughout the country shall be deemed to be and hereby is declared to be the minimum scale of wages with respect to such employees under this Code.

Article IX—Company Managers and House Treasurers

1. There shall be a minimum wage of $40 per week for a 40-hour week for company managers and house treasurers.

Article X—Press Representatives

1. There shall be a minimum wage of $50 per week for press representatives stationed in any particular locality and $75 per week for press representatives who are traveling. The employers agree that they will give one week's notice of dismissal and agree that the employment of any press representative will be for not less than one week. Due to the varied nature of the work of the press representatives, it is not practical to fix a maximum number of hours per week.

Article XI—Other Employees

1. For all other employees of the employers such as ushers, ticket takers, scrubwomen, theatre attendants, etc., there shall be a minimum wage of 30 cents per hour for a 35-hour week. There shall be a minimum wage of 30 cents per hour for porters for a 40-hour week.

2. Electrical workers, engineers, firemen, oilers, or other skilled mechanics who are directly employed by the employers as defined in this Code, shall receive a minimum wage at the rate of thirty dollars ($30) per week for a 40-hour week whether such wage shall be computed hourly, daily, or weekly. If the prevailing wage scale and maximum number of hours per week as of July 1, 1933, as fixed in any contractual agreement between the employers and associations of any of such employees, however, shall be at a rate exceeding the minimum wage scale herein provided for or less than the number of hours per week herein provided for with respect to any of such employees, such scales and hours of labor in the localities where same were enforced shall be deemed to be and hereby are declared to be the minimum scale of wages and the maximum number of hours with respect to such employees in such localities under this section of the Code.

Article XII—Stock Productions

1. Anything herein contained to the contrary notwithstanding, employees of employers engaged in presenting resident stock company productions shall receive minimum wages and work not longer than the maximum hours as hereafter in this article provided:

A. *Actors.*—(a) In cities of more than 500,000 population, not less than six actors regularly employed in the stock company shall receive a minimum wage of $40 per week; other actors shall receive a minimum of $25 per week; jobbers shall receive a minimum of $15 per week; local jobbers shall be employed pursuant to the rules of the Actors' Equity Association.

(b) In cities of less than 500,000 population or in neighborhood or suburban localities in cities of more than 500,000 population, not less than four actors regularly employed in the stock company shall receive a minimum wage of $40 per week; all other actors, excluding jobbers, shall receive a minimum of $25 per week; jobbers and local jobbers shall be employed pursuant to the rules of the Actors' Equity Association and shall be paid a minimum wage of not less than $14.50 per week in any city of between 250,000 and 500,000 population, of not less than $14.00 per week in any city of between 2,500 and 250,000

population, and of not less than $12.00 per week in towns of less than 2,500 population.

(c) The maximum number of hours for actors in stock companies shall be 40 hours per week (rehearsals periods by reason of the peculiar nature of stock company productions not being included).

(d) For the chorus there shall be a 40-hour week with a minimum wage scale: In productions presented during the period from May 30th to Labor Day in any year, $25 per week where the highest admission price is $1 or less, and $30 per week where the highest admission price is more than $1; and in productions presented during any other period in any year, $30 per week where the highest admission price is $1 or less, and $35 per week where the highest admission price is more than $1.

B. Stock company managers shall receive a minimum wage of $25 per week for a 40-hour week.

C. Stock treasurers shall receive a minimum of $20 per week for a 40-hour week.

D. Press representatives shall receive a minimum wage of $25 per week for rendition of exclusive services to the employer. By reason of the varied nature of the work of such employees it is not practical to fix a maximum number of hours per week.

E. The provisions of Article XI, section 1, of this Code are hereby incorporated herein.

F. The provisions of Article V and Article XI, section 2, of this Code are hereby incorporated herein in all respects, saving to the stock company employers however the advantages of any special provisions in their favor enforced by or provided for in collective bargaining agreements with associations of such employees.

2. The provisions of Article XIV of this Code shall not apply to employers presenting stock company attractions.

Article XIII—Child Labor

1. Employers shall not employ any employees under the age of sixteen years. However, with the consent of the proper governmental authority the employers may employ an actor under the age of sixteen years to fill a role especially written for a child actor or to fill a part requiring the services of a child actor.

Article XIV—Dramatic

1. The Dramatists' Guild of the Authors' League of America, Inc., as a means of ascertaining whether, in the Guild's opinion, certain provisions will operate to encourage theatrical production and thereby cause employment of actors and other employees of the legitimate theatre, as a temporary expedient voluntarily agree to pass an amendment to the minimum Basic Agreement in substance as follows:

2. Upon the execution of any production contract executed between the effective date of this amendment and September 15, 1934, the dramatist shall be paid a sum of not less than $500, not returnable under any circumstances, which sum shall be an advance against royalties if the play runs three consecutive weeks in New York City

and which shall not be deducted from royalties if the play does not run the said three weeks in New York City. If the manager closes the play at the end of the first week's production, the manager shall pay to the dramatist his royalties in full to the date of closing and he shall thereupon be entitled to share to the extent of 15% in all monies received by the dramatist when the dramatist sells or otherwise disposes of the motion-picture rights in such play; if the manager closes the play at the end of two full consecutive weeks' production, he shall pay to the dramatist his royalties in full to the date of closing and thereupon his share of the said proceeds from the sale or other disposition of the motion-picture rights shall be 25%. If the play fails to run three weeks the control of the sale of the motion-picture rights shall be with the dramatist but the sale shall be made through the motion-picture Arbiter in order to protect the manager. This amendment shall become operative upon the effective date of this Code, provided the managers signatory to the Minimum Basic Agreement shall have ratified such amendment at a meeting.

Article XV—Participation in Code

1. Any existing employers as herein defined, or employer who shall become such hereafter, whether members of any association or not, may participate in the Code and any subsequent revisions, additions, or amendments thereof, by indicating their intention of fully subscribing to the provisions of the Code, and by assuming the responsibilities of such participation.

Article XVI—Trade Practices

1. The employers agree that it shall be an unfair practice to violate the terms of any booking agreement. This declaration is required by reason of the abuses which have taken place in connection with cancellation of booking of road attractions in direct violation of the terms and provisions of such road booking attractions.

2. The employers agree that it shall be an unfair practice for any employer to aid, abet, or assist in the voluntary release or dismissal of any actor for the purpose of permitting such actor to leave the cast of an attraction then playing in order to accept employment in motion pictures. This declaration is required in order to preserve and protect the rights of all concerned in the presentation of a legitimate production in such instances where one of the players to enter motion pictures with the aid and assistance of the employer leaves the attraction, weakening the same and necessitating the closing of such attraction and the resultant unemployment of other persons associated in the presentation of such attraction.

3. The employers agree that it shall be an unfair practice for any employer to aid, abet, or assist in the voluntary release or dismissal of any author, dramatist, or actor employed in rendering his exclusive services in connection with the production of a motion picture for the purpose of securing the services of such author, dramatist, or actor.

4. The employers pledge themselves not to distribute any of their tickets to any cut-rate ticket agency in the event any such ticket

agency shall discriminate in the handling or distribution of such tickets in turn to the public. By discrimination is meant the favoring of certain attractions against others.

5. The employers pledge themselves to eliminate the abuses now existing with respect to the distribution of legitimate theatre tickets to the public. The employers agree that they will not distribute their tickets to the public directly at prices in excess of the theatre box-office price fixed for such tickets. The employers agree that they will not distribute their tickets to the public through agencies except

(a) To recognized bona fide agencies regularly and customarily engaged in the offering of theatre tickets to the public, and

(b) To such agencies which will not charge the public for such tickets any sums in excess of their box-office price plus a proper agency fee satisfactory to the National Legitimate Theatre Committee.

In the enforcement of the foregoing provisions the employers shall treat all agencies equally.

6. The employers pledge themselves to retain in the box office for sale direct to the public a fair percentage of seats in all parts of the house, this percentage to be determined by the National Legitimate Theatre Committee.

7. It shall be an unfair practice for employers to aid or assist in the indiscriminate distribution of free passes for attractions.

8. It shall be an unfair practice for employers to aid or assist in the "throw-away" ticket system under which admission to the theatre may be secured by presentation of a ticket slip good for a number of tickets upon payment of a small charge. This provision shall not apply unless three or more productions are being presented in direct competition with each other (road shows and try-out attractions not being productions within the meaning of this section 8 hereof).

Article XVII—Relation of the Theatre to the Public

1. The relation of the theatre to the public should be grounded on honesty and a policy of fair dealing. The employers, therefore, reiterate the need of honest and nondiscriminatory sale and distribution of tickets.

2. The employers declare themselves in favor of a sincere and honest advertising policy.

3. The employers agree not to distort reviews by deletion or otherwise in their advertising, and give a false impression of what a critic has said.

4. The employers pledge themselves to adhere to the advertised time for curtain raising.

Article XVIII—Declaration of Policy

1. To eliminate substandard and sweatshop conditions in stage productions, and to assure the patrons that the productions have been given under proper standards in accordance with the National Industrial Recovery Act, all such productions shall be advertised under an N.R.A. label.

2. The employers pledge themselves to cooperate to establish a uniform standard form of contract with booking agencies for all legitimate attractions.

3. The employers agree that in all cooperative productions the minimum wages for all employees shall be those as prescribed in this Code.

4. The employers agree that insofar as they can control the distribution of the same, the motion picture of a currently playing legitimate attraction should not be permitted to be released until such attraction has had the fullest opportunity to complete its run and enjoy road showing.

5. The employers agree to the employment of actors, except where they themselves employ such actors directly, through agencies recognized and acceptable to the Actors' Equity Association.

Article XIX—Special Try-Out Attractions

1. Special try-out attractions (known as "summer season companies" or "winter season companies" as the case may be) are excepted from the operation of Articles IV, V, VIII, IX, X, XI. and XII of this Code. The National Legitimate Theatre Committee shall consider and recommend provisions embracing the subject matter of such articles of this Code for such production.

Article XX—Violations

1. Violations by any persons subject to the publications of this Code, of any provisions of this Code, or of any approved rule issued thereunder, or of any agreement entered into by him with the aforementioned National Legitimate Theatre Committee to observe and conform to this Code and said rules, is an unfair method of competition and the offenders shall be subject to the penalties imposed by the National Industrial Recovery Act.

Article XXI—Amendments

This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of Clause 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule or regulation, issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code, or any conditions imposed by him upon his approval thereof.

Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions to this Code, or additional Codes, will be submitted for approval of the President to prevent unfair competition and other unfair destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions hereof.

Article XXII—Saving Provision

1. If any court of competent jurisdiction shall finally determine that any Article or section of any Article in this Code shall be invalid, all other Articles and sections of this Code shall nevertheless remain and continue in full force and effect in the same manner as though they had been separately presented for approval and approved by the President.

Approved Code No. 8.
Registry No. 1748-04.

Approved Code No. 9

CODE OF FAIR COMPETITION

FOR THE

LUMBER AND TIMBER PRODUCTS INDUSTRY

As Approved on August 19, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Lumber and Timber Products Industries, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of title I of said act and that the requirements of clauses (1) and (2) of subsection (a) of section 3 of the said act have been met:

NOW THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise do adopt and approve the report, recommendations and findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
August 19, 1933.

AUGUST 12, 1933.

To: THE ADMINISTRATOR, N.R.A.
From: Dudley Cates, Assistant Administrator.

I. *Preliminary Statement.*—I have the honor to submit herewith my report on the Code of Fair Competition of the Lumber and Timber Products Industries, including the hearing thereon.

II. *The Code and the Hearing* (Uncontroverted matter omitted).—The Code as submitted by the industries is summarized as follows, with suggested changes in the Code discussed in later sections of this report.

A statement accompanying the Code declares that it was submitted in accordance with a resolution dated July 1, 1933, of the Board of Directors of the National Lumber Manufacturers' Association, representing more than 70 percent of the output of lumber and timber products throughout the United States, concurred in by 45 trade associations composed of manufacturers of lumber and timber products and by the single wholesale lumber association and the single retail lumber association of national scope.

ARTICLE I—PURPOSE

The declared purpose of the adherents to the Code is to reduce unemployment in the industries reported, improve standards of labor, maintain a reasonable balance between production and consumption, restore prices to levels which will avoid further depletion and destruction of capital assets, and to conserve forest resources and bring about sustained yield from the forests.

ARTICLE II—DEFINITIONS

Paragraph (*a*) Defines lumber and timber products.
Paragraph (*b*) Defines person.
Paragraph (*c*) Defines Divisions and Subdivisions.

ARTICLE III—ADMINISTRATION

The applicant organizations propose to establish a nonprofit corporation named "Lumber Code Authority" to assist the National Recovery Administration in administering the provisions of the Act as set forth in the Code. Provision is to be made for membership or representation in the Lumber Code Authority of representatives of the National Recovery Administration and of the principal divisions of the industries. Any producer is eligible to full participation in the appropriate Division or Subdivision on terms of full equality with other participants. Such Authority is intended to have broad administrative powers in giving effect to the provisions of the Act, and of

the Code, including enforcement of Rules of Fair Trade Practice. The Authority is also empowered to designate appropriate agencies for applying the Code in each Division and Subdivision of the lumber and timber products industries. The Authority is solely vested with the power and duty of enforcing the Code.

Article IV—Code Reports and Fees

The Authority undertakes to obtain and compile adequate information as to the extent of observance of the Code and the results obtained under its operation, with power of inspection of pertinent records by authorized agents. Adherents to the Code are to share, in proportion to production, the necessary expenses of maintaining the Authority and its authorized activities.

Article V—Labor Provisions

Paragraph (*a*) Assures employees the right to organize and bargain collectively through representatives of their own choosing.

Paragraph (*b*) Stipulates that membership or nonmembership in a particular type of labor organization shall not be a requirement of any employee or of any person seeking employment.

Paragraph (*c*) Provides that each employer shall comply with standards of wages and hours and other conditions of employment approved or prescribed by the President.

Paragraph (*d*) Prohibits employment of any individual under 18 years of age, with the exception of boys 16 years of age or over in nonhazardous occupations during school vacations, or if there are no wage earners 18 years of age or more in the families of such boys.

Article VI—Hours of Labor

Paragraph (*a*) Lays down general provisions for permitting certain persons under defined conditions to be employed for longer maximum hours per week than those prescribed in Paragraph (b). In general, Paragraph (b) proposes maximum hours of employment of 48 hours per week for logging in all producing regions and 48 hours per week for sawmills and other operations, except that a 40-hour week is proposed for sawmills in the northwest and in certain other minor cases.

Article VII—Minimum Wages

Except for a few special situations, a schedule of minimum wages is proposed, beginning with 22½ cents per hour or $10.80 per week of 48 hours in the South, up to 42½ cents per hour or $20.40 per week of 48 hours in logging camps of the West Coast and Western Pine Divisions.

Article VIII—Control of Production

Paragraph (*a*) Empowers the Authority to make estimates of expected consumption of lumber and timber products of each species and allocate quotas of production on the basis of such estimates

among the several Divisions and Subdivisions. Actual quotas among Divisions are to be in substantial proportion to production or shipments of each Division during a representative period. Provision is made for flexibility in allocating quotas, provided modification of quotas is warranted.

Paragraph (*b*) Provides requisite authority and flexibility to the Authority in determining quotas to give effect to the provisions of the Code in respect to the conservation and sustained production of forest resources.

Paragraph (*c*) Provides that quotas for individual operators shall be determined by the Divisions and Subdivisions upon an equitable basis of allocation, approved by the Authority. Provision is also made for modifications in exceptional cases.

Paragraph (*d*) Stipulates that a reasonable minimum volume of production based on practicable operations for each Division shall not be denied to any person within such Division.

Paragraphs (*e*), (*f*), (*g*), *and* (*h*) Set forth various provisions in regard to allotments that must be observed, one of the most important of which is that no person shall produce in excess of his quota.

Article IX—Cost Protection

Paragraph (*a*) Empowers the Authority in its discretion to establish minimum prices designed to cover the cost of production in the several classifications of lumber and timber products. Such prices shall have due regard to the maintenance of free competition among species, Divisions and Subdivisions and with the products of other industries.

Paragraph (*b*) Stipulates that minimum prices shall not exceed cost of production, determined in accordance with a proposed formula.

Paragraphs (*c*) *to* (*h*), *inclusive*, contain provisions for special treatment of small mills, for establishment of lower minimum prices for products of inferior quality, for maintaining minimum prices as established, for establishing the price of imported lumber, for possible tariff adjustments, for obtaining information as to competition between imported and domestic lumber, and for other purposes.

Article X—Conservation and Sustained Production of Forest Resources

This article contains a deliberate undertaking by the forest-products industries in respect of conservation and sustained production of forest resources. It also provides for a conference between the Secretary of Agriculture and the applicant industries for the purpose of devising practicable measures of conserving and sustaining production of forest resources.

Article XI—Special Agreements

This article embodies the provisions of Section 4a of the National Industrial Recovery Act.

Article XII—Cancellation or Modification

Adjustment of the Code and of rulings issued under it are to be made in conformity with any action by the President under Section 10 (b) of the National Industrial Recovery Act.

Article XIII—Monopolies

This article cites that the Code is not designed to promote monopolies and that it shall not be interpreted or administered to suppress or oppress small enterprises.

Article XIV—Division and Subdivision Code Provisions

This article provides for rules and regulations of Divisions and Subdivisions under Schedule A, insofar as not inconsistent with this Code.

Article XV—Violations

It is declared that violation of this Code and of the Rules of Fair Trade Practice is an unfair method of competition, subjecting the offender to the penalties imposed by the National Industrial Recovery Act.

Article XVI—Rules of Fair Trade Practice

" The rules of fair trade practice for the lumber and timber products industry, as set forth in Schedule B attached hereto, are specifically made a part of this Code."

Article XVII—Appeals

Appeals may be made to the designated agency of any Division or Subdivision, and appeals from the rulings of these agencies may be made to the Authority.

Article XVIII—Effective Date and Termination

Paragraph (*a*) Stipulates that the provisions of the Code as to hours and wages shall become effective three days after approval by the President and other provisions within ten days after approval by the President.

Paragraph (*b*) Provides that the Code shall terminate on June 16, 1935, or on such earlier date as the National Industrial Recovery Act may cease to be effective.

The Code was formulated by representatives of the Lumber and timber products industries during the course of several weeks, with unofficial assistance from representatives of the National Recovery Administration. It was originally submitted on July 10, 1933, and a revise draft, under date of July 28, 1933, giving effect to desirable alterations as brought out in the hearings, has also been submitted.

After legal notice of the hearing had been duly published, the hearing opened July 20, 1933, and was concluded July 26, 1933. The

undersigned Assistant Administrator conducted the hearing, with the assistance of members of the staff of the National Recovery Administration, and in the presence of representatives of the Industrial Advisory Board appointed by the Secretary of Commerce, of the Labor Advisory Board appointed by the Secretary of Labor, and of the Consumers' Advisory Board appointed by the Administrator. Representatives of the Forest Service of the United States Department of Agriculture were in attendance for part of the time.

Responsible representatives of all of the major divisions of the lumber and timber products industries attended and took part in the hearing, and wide public interest was also manifested by the presence of a large audience and a full press complement.

To cooperate in giving effect to the provisions of the National Industrial Recovery Act, the lumber and timber products industries appointed an Emergency National Committee. This committee was in general charge of drafting the Code and of arranging for the witnesses who appeared in its support. In addition, many persons not selected by the Emergency National Committee, who claimed interest in the matters under consideration, were heard. Several representatives of Labor were heard. By means of questioning all witnesses, the Assistant Administrator sought to develop the issues clearly in full detail.

A complete list of witnesses with their affiliations is attached as Appendix 1.

All statutory and regulatory requirements were observed.

III. *Summary and Conclusions on the Evidence.*—1. Hours of Labor (Recommended reduction of weekly hours to 40).

Witnesses stated that the lumber and timber products industries had been accustomed to operate a comparatively large number of hours per week, approximating 60 in the South and 48 in the Northwest. Accredited representatives of the lumber industry in the South stated that they were willing for their region to accept the responsibility of proposing a week of 48 hours, as compared with that of 60 hours which is customary (Sheppard, (2) L-6-108).

Representatives of the industry in the West considered that a week of 48 hours in the woods and 40 hours in the mills was practicable, with certain reservations to conform to the seasonal character of important areas of this region (Greeley, (3) C-6-16, 18; Mason (4), S-4-103).

Calculations by the Southern Pine Association indicated that a week of 48 hours in the South would provide reemployment for 31,250 wage earners (Sheppard, (2) L-7-109). On the basis of 40 hours in the mills and 48 hours in the woods in the West it was estimated that reemployment would be given to 14,000 workers (Ruegnitz, (2) Q-4-151; Greeley, (3) C-7-17). Thus the two districts where the bulk of the industry is located were estimated, on the maximum hours proposed by the industries, to provide reemployment for 45,250 persons, assuming no change in current part-time employment of workers.

On the basis of the maximum hours per week which are recommended in this report and with output of lumber and timber products, including woodwork, estimated as continuing to exceed the de-

pressed levels of the first months of 1933 by 100 percent, as was the case in June and July, it is calculated that additional employment would be available for some 114,500 persons.[1] As employees in the lumber and timber products industries, not including woodwork, wooden package, and miscellaneous industries, declined from 419,084 in 1929 to approximately 196,500 in 1931, reabsorption of displaced labor is of paramount importance. Although employment has increased markedly in the several lumber and timber products industries during recent months, there was no difference of opinion among witnesses that much of the increase has been due to speculative cutting, manufacturing, and purchasing of timber products for the purpose of anticipating higher prices (Compton, (1) B-7-14; Greeley, (3) D-3-21; 30 and 31).

During the early months of 1933 the industries as a whole were operating at approximately 16 percent of capacity, with average hours per week of less than 40. For the months of June and July operations were about 31 percent of capacity, with estimated additions to the labor force of 31,767.[1]

After giving due weight to all relevant considerations, the conclusion has been reached that maximum hours of labor of 40 per week should be established, both for the South and North, as well as for the Northwest, although this represents an average shortening of hours of approximately ⅓ for the South and North as compared with 3/13 to ⅙ for the Northwest. There was no discussion at the hearing of the economic effects, so far as the South was concerned, of a still further shortening of the hours of work to 40 per week, except that a representative of labor advocated a work period of less than 40 hours (Green, (3) L-3-66). It is impossible to indicate, therefore, the precise results of establishing a 40-hour week in the lumber and timber products industries of the South, except that it seems clear that corresponding reductions of hours in competing industries will be essential if the relative position of the southern lumber industry is to be maintained (Sheppard, (2) C-2-130, 140, 141).

On the assumption that this interindustry competitive equilibrium will be maintained, an increase in volume of sales, permitting an increase of about 50 percent over recent rates of production, would be necessary to restore employment to as many persons as were occupied with lumber and timber products industries in the South during 1929.

As for the Douglas fir industry, which is the principal alternative source of supply in competitive markets to southern soft woods, a work week of 40 hours was proposed in mills and factories (Greeley, (3) C-6-16) and 48 hours in logging camps (Greeley, (3) C-4-14). A reduction to 40 hours per week in both mills and camps would not provide as much reemployment, on a relative basis, as the same schedule when applied to operations in the South (Sheppard, (2) P-2-139).

About 65 percent of total lumber production is absorbed by the construction industry. Therefore sustained improvement in the lumber industry cannot be expected apart from revival of building (Greeley, (3) I-7-51; (6) CC-2-160), particularly construction of resi-

[1] Basis of calculation shown in Economic Report.

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dences (Compton, (1) B-8-15, 16). Competent testimony indicated that a lag of about nine to fourteen months occurs (Compton, (1) B-16-23) before definite improvement in building contracts is reflected in sustained increase in output of lumber. The lumber industry is more likely to benefit from increased activity in other industries than to be the cause of improvement elsewhere (Sheppard, (2) M-1-111). Accordingly, considerable time must elapse before the effects on volume of employment can be definitely known as a result of establishing a work week of 40 hours.

2. *Exceptions to Forty Hour Maximum Work Week.*—Seasonal factors of pronounced character are encountered in certain divisions of the timber industry. Fortunately, in the principal producing regions seasonal factors are of no great importance. But in the high Sierras and other districts of the West (Mason, (4) S-2-101), operations are impossible during the winter (Johnson, (7) D-1-19), whereas in certain sections of the northern hard and soft wood regions the winter is the period of greatest activity in logging (Osborn, (5) P-2-66). Operations in some areas must be intensively conducted in those seasons of the year when the condition of the streams makes water driving feasible. Moreover, fires, wind storms, and other exceptional causes (Fentress, (6) JJ-3-196, 197) often make it necessary to harvest timber with great rapidity if large losses in our timber resources are to be avoided. For all of these reasons the testimony was convincing that certain flexibility in the maximum hours of labor per week should be introduced, accompanied by adequate restrictions to prevent such flexibility from being made the vehicle of abuses (Johnson, (7) C-4-18; Mason, (4) S-4-103). Necessary safeguards are provided (Art. VI, par. (a)) by requiring that average employment in any seasonal operation shall not exceed the standard schedule of hours during any calendar year.

Child labor is not a serious problem in the lumber and timber products industries. In the code as submitted they proposed that no person under 18 years of age should be employed, with certain exceptions, but in order to obtain uniformity in the various industrial codes a minimum age of 16 has been substituted.

3. *Machine Hours.*—In contrast with many other industries, only a comparatively small number of lumber manufacturing establishments operate more than a single shift. Establishments operating more than one shift are, however, of considerable importance in volume of production (Sheppard, (2) M-3-113; Greeley, (3) C-2-12, 15). Under present operating conditions with capacity greatly in excess even of the accelerated output of recent months, there has been no special problem of two or three shift operations, but this is a possibility if maximum hours of employment per week are placed at 40. This contingency has been provided for in drafting the Code. Article VIII, providing for control of production, at the same time places an automatic limitation on the abuses of excessive machine hours.

It was testified at the hearing that the abuse known as "stretch out" is not characteristic of the lumber and timber products industries (Greeley, (3) H-2-40).

4. *Wages.*—A very high proportion of the employees in the lumber and timber products industries are classified as unskilled and semi-

skilled. For example, 83.51 percent of total employees in sawmills, on an average for 1928, 1930, and 1932, are classified as laborers by the United States Bureau of Labor Statistics. Due to this fact, these industries have tended to pay comparatively low wage rates. Even in 1928 laborers in southern sawmills received a weighted average wage rate of 21.9 cents per hour, and this unsatisfactory rate had declined to 12.6 cents per hour in 1932. Testimony revealed the astounding fact that wages of 5 cents per hour have not been uncommon in recent months (Ambrose, (7) J-4-64). Weighted average wages in sawmill industries for the entire United States in those categories classified as laborers amounted to 20.5 cents per hour in 1932.

There was uniformity of opinion that wage rates should be increased and gratification that agencies of the government were prepared to afford encouragement and protection to operators desiring to pay higher wages (Sheppard, (2) M-7-117; Ambrose, (7) I-4-57 and (7) J-3-63), against the economic pressure and industrial demoralization resulting from the activities of the small minority who would not cooperate in improving wage standards (Sheppard, (2) P-9-146). Proposals by the southern lumber industry to increase minimum wages to 22½ cents per hour represented an advance of practically 100 per cent from the average of 11.6 cents per hour (Sheppard, (2) M-6-116) and three hundred fifty percent above the minimum wages paid in the month of April 1933. This is convincing evidence of the industry's desire to contribute toward increasing purchasing power in accordance with the principles of the National Industrial Recovery Act. No little apprehension was revealed in the hearing, both by advocates and opponents of the Code, in regard to the effects of attempting such a large increase in wage rates (Sheppard, (2) P-5-142). Disturbance of the interspecies equilibrium between southern pine and Douglas fir (Sheppard, (2) P-2-139, 140) was feared, as well as adverse effects from increasing the advantage of products of other industries which are competitive with lumber and mill products (Sheppard, (2) O-1-129, 130).

A dilemma is presented in respect to minimum wages in the South. They have been deplorably low. But even so the products of this region are in keen competition with the products of other regions which have paid much higher wages. This competition is always in precarious balance. As the proportion of labor costs to total costs is higher in the South than with its competitors (Sheppard, (2) P-2-139), increase in labor costs tends to disturb this balance. If sufficiently disrupted the market for southern woods would be decreased production reduced, and employment necessarily decreased. Any rate of wages fixed for the South must therefore be determined with a view to disturbing the competitive balance as little as possible. The objective is to increase wages and not decrease employment at the same time.

In addition to the very real problems which are involved by reason of increased wages in the southern pine industry, there are certain less important areas such as the northern and central hard wood Subdivisions where difficulty might be caused by wage increases which might alter interspecies equilibrium (Osborn, (5) R-1-73, 74; Townsend, (10) B-492).

Since hours of employment for persons classified as laborers in sawmill occupations had declined to 38.0 per week during 1932, it is evident that total earnings, based on a weighted average of 20.5 cents per hour represented inadequate weekly income. Pay rolls for the entire lumber and timber products industries had, in fact, declined from $579,000,000 in 1929 to approximately $110,000,000 [2] during 1932, with the result that an adequate contribution to national purchasing power was not obtained from these industries, which were the fourth largest employers of industrial labor (Comptron, (1) B-12-19).

One of the spokesmen for labor contended that wages should be greatly increased, but he presented no specific evidence (Weaver, (5) H-2-37 to 39) as to what increases he considered justifiable nor as to how the industries in question could operate if they paid substantially higher rates than those proposed in the Code which was presented.

On the basis of average rates of pay and number of hours of employment per week, average earnings for laborers in sawmills for the United States in 1932 had reached the unsatisfactory level of $7.78. Corresponding weekly earnings for laborers in southern sawmills were $4.94. It is true that declining prices of commodities somewhat mitigated the effect of these inadequate wages, and on the basis of 1929 [3] prices the average weekly wage for sawmill laborers in the United States in May, 1933, would have had the purchasing power of $11.19, while that of employees in southern sawmills would have been equal to $7.11.

There is imperative need that purchasing power derived from the lumber industry be increased, and this can be accomplished if the industry is enabled to pay and does pay higher wages. Although the wage schedules proposed by the southern industry represent an important advance over those at present in force, somewhat further advances are believed to be justified. After careful consideration of the evidence presented in the hearing, as well as that prepared by the Division of Planning and Research of the National Recovery Administration, it was concluded that wage rates at least equal to those paid in 1929 were desirable and possible, provided that 1929 rates equaled or exceeded 30 cents per hour. However, a large number of employees in the lumber and timber products industry, probably amounting to 80 percent of the total, received less than 30 cents per hour in 1929.

No group of laborers in logging camps or mills were represented as having received less than 20 cents an hour in 1929, and it is recommended that groups which received this inadequate wage should have such rate increased by 15 percent with increases on a uniformly diminishing scale for each cent per hour between 20 and 30 which was received in 1929 by any wage group. Application of this formula would establish minimum wages in the lumber industry as 23 cents per hour, and this would be the equivalent of 34.7 [4] cents per hour in May 1933, on the basis of 1929 prices [4] or 62½ percent in excess of the weighted average of wages [5] paid to employees classified as laborers

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[2] Assuming that 1932 pay rolls declined equally with lumber production as reported by the Census for 1932.
[3] Cost of living 1929 = 100.
[4] Adjusted to 1929 cost of living = 100.
[5] Also adjusted to the cost of living, 1929.

in southern sawmills in 1928, detailed statistics for 1929 being unavailable.

On the basis of increased labor cost for three important softwood regions, purchasing power will immediately be increased $32,500,000 per annum, assuming lumber production only at the 1932 volume.[6]

Some 85 percent of all employees in the lumber and timber products industries will be directly affected and benefited by the recommended minimum wage rates, in addition to the 114,500 [7] who, it is hoped, will be added to the pay rolls.

5. *Labor Organizations.*—Labor is not highly organized in the lumber and timber products industries. The principal exception to this general condition is found in the West and Northwest (Ruegnitz (2) S-2-163), where the Loyal Legion of Loggers and Lumbermen (Greeley (3) E-2-24), commonly known as "The Four L" is of considerable importance. About thirty percent of total employees in the regions where the Four L is established are included within its membership (Ruegnitz' letter 8/7/33). This organization engages in collective bargaining (Greeley (3) E-2-24) (Ruegnitz (2) S-2-163) on behalf of its membership and has been in considerable part responsible for the fact that wages and working conditions are more favorable in the West and Northwest than in other timber producing areas.

Certain witnesses stated that the Four L was a company union (Green (3) O-4-84; Noral (8) DD-6-163; Hass (5) J-3-44), but the representative of the Four L testified that his organization was conducted for the benefit of employees, with locals at operations under 125 different managements, and that in bargaining with employers members of the Four L were at liberty to choose nonmembers to represent them (Ruegnitz (5) K-1-45). Representatives of the logging and manufacturing industries declared that membership in the Four L was not a condition of employment or of preference in the territory where the organization is located (Greeley (3) E-2-24).

6. *Cost Protection.*—Ample evidence was produced at the hearing that the industries have operated on an unprofitable basis for several years and that they did not share in the years of prosperity terminating in 1929 (Compton (1) B-5-12). Their financial position at present will not permit the assumption of additional charges unless such increased costs as may be assumed can concurrently be recovered by equivalent adjustments in prices (Compton (1) B-10-17) for lumber and timber products (Stibolt (4) V-2-116; Mason (4) P-2-88).

Consequently it was proposed, both in the Code (Art. IX) and in the hearing (Stibolt (4) V-4-118 to 121), that reasonable costs should be determined and that lumber and timber products should not be sold or offered for sale at prices which did not cover such costs.

Public protection against abuse of this power to fix minimum prices is essential. This can largely be accomplished by having a mathematical formula for determining what constitutes cost protection. An additional protection is that of interested and informed buyers. Representatives of the national retail and wholesale associations are to be members of the Lumber Code Authority. Determination of prices is required to come before the Authority in order to prevent unfair competition between divisions as well as in the public interest. Representatives of the Administrator are also to sit

[6] Refer to Economic Report. [7] Refer to Economic Report.

on the Authority. If in the exercise of their interested and informed judgment on prices the retail and wholesale representatives believe unduly high prices are being proposed or are in effect, the Administrator is instantly informed through his own representatives on the Code Authority and has an immediate veto.

Inasmuch as forests constitute a national asset of the highest importance, they should not be utilized in an improvident manner. During recent years, however, restricted markets for timber tracts, combined with heavy carrying charges (Compton (1) C-3-26), have encouraged uneconomic operations (Greeley (1) H-10-85), to the point where timber was converted into lumber and wood products in some instances at an actual out-of-pocket operating loss (Mason (4) Q-1-91), not to speak of no recovery whatever on the wear and tear of plants and equipment. Conversion of timber under such conditions always entails waste by forcing the operator to leave low-grade logs in the woods and burn low-grade material at the mill (Greeley (1) H-10-85) (Denman (Sa) E-2-22). National interests are injured by these practices (Compton (1) E-2-25), and there is no apparent method of terminating such abuses (Stibolt (4) V-1-115) except by forbidding the sale of timber products at prices which do not cover cost of production (Stibolt (4) W-4-124). Competent witnesses testified that the responsible elements in the lumber and timber products industries deplore the unnecessary destruction of timber resources, but that financial pressure and the competition of many small producers of timber (Greeley (1) F-3-55), including farmers, often without cost records (Sells (6) T-2-115), prevent the orderly harvesting of the nation's forests by those who favor a constructive policy.

In general terms, it can be stated that in past years and especially in certain regions, although in a constantly diminishing degree, capital has been primarily interested in standing timber (Fentress (6) 11-2-189; (6) LL-1-206; (6) MM-2-212-213), whereas the chief concern of labor is in connection with logging and milling operations and the woodworking industries. In view of the primary object of the National Industrial Recovery Act to increase employment and purchasing power, immediate emphasis has been placed on logging and manufacturing activities in preparing the Code of Fair Competition. This does not imply that the rights of owners of standing timber have been sacrificed, but for the present they have been subordinated to the necessity of placing more men at work at higher wages (Fentress (6) MM-2 to 4, 212-14).

According to a study by the United States Forest Service in 1932 nearly 41 percent of the standing timber in the United States was owned by the Federal, State, and local governments, and 59 percent by lumber and timber companies, farmers, and others. Prices for timber lands had a rising tendency for several decades, but that tendency was interrupted during the nineteen-twenties, and current prices are usually far less than those which appear on the books of many if not most of these owners (Compton (1) B-11-18; Fentress (6) HH-2-185; Greeley (1) F-13-65).

Because of forced sales of timber tracts for tax purposes (Greeley (4) Z-3-138), because of exhaustion of financial resources, and because of the uncertain outlook as to timber values, it is difficult to establish a current fair value for standing timber (Sheppard (6) FF-4-175;

Denman (5a) J-3-60). Several witnesses declared, however, that determination of current fair value can be accomplished (Sheppard (6) FF-3-174-176; Ambrose (7) J-1-61; Greeley (4) Z-1-136).

It would be contrary to public policy to permit the introduction of any formula for cost protection which would attempt to reestablish such values of stumpage as prevailed during the early nineteen-twenties, when peak prices were reached. Nevertheless, converters of timber into useful products should pay or be paid a fair price for the raw material consumed, which in this case is stumpage. In no other manner can the lumber and timber products industries be rehabilitated and assurance be had that these industries will afford regular and increasing wages to that large number of persons who look to them for employment.

"Minimum price" is not an absolute term, but can be calculated according to various formulas which are defensible. There are, however, definite limitations within which any specific minimum price must be established. The lower limitation would have to include out-of-pocket operating expenses; the upper limitation would, in addition, include recovery of capital. Profit in no case should constitute an element of minimum price authorized by governmental authority.

Little difference of opinion exists as to the elements in a sound formula for affording cost protection on such matters as the inclusion of wages, materials and supplies, necessary selling expense, overhead, insurance, and taxes (Greeley (4) Z-3-138 to 156; Stibolt (4) Y-4-134). Interest actually paid should be allowed (Greeley (4) AA-7-145). Aside from direct-out-of-pocket costs, which obviously should be allowed, important questions of principle arise as to recovery of capital and by means of a minimum price assuring ability to meet financial obligations. It is clear, however, that if the lumber and timber products industries are to continue as privately owned and operated enterprises, they have to receive a reasonable price for standing timber and to amortize the plant and equipment necessary for converting timber into lumber and timber products. These considerations have been kept in mind in preparing the proposed formula for cost protection.

Of some 20,000 sawmills in the United States, more than 15,000 are valued at less than $5,000 each (Compton (1) B-6-13), and a large number of farmers sell small quantities of logs to sawmills, or else operate sawmills themselves. Total volume of logging and manufacturing operations by farmers is of considerable importance (Townsend (10) B-487,488). These farmers and small operators frequently do not keep accounts, and even some of the large mills are carrying obsolete and excessive plant and equipment on their books, with corresponding exaggeration of depreciation charges (Sells (6) T-2-115; Denman (4) EE-3-159). Adequate, uniform, and realistic accounting, particularly among small establishments, is not characteristic of this industry (Townsend (10) B-491). Although proper charges for depreciation constitute a valid element of cost, this element cannot be included in the proposed cost protection formula as applied to the lumber and timber products industries until more and better data are available.

Permission to establish minimum prices for lumber and timber products is believed to be necessary to make possible the increased wage schedules which are recommended in this report. But the neces-

sity of devising a cost protection formula also affords an opportunity to initiate a comprehensive conservation and reforestation program of the widest significance, such as the industries have agreed to undertake, in accordance with the stipulations of Article X of the Code.

7. *Conservation and Sustained Production.*—Article X of the Code as originally submitted, was redrafted in consultation with the Forester of the United States and spokesmen of recognized conservation agencies (Compton (2) J-5-96). The Forester then appeared at the hearing and approved the revised Article X on condition that the industries undertake to bring about conservation and reforestation, which was agreed to as a binding covenant. This action elicited the following statement by Major R. Y. Stuart, Forester of the United States:

"May I say, Mr. Administrator, in my judgment this article as it has been amended to my mind opens up a new era in forestry, forest production, forest protection, and we in the Forest Service will very eagerly do all that we can not only to cooperate with the industry in the performance of its obligations, but also put forth our utmost efforts to have the public, particularly the Federal Government, expend its cooperative effort to that end." (Stuart (2) T-1-115).

It is gratifying to remark the fact that an issue which has been the subject of such prolonged controversy is finally concluded by the voluntary action of the lumber interests. After many years of studies and conferences, there appears to exist a clear understanding between the lumber interests and the Forest Service on the many practical problems which are involved in giving effect to the principles of conservation, as well as a meeting of minds as to their solution. I therefore recommend that the further negotiations and commitments provided for in the revised Article X be approved, but on the understanding that in the event this article is not found to be effective, a further hearing or hearings may be called to revise it.

Those who use lumber and timber products should pay for the replacement of such products. As one of the factors of minimum price, subject to market conditions, it is proposed to include an amount adequate to cover the cost of conserving and replacing as much timber as is harvested. Estimated additional charges which will have to be imposed upon each 1,000 feet of lumber in order to bring about this important result are surprisingly small. They have been obtained from the Forest Service of the United States Department of Agriculture and appear in detail in the report of the Division of Planning and Research.

For a few of the more important species the increased price for each 1,000 feet of lumber in order to accomplish full conservation and replacement is estimated by the Forest Service as: 25 cents to 45 cents for Douglas fir, 75 cents to $1.00 for southern pine, 50 cents for central hardwoods, 25 cents for redwood. If the cost protection formula can be utilized for accomplishing the major objectives of conservation and reforestation the device will be amply justified.

8. *Production Control.*—Evidence presented at the hearing was uniformly to the effect that much of the recent increase of activity in the lumber and timber products industries, perhaps as much as two thirds, represents speculative operations or operations based on speculative buying (Compton (1) B-7-14: Greeley (3) F-3-30 to 32).

Logging and sawmill activities have continued at a low level for so protracted a period of time (Greeley (1) F-4-56) and capacity is so greatly in excess of even the enlarged operations of recent months (Fentress (6) II-3-190) that control of production is imperative if renewed and accentuated demoralization of the industries and dislocation of labor are to be avoided (Fentress (6) LL-3-208 to 209).

There was evidence (Stibolt (4) W-1-121 and 129; also (5) E-4-20) that particularly in the case of lumber, demoralized selling below cost is probable, even when the volume of production is controlled. A log produces many items of lumber, some valuable, some nearly worthless. The valuable must carry the nearly worthless, and a balance must be struck between profit on the one and loss on the other, if the cost of conversion is to be recovered in prices (Stibolt (4) W-1-121). Individual operators, with defective cost-accounting systems, are not competent to determine what schedule of prices will in the long run be equivalent to the cost of manufacture. The lumber operator without knowledge of his costs has the power to undermine the whole price structure, and his incompetence imperils even the best informed of his competitors.

Application of the principle of production control presents many difficulties. One of the most controversial subjects discussed at the hearing was whether control of production would be equitably administered (Fairhurst (8) Z-6-143; Johnson (7) G-7-38; Denman (4) FF-4-167). The experience of the Lumber Survey Committee of the United States Timber Conservation Board, which has made quantity surveys of expected consumption for the past two years, has demonstrated the feasibility of determining aggregate quotas for the lumber industry as a whole and the Divisions and Subdivisions thereof.

Several persons contended that the Administrative machinery would inevitably fall into the hands of large operators (Fairhurst (8) Z-5-142; Walter Johnson (7) C-3-17). Others recognized that experience would be required to determine aggregate quotas for the lumber industry as a whole, which would at the same time maintain a reasonable balance between production and consumption and assure an adequate supply of timber products, as well as to make specific allotments to the various producing regions and to individual operators (Greeley (1) F-10-62 and 64).

In the draft code as submitted, it is proposed that "Quotas for persons within respective Divisions or Subdivisions shall be determined by the designated agencies thereof in accordance with an equitable basis or method of allocation * * *" approved by the administrative organization to be established. Vague language of this character is not acceptable. Allotments should be based upon a definite formula composed of factors which can be mathematically determined from ascertainable facts. The formula should be such that each operator could virtually calculate for himself the allotment which he should receive. Any other arrangement would create suspicion and contribute to the realization of that apprehension which was expressed by several witnesses (W. Johnson (7) E-4-25 and G-7-38) who commented on the proposal for control of production. Provision should be made for emergency situations, such as timber affected by fire, wind, and insects (Fentress (6) JJ-1-195 to 197). Appeals on allotments should be possible at reasonable cost and with the assurance of prompt decisions (Greeley (1) H-5-80 and 81).

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Full publicity should be provided as to the determination of quotas and allotments and as to all appeals and decisions thereon. To give effect to the foregoing suggestions, an alternative proposal to that submitted by the lumber and timber products industries has been prepared and is recommended herewith.

Many persons within the industries desire to place in the Code of Fair Competition (Greeley (1) F-9-161 and 162) a provision that additional sawmills and wood-working establishments should not be permitted in view of the recognized over-capacity which at present prevails. After due consideration and in the light of representations made by the National Recovery Administration, limitation of new capacity is not proposed in the Code.

In revising the production control proposals which were submitted by the industries, attention has been given to the principles outlined above. The revised draft provides for mathematical determination of production, quotas, for the purpose of balancing consumption and production, while assuring adequate supply; it stipulates that all producers of lumber and timber products are entitled to and shall receive allotments; it provides definite factors which must be given consideration in the determination of quotas and allotments, yet preserves the principle of self-government in industry by permitting each Division and Subdivision to adjust the several elements of the formula to its own peculiar conditions; further flexibility is provided in that exceptions are permitted for adequate cause; simple, inexpensive and expeditious methods of appeal are assured to those who believe that specific allotments have been inequitable; publicity for all official acts is required; finally, it is recognized that improvements in constructing and applying the formula can undoubtedly be made in the light of experience, and revision is therefore permitted and expected.

Procedure for establishing quotas, as recommended in Article VIII, should be based upon that utilized with pronounced success by the Lumber Survey Committee of the United States Timber Conservation Board. This procedure has the advantage that it can be promptly applied on the basis of data already in hand. It is correct in basic principle and is subject to further refinement in the light of statistics to be made available by the Code provisions and the facilities under the Code for analyzing and applying the statistics.

The central factor in this method is inventories. The right volume of stocks adequately to meet the needs of consumption under varying conditions of demand is determined from statistical evidence, and production is regulated to maintain such stocks. This method of handling production control has been effectively applied in certain important industries. While the language of Article VIII does not in terms prescribe such method, it does permit it.

9. *Monopolies.*—The Code as recommended will not result in monopolization in the lumber and timber products industries, nor promote monopolistic practices. As stated above, there are now some 20,000 sawmills in the United States, of which more than 15,000 are small enterprises whose mills are valued at less than $5,000 each (Compton (1) B-6-13). The Code as recommended contemplates their continued operation and guarantees free access to the market to new enterprises, subject to the same limitations as are applicable to those already in the market, namely, that prices shall not be below

the average cost of production as and when determined by the Code Authority, and production shall not exceed the allotment made by the agency of the Code Authority in that Division or Subdivision in which such new enterprises are located.

The operation of these two limitations is subject to supervision which will adequately safeguard the public interests against monopolistic practices in unreasonable or unwarranted restriction upon either price or production policies. Subject to these two limitations, the competitive forces within the industry will be in active operation, with the necessary incentive to keep prices reasonable furnished by the competition of substitute materials, and the necessary incentive to obtain maximum production furnished by the constant pressure on the industry of carrying charges for stumpage and excessive production capacity. In view of the number of operators in the industry, there is no danger of domination of prices or production by any single operator or any group of operators. The Code as recommended protects the small enterpriser by assuring him a production quota and minimum prices that will not be below the average cost of production in his Division. The numerical superiority in the industry of small enterprises and the form of organization of the agencies of the Authority are in themselves safeguards against any oppressive or discriminatory operation of the Code against them.

10. *Administrative Agency.*—The lumber and timber products industries' Code in substantially the form recommended in this report would necessitate considerable administrative machinery for its enforcement. The lumber and timber products industries are prepared to assume the responsibilities of self-government (Greeley (1) F-14-66), subject to governmental supervision, and they therefore propose to create a Lumber Code Authority which shall be a non-profit corporation with the board of directors composed of representatives of the several producing regions. Such an Authority should be approved only if membership in the component Divisions and Subdivisions in the several producing regions and among the various constituent industries shall be open to all logging operators and manufacturers of timber products on equal and reasonable terms.[8]

Approximately 73 percent of all lumber and timber products is included in the membership of the trade associations which would be represented in the Lumber Code Authority. This is a high degree of organization for any industry. It would therefore seem to be the logical agency to which self-government within the industries should be entrusted.

Sufficient provision was not made in Article III, as submitted, for eliminating the abuses which have largely contributed to the present unsatisfactory state of the timber industries. The proposed Code Authority should be authorized immediately to prohibit trade practices which have already been declared to be unfair by the Federal Trade Commission.

It should also be empowered to devise and apply fair trade practice regulations, designed to assure adequate supplies of well-manufactured lumber and timber products at fair prices, to contribute to conservation and reforestation, and to enable the industries to furnish steady employment at living wages to those hundreds of thousands of employees who look to them for a livelihood. Certain

[8] From "Lumber and Timber Information", published by National Lumber Manufacturers Association.

suggested amendments of and additions to Article III are intended to bring about these results.

Some of the specific fair-practice proposals are not acceptable (Gerrity (9) Q-4-251 to 273) (Gillman (9) W-4-274, particularly those that deal with retail distribution (Tozzer (10) EE-6-311), and this section of the Rules of Fair Trade Practice as submitted by the industries is not included in the draft recommended for your approval. It should be returned to the industries for revision. As proposed by the industries, retail lumber dealers would in many circumstances be given the status of local lumber monopolies to the detriment of the public (Gerrity (9) R-2-254). This should not be allowed. It should be possible for the industries, in consultation with the wholesale and retail distributors of their products, to devise means of assuring orderly, fair, and economical distribution, not subject to the objections which have been outlined. They should be required to submit revised proposals by January 1, 1934.

In addition to the Rules of Fair Trade Practice which are applicable alike to all Divisions and Subdivisions, the industries proposed numerous exceptions and additions which are intended to apply to particular situations. Some of these are inconsistent with the general Rules of Fair Trade Practice. Need for prompt action in authorizing the industries as a whole to adopt their Code and put it into effect does not afford sufficient time to harmonize these exceptions and additions with the general Rules.

Consequently, it is recommended that the Rules of Fair Trade Practice shall not come into force until November 1, 1933. During the intervening period opportunity will be afforded to effect revision, satisfactory to the Administrator, in the Rules as proposed by Divisions and Subdivisions and to have them become effective on the foregoing date.

Nevertheless, the time is most opportune for eliminating certain unfair methods of competition which have afflicted the lumber industry and also for introducing improved standards of production and marketing which will be of permanent benefit. Even though a small portion of the Rules of Fair Trade Practice, as submitted by the industries, is not in such form that it can be recommended for immediate approval, a requirement that fully comprehensive rules of fair trade practice shall be prepared and put into effect with the approval of the Administrator should be one of the conditions of authorizing the Code as to hours, wages, cost protection, control of production, and other aspects of fair competition.

Branding or marking of lumber and timber products has been officially endorsed by producers, distributors, and consumers for more than ten years, and the principle is incorporated in "American Lumber Standards," which establishes the bases of lumber grading. It has also received the approval of the United States Timber Conservation Board, which contains the following statement in its "Conclusions and Recommendations," dated June 8, 1932:

"Regulations which would require that shipments of lumber and timbers in interstate commerce be graded and identified in accordance with publicly recognized standards of grading and inspection are essential to the protection of the public interest. Unless the industry

speedily and effectively assumes this responsibility, Federal regulations comparable to the so-called ' pure food ' laws must be invoked."

The branding or marking of lumber, timbers, lath, shingles, and flooring in such a manner as clearly and permanently to indicate (a) species; (b) whether the dimension is standard; (c) grade; and (d) dryness, should be established as standard practice to the extent that the practical considerations involved permit and as soon as reasonable and workable provisions can be developed for making such practice effective. This practice is not proposed by the industry in the Code as presented. The industry should be required to develop and present a definite plan of marking lumber and other forest products and submit it to the President for approval not later than January 1, 1934.

Certain differences of opinion among producers of western pine were set forth at the hearing. A group of producers of western pine lumber in California did not feel that they were properly represented by the Western Pine Association, asserting that differences of conditions in their region called for their recognition as a separate division under the lumber Code. Sufficient evidence was not presented to indicate that these producers had problems so different in character from other establishments in the western pine territory as to justify special treatment under a separate code. It is believed, however that the group of lumber manufacturers in question, organized recently under the name of the California White and Sugar Pine Association, should be given appropriate representation in the administration of the Code.

A group of small manufacturers of railway ties in the Northwest wished to be exempt from certain provisions of the Code, as far as concerns the West Coast lumber industry. The representative of this group (Fairhurst-(6)-AA-4-150-151) did not offer convincing reasons why the standards to be observed by the West Coast industry should not be applicable to the small operators whom he represented.

A group of wood package manufacturers objected at the hearing to being included under the wood package division, largely for the reason that they preferred to have their own code and consequent direct access to the Administrator, instead of through the channels provided in the Lumber and Timber Products Code (Wilson-(9)-B-1-210; 212; 213). No good reason is apparent for excepting this group.

A somewhat similar situation was shown to exist in the woodworking industries. While 90 percent of the production in those industries desire to participate in the present Code of Fair Competition, a few highly specialized wood-working establishments expressed a wish to submit a separate Code (Smith-(7)-N-4-84). Adequate grounds for negotiating a separate code for this small fraction of the woodworking industry were not shown.

Certain West Coast operators urged that exports should be exempt from production control. The West Coast district ships over half of all lumber exported. These exports constituted about 16 percent of the entire production of the West Coast district in 1929 and about 18 percent in 1932. At least 40 percent of all West Coast mills share in this business (Greeley-(6)-Y-5-141). No export item can be produced from the log without producing a substantial " side cut ".

On the average the "side cut," which must be sold in the United States, is more than one third of the product of the log. Export orders do not differ materially in volume, period of negotiation, or period of shipment from domestic water-borne business, and no greater necessity for separate treatment appears in case of export than in case of domestic cargo business. No adequate showing of the peculiarity of export business was made to warrant exemption from production control. To enable domestic producers to meet foreign prices, however, export business has been exempted in the Code, Article IX (a) from the requirement of maintaining cost-protection prices.

In spite of the comparatively high degree of organization and unanimity of opinion in the industries, it is evident that in some of the Divisions and Subdivisions proposed to be established under the Code, there are a number of substantial, organized, minority groups. These should be accorded reasonable and equitable representation in such governing body of each Division or Subdivision as may be established. While it is proper that minority organizations within a logical competitive industry grouping should not be accorded the status of separate entities, it is not proper that they be denied fair proportionate representation in the Division or Subdivision governing body. This has been accomplished in the proposed organization of the Lumber Code Authority and should be accomplished in the Divisions and Subdivisions.

11. *Suggested Conditions of Approval.*—The lumber and timber products industries clearly desire to cooperate in achieving the purposes of the National Industrial Recovery Act. They prepared their Code with care and with the intention of increasing employment by shortening hours, of expanding purchasing power by raising wages, and of placing the industry on a sound basis by providing for the elimination of trade abuses. These efforts deserve governmental support.

It is my opinion, however, that maximum hours of labor should in most instances be somewhat less than those proposed by the industries themselves and that wage rates should begin at a somewhat higher minimum. I therefore recommend a uniform work week of 40 hours as a maximum in both camps and mills and a minimum wage schedule of 23 cents per hour in the South and 42½ cents an hour in the West Coast and western pine areas, with properly adjusted gradations of rates for other producing regions.

Other changes in the proposed Code which I regard as important have been discussed in earlier paragraphs, and all proposed changes from the Code as submitted by the industries are included in the attached draft, which I recommend for your approval.

12. *Findings.*—The Assistant Administrator finds that:

(a) The code of the Lumber and timber products industries as recommended complies in all respects with the pertinent provisions of Title I of the National Industrial Recovery Act, including, without limitation, subsection (a) of Section 7 and subsection (b) of Section 10 thereof; and

(b) the National Lumber Manufacturers' Association, which submitted the Code, and the forty-five Divisional associations, listed in the letter of transmittal, and concurring in the submission, impose

no inequitable restrictions on membership therein and are truly representative of the lumber and timber products industries, and

(c) the Code as recommended is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

Respectfully submitted,

DUDLEY CATES,
Assistant Administrator.

CODE OF FAIR COMPETITION

FOR THE

LUMBER AND TIMBER PRODUCTS INDUSTRY

Art. I. *Purpose.*—This is an undertaking in industrial self-government under such public sanctions as are necessary to carry out in the lumber and timber products industries the purposes of the National Industrial Recovery Act. It is the declared purpose of the lumber and timber products industries and of the adherents to this Code, to reduce and relieve unemployment in said industries; to improve the standards of labor therein; to maintain a reasonable balance between the production and the consumption of lumber and timber products; to restore the prices thereof to levels which will avoid the further depletion and destruction of capital assets; and to conserve forest resources and bring about the sustained production thereof.

Art. II. *Definitions.*—(a) " Lumber and Timber products " as used herein is defined to include (1) logs, poles and piling; (2) sawn lumber and products of planing mills operated in conjunction with sawmills; (3) shingles; (4) woodwork (millwork) including products of planing mills operated in conjunction with retail lumber yards; (5) hardwood flooring; (6) veneers; (7) plywood; (8) kiln dried hardwood dimension; (9) lath; (10) sawed boxes, shook and crates; (11) plywood, veneer and wirebound packages and containers; and (12) in respect of any Division or Subdivision additional timber products as enumerated in Schedule A.

(b) " Person " as used herein includes, without limitation, any individual, firm, partnership, corporation, association, trust, trustee, or receiver subject to the jurisdiction of this Code.

(c) " Divisions " and " Subdivisions " as used herein refer to the several administrative units of the lumber and timber products industries which are established and are defined in Schedule A hereof. The Divisions and Subdivisions initially established are as follows, provided, however, that any Division or Subdivision, as initially established herein, or as may be established hereafter, or any substantial group in such Division or Subdivision of the industry as herein defined, may be exempted from the provision of this Code by the President or by the Administrator under the provisions of Article XII of this Code:

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Cypress Division.
Hardwood Division:
Appalachian and Southern Hardwood Subdivision.
Mahogany Subdivision.
Philippine Mahogany Subdivision.
Walnut Subdivision.
Northern Hardwood Subdivision.
North Central Hardwood Subdivision.
Northeastern Hardwood Subdivision.
Northern Hemlock Division.
Northern Pine Division.
Redwood Division.
Northeastern Softwood Division.
Southern Pine Division:
Southern Rotary Cut Lumber Subdivision.
West Coast Logging and Lumber Division:
Douglas Fir Plywood Subdivision.
Douglas Fir Door Subdivision.
Western Pine Division.
Woodwork Division:
Stock Manufacturers Subdivision.
Wholesale Distributors Subdivision.
Special Woodwork Subdivision.
Wooden Package Division:
Sawed Box, Shook, Crate, and Tray Subdivision.
Plywood Package Subdivision.
Standard Container Subdivision.
Pacific Veneer Package Subdivision.
Egg Case Subdivision.
Wirebound Package Subdivision.
Veneer Fruit and Vegetable Package Subdivision.
Red Cedar Shingle Division:
Stained Shingle Subdivision.
Oak Flooring Division.
Veneer Division.
Maple Flooring Division.
Hardwood Dimension Division.

ART. III. *Administration.*—(a) The applicant organizations shall, with the approval of the President, establish and empower a suitable agency named "Lumber Code Authority, Incorporated" hereinafter referred to as the Authority to administer this Code in conformity with the provisions of the National Industrial Recovery Act under the authority of the President. Said agency shall be a body incorporated not for profit. Provision shall be made for membership of representatives of the principal divisions of the industries, and provision shall also be made for three non-voting members to be appointed by and to act as advisory representatives of the President.

(b) The Authority shall issue and enforce such rules, regulations, and interpretations, and impose upon persons subject to the jurisdiction of this Code such restrictions as may be necessary to effectuate the purposes and enforce the provisions of this Code.

(c) The Authority is authorized and instructed, with respect to the Rules of Fair Trade Practice set forth in Schedule B attached hereto, to devise and apply such further requirements or prohibitions, includ-

ing unfair trade practices, applicable to the industries, which have been specifically condemned by the Federal Trade Commission, as may conduce to the orderly operation of the lumber and timber products industries, not inconsistent with the provisions of the National Industrial Recovery Act, and with due consideration of the rights of employees in said industries and of the consumers of the products of said industries. Such requirements or prohibitions, when adopted by the Authority, shall be submitted to the President for approval and if approved by him shall then be deemed to be supplements to and amendments of Schedule B of this Code.

(d) The Authority may establish Divisions and Subdivisions of the industries and shall designate appropriate agencies, and the governing bodies thereof, for the administration of this Code in each Division and Subdivision; the Authority may delegate to said agencies all necessary power and authority for the administration of this Code within the Divisions and Subdivisions, including the adoption of Division and Subdivision code provisions within the scope of the power granted under this Code and not inconsistent with it; but the Authority shall reserve the power and duty to enforce the provisions of this Code. The agencies initially so designated and the governing bodies thereof are set forth in Schedule A.

(e) The governing body of the agency of each designated Division or Subdivision shall be fairly representative of each group, including any substantial minority group within the Division or Subdivision, classified by regions, types of manufacture, or other appropriate considerations. The Authority shall have the power and duty to establish and maintain the representative character of such governing body and on the failure of any designated agency to be representative, as prescribed herein, the Authority shall, unless the designated agency shall comply with such instructions as the Authority may give, remove such agency and designate or cause to be designated a different agency for such Division or Subdivision.

(f) The Authority shall coordinate the administration of this Code with such codes, if any, as may affect any division or subdivision of the lumber and timber products industries or any related industry, with a view to promoting joint and harmonious action upon matters of common interest; it shall receive, and, if it shall approve, shall present for the approval of the President, any proposals for supplementary provisions or amendments of this Code or additional codes applicable to the lumber and timber products industries or the various Divisions and Subdivisions thereof with respect to wages, hours, trade practices, or any other matters affecting such industries or any Division or Subdivision thereof. Upon approval by the President, such supplementary provisions or amendments of this Code or such additional codes shall thereupon have full force and effect and shall be considered as integral parts of this Code.

(g) The Authority shall admit or cause to be admitted to participation in any Division or Subdivision to which he belongs, any person on terms of equality with all other persons participating therein.

Art. IV. *Code Reports and Fees.*—In order that the President may be informed of the extent of observance of the provision of this Code and of the extent to which the declared policy of the National Industrial Recovery Act as stated herein is being effectuated in the lumber

and timber products industries, the Authority shall make such reports as the Administrator may require, periodically, or as often as he may direct, and each person shall make such sworn or unsworn reports to the Authority, periodically, or as often as it may direct, on wages, hours of labor, conditions of employment, number of employees, production, shipments, sales, stocks, prices, and other matters pertinent to the purposes of this Code as the Authority may require, and each person subject to the jurisdiction of this Code and accepting the benefits of the activities of the Authority hereunder shall pay to the Authority his proportionate share of the amounts necessary to pay the cost of assembly, analysis, and publication of such reports and data, and of the maintenance of the said Authority and its activities. Said proportionate share shall be based upon value of sales or footage of production, as the Authority may prescribe for each Division or Subdivision. The Authority may conduct such investigations as are necessary to discharge its duties hereunder.

ART. V. *Labor Provisions.*—(a) Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(b) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

(c) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

(d) No individual under 18 years of age shall be employed, except that boys 16 years and over may be employed in the Wooden Package Division and in non-hazardous occupations during school vacations or if there are no wage earners of 18 years or over in their families.

ART. VI. *Hours of Labor.*—(a) General Provisions and Exceptions:

(1) No employee shall be permitted to work for two or more employers for a longer period in any week than specified herein for a single employer.

(2) Exceptions to the standards in respect to maximum hours of labor specified herein are authorized as follows:

A. Executive, supervisory, traveling sales force, and camp cooks.

B. Regular employment in excess of such standards, for employees, such as watchmen, firemen, and repair crews, where required by the nature of their work, for not more than 10 percent of the employees in any operation, but time and a half shall be paid for weekly overtime.

C. Temporary employment in case of emergency.

D. *Seasonal Operations.*—Seasonal operations are defined as those which on account of elevation or other physical conditions or dependence upon climatic factors are ordinarily limited to a period of ten months or less of the calendar year.

The administrative agency of a Division or Subdivision may authorize employment in a seasonal operation for a maximum number of hours not exceeding 48 hours in any week, with the exception of parts of an operation depending on climatic conditions, such as stream

driving and sled hauling, in which a greater excess may be authorized; provided, that the average employment in any seasonal operation in any calendar year shall not exceed the standard schedule.

E. Manufacturers of wooden packages for perishable fruits and vegetables may be authorized by the Administrative Agency of the Wooden Package Division to depart from the standard schedule of maximum hours applicable to said manufacturers for a period not to exceed four weeks for any one crop, when necessary to furnish packages for any perishable crop; provided that the average employment of any individual in any calendar year shall not exceed the standard schedule.

(b) Subject to the foregoing exceptions, the maximum hours of employment in the respective Divisions and Subdivisions shall be 40 hours per week.

ART. VII. *Minimum Wages.*—(a) General Provisions:

(1) The minimum compensation for workers employed on piecework or contract basis shall not be less than the minimum wage hereunder for the number of hours employed.

(2) The existing amounts by which minimum wages in the higher paid classes, up to workers receiving $30.00 per week exceed minimum wages in the lowest paid classes, shall be maintained.

(3) Charges to employees for rent, board, medical attendance, and other services shall be fair.

(b) Subject to the foregoing provisions, the minimum wages which shall be paid by persons under the jurisdiction of this Code shall not be less than 40 cents per hour, unless in any Division or Subdivision of the industries the prevailing hourly rate for the same class of employees on July 15, 1929, as determined by the Administrator on statistical evidence, was less than 40 cents per hour, in which case the rate shall not be less than said prevailing hourly rate so determined, plus fifteen percent if said hourly rate on July 15, 1929, was less than 30 cents per hour, provided, however, that for wages per hour between 20 cents and 29 cents, inclusive, on July 15, 1929, with wages of less than 20 cents per hour on that date being considered as 20 cents, the percentage of increase shall diminish one and one half percent for each cent that wages per hour exceeded 20 cents, in accordance with the following schedule:

Wages per hour, July 15, 1929	Increase under proposed schedule	Wages per hour under proposed schedule
Cents	*Percent*	*Cents*
20	15	23
21	13½	24
22	12	24. 5
23	10½	25. 5
24	9	26
25	7½	27
26	6	27. 5
27	4½	28
28	3	29
29	1½	29. 5
30	0	30

(c) No minimum rate of wages for any Division or Subdivision shall be less than that proposed for such Division or Subdivision by the applicant industries in the Code filed July 10, 1933.

(d) Minimum rates of wages so determined in the respective Divisions and Subdivisions shall be as follows:

Division	Cents per Hour
Cypress	24
Hardwood:	
Appalachian Hardwood	28.5
Southern Hardwood	24
Philippine Mahogany	45
Northern Hardwood:	
Mills & Factories	30
Logging	27
North Central Hardwood:	
Mills & Factories	32.5
Logging	32.5
North Eastern Hardwood:	
Mills & Factories	30
Logging	27
Northern Hemlock:	
Mills & Factories	30
Logging	27
Northern Pine:	
Mills & Factories	33.5
Logging	28.5
Redwood	35
North Eastern Softwood:	
Mills & Factories	30
Logging	27
Southern Pine	24
Southern Rotary Cut	23
West Coast:	
Logging	42.5
Lumber Manufacture	42.5
Factories	40
Fir Door	40
Fir Plywood	40
Western Pine (Except Arizona, New Mexico and Colorado South of 38° north latitude):	
Logging	42.5
Mills	42.5
Factories	40.0
Arizona, New Mexico, and Colorado (South of 38° North Latitude)	24
Red Cedar Shingle	42.5
Stained Shingle	40

Division	Cents per Hour
Oak Flooring:	
Appalachian	29.5
Southern	26
Maple Flooring	30
Hardwood Dimension:	
Southern Hardwood Area	24
Appalachian Hardwood Area	28.5
Northern Hardwood Area	30
Northeastern Hardwood Area	30
North Central Hardwood Area	32.5
Mahogany Subdivision: [9]	
Zone 1, New York City & Chicago	42.5
Zone 2, Northern Cities	35
Zone 3, Northern Rural	30
Zone 4, Southern Cities	30
Zone 5, Southern Rural	25
Walnut Subdivision: [9]	
Zone 1, New York City & Chicago	42.5
Zone 2, Northern Cities	35
Zone 3, Northern Rural	30
Zone 4, Southern Cities	30
Zone 5, Southern Rural	25
Veneer Division: [9]	
Zone 1, New York City & Chicago	42.5
Zone 2, Northern Cities	35
Zone 3, Northern Rural	30
Zone 4, Southern Cities	30
Zone 5, Southern Rural	25

WOODWORK

Division	Cents per Hour
Division A—Stock Manufacturers Subdivision:	
Zone 1 [10]	25
Zone 2	30
Zone 3	32.5

[9] Mahogany and Walnut Subdivision and Veneer. Division Zones are as follows:
New York: Any establishment located within ten miles of the limits of the City of New York.
Chicago: Any establishment located within ten miles of the limits of the City of Chicago.
Cities: Communities over 75,000 population, including establishments within ten miles of the city limits.
Rural: Communities of less than 75,000 population.
South: Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia.
North: Balance of the United States.

[10] The Zones and territory under Woodwork are defined as follows:
Zone #1 includes the states of Florida, Georgia, South Carolina, North Carolina, Virginia, Alabama, Tennessee, Mississippi, Louisiana, Arkansas, New Mexico, Arizona and Texas (13 States).
Zone #2 includes the states of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Delaware, District of Columbia, Maryland, West Virginia, Pennsylvania, Ohio, Kentucky, Indiana, Michigan, Illinois, Wisconsin, Minnesota, Iowa, Missouri, Kansas, Oklahoma, Nebraska, South Dakota and North Dakota (26 states and District of Columbia).
Zone #3 includes the states of Oregon, Washington, California, Nevada, Idaho, Utah, Colorado, Wyoming and Montana, but excepting western Oregon and Washington, which are included in the code of the West Coast Lumbermen's Assn. (9 states).
Metropolitan New York includes the territory within a 30-mile radius of the City Hall on Manhattan Island in the City of New York.
Chicago includes the territory within the bounds of Cook County, Illinois.

WOODWORK—continued

Division	Cents per Hour
Division B—Wholesale Distributors Subdivision:	
Zone 1	25
Zone 2:	
Metro. N.Y. City and Chicago	45
East of Ohio, except N.Y. City	35
Other territory	30
Zone 3	32. 5

WOODWORK—continued

Division	Cents per Hour
Division C—Special Woodwork Subdivision:	
Zone 1	25
Zone 2:	
Metro. N.Y. City and Chicago	50
East of Ohio, except N.Y. City	40
Other territory	30
Zone 3	32. 5

WOODEN PACKAGE

DIVISION	Cents per Hour
A. Sawed box shook, crate, and tray subdivision:	
a. Eastern Shook and Wooden Box group (Maine, Mass., Vt., N.H., Conn., and R.I.)	30
b. New York, New Jersey Shook group (New York-Metropolitan area)	35
c. Southeastern Box & Shook group (Va., North & South Carolina, Ga., Florida, Eastern Tenn., & Eastern Ala.)	23
d. Southern Hardwood group (Louisiana, Ala., Eastern Texas, Arkansas, Southeastern corner Missouri, Southern end of Illinois, Western Tennessee & Mississippi)	23
e. Northwest Shook group (Wis., Minn., N.Dak., S.Dak., Winnebago Co., Ill., Northern and Eastern Iowa, Northern Peninsula of Mich.)	30
f. Inland Empire group (Montana, Idaho, Eastern Oregon, Eastern and Central Washington)	40
g. Pacific Wooden Box group (California, Oregon, Utah, Nevada, New Mexico, Arizona, and Colorado):	
California, Oregon, Utah, Nevada and Colorado (North of 38° North Latitude)	40
New Mexico, Arizona & Colorado (Provisional) (South of 38° North Latitude)	23
h. Pacific Northwest Wooden Box group (Western Washington and Western Oregon and Alaska)	40
i. Northern Box and Shook group (New York, excluding Metropolitan N.Y., New Jersey, excluding Metropolitan N.J., Delaware, Penna., Ohio, Ind., Southern Peninsula of Mich., Illinois except Winnebago Co. and extreme south at mouth of Ohio river, Missouri except Southeast corner, Kansas, Nebraska, Southern and Western Iowa)	30
j. Southern Box and Shook group: (Maryland, W.Va., and Southern Pine and Softwood section of Tenn., western Alabama, La., Arkansas, Texas, and Oklahoma)	23
B. Plywood Package Subdivision:	
(South of Delaware River, the Southern line of Pennsylvania, the Ohio River and the Southern line of Missouri, Kansas, Colorado, and the Colorado River)	23
North of above line	30
C. Southeastern Veneer Container Subdivision: (Florida, Georgia, Alabama)	23
D. Pacific Veneer Container Subdivision: (California, Oregon, Washington)	40
E. Egg Case Subdivision:	
(Florida, Georgia, So. Carolina, No. Carolina, Virginia, Alabama, Tennessee, Mississippi, Louisiana, Texas, Maryland, W. Virginia, Kentucky, Oklahoma, Arkansas, Southeastern Mo., and Ohio River points)	23
All other territory	30

WOODEN PACKAGE—continued

DIVISION	Cents per Hour
F. Wirebound Box Subdivision:	
(Florida, Georgia, South Carolina, North Carolina, Virginia, Alabama, Tenn., Miss., La., New Mexico, Ariz., Texas, Maryland, W.Va., Ky., Okla., Arkansas, and Ohio River points)	23
All other territory	30
G. Veneer Fruit and Vegetable Package Subdivision:	
Southern Group: (North Carolina, South Carolina, Kentucky, Tennessee, Mississippi, Louisiana, Alabama, Texas, Arkansas, Georgia, Florida, Virginia, and nine counties Eastern Shore of Maryland and Delaware)	23
Northern Group: New York, New Jersey, Midwest, and Michigan groups	30

In the Wooden Package Division minimum wage rates below those shown in the schedule shall be permitted in the case of boys and girls less than 20 years of age, provided that not more than 20 percent of the total number of employees of any one plant shall be so classified; and provided further that the differential shall not exceed 3 cents if the rate after subtracting the differential is 27 cents or less, but in no case shall the differential exceed 5 cents.

ART. VIII. *Control of Production.*—(a) To effectuate the declared purposes of this Code in respect of maintaining a reasonable balance between the production and the consumption of lumber and timber products and to assure adequate supplies thereof, the Authority shall determine, and from time to time revise, not less frequently than each three months, estimates of expected consumption, including exports, of lumber and timber products of each Division and Subdivision; and based thereon it is empowered to establish, and from time to time revise, production quotas for any Division or Subdivision of the lumber and timber products industries. Allotments within each Division and Subdivision, for the persons therein, shall be made, subject to the supervision of the Authority, by the agencies designated by it. Said quotas as between such Divisions or Subdivisions shall be in proportion to the shipments of the products of each during a representative recent past period to be determined by the Authority; but the Authority may modify said proportions if warranted by evidence. In case of Divisions or Subdivisions, the raw material of which is imported, the quotas and allotments may be in terms of imports, so far as may be consistent with the provisions of Section 7 (a) of the National Industrial Recovery Act.

(b) Each person in operation shall be entitled to an allotment. Each person known to any Division or Subdivision agency to be in operation *shall be registered* by such agency immediately and shall be assigned an allotment. The agency shall also immediately give public notice reasonably adapted to reach all persons operating or desiring to operate, stating the date on which the allotments will be determined; and any person desiring to operate who shall give the agency written notice of such desire ten days before the allotment date, supported by acceptable evidence of ability to operate, *shall be registered* by the agency and assigned an allotment. Any person so registered shall be deemed an "eligible person" for the purposes of this Article.

(c) The allotment for each eligible person shall be determined from time to time for a specified period not exceeding three (3)

months and, except as may be permitted under the provisions of section (d) hereof, shall be as follows:

(1) That proportion of a specified percentage, determined as provided in sections (d) and (e) of this Article, of the Division or Subdivision quota which his greatest average hourly production in the hours operated during any three calendar years since December 31, 1924, is of the aggregate of such hourly production of all eligible persons within the Division or Subdivision.

(2) That proportion of a specified percentage, determined as provided in sections (d) and (e) of this Article, of the Division or Subdivision quota which his greatest average yearly production for any three calendar years since December 31, 1924, is of the aggregate of such yearly production of all eligible persons within the Division or Subdivision.

(3) That proportion of a specified percentage, determined as provided in sections (d) and (e) of this Article, of the Division or Subdivision quota which the greatest average number of his employees during any three calendar years since December 31, 1924, is of the aggregate of such number of employees of all eligible persons within the Division or Subdivision.

(4) That proportion of not to exceed ten (10) percent of the Division or Subdivision quota which the amount of taxes paid by him, except Federal taxes, taxes on ore, coal, petroleum, ships, retail yards, and timber not set apart for the operation, during the next preceding calendar year is of the total amount of such taxes paid by all eligible persons within the Division or Subdivision.

(5) That proportion of not to exceed fifteen (15) percent of the Division or Subdivision quota which the quantity of reserve standing timber allocated to his operations within said Division or Subdivision, and at the time the allotment is made, owned by him in fee or under contract is of the total quantity of such reserve standing timber owned in fee or under contract by all eligible persons within the Division or Subdivision.

(d) (1) Exceptions to or changes in any allotment thus established shall be made only for special, accidental, or extraordinary circumstances, or, in any Division or Subdivision, for other factors peculiar to a limited group of operations. Exception may be made only on application to the designated Division or Subdivision agency by an eligible person who must submit evidence in support of his application, and the exception may be granted only upon a published finding and statement of reasons therefor.

(2) A person conducting seasonal operations as defined in Article VI (a) (2) (D) hereof shall be entitled, on application to his Division or Subdivision agency, to produce during his period of operation not only amounts allotted to him during his period of operation but also amounts allotted to him under section (c) hereof since the termination of his previous operating period.

(3) In the case of any person (a) who produced during less than three calendar years since December 31, 1924, and before December 31, 1930, or (b) who is entitled to an allotment for operation of new, additional, or restored facilities, which were not in operation for such three calendar years, or (c) for whom for any other reason such three calendar years are not reasonably representative of his present circumstances, his average hourly production, his average yearly production,

and his average number of employees shall be determined by the Division or Subdivision agency on an equivalent basis by comparison with substantially equal facilities already established and in like regions or conditions.

(4) On application of a Division or Subdivision, the Authority may authorize the allotment of production therein on any one or more of the bases provided in subsections (1), (2), and (3) of section (c) hereof in such relative proportions as the Authority may approve; and including or not the bases, or either of them, provided in subsections (4) and (5) of said section (c).

(e) In the absence of an approved application from any Division or Subdivision for the assignment of allotments under the provisions of subsection (4) of section (d) hereof, the Authority may direct that allotments within said Division or Subdivision be assigned in accordance with the provisions of section (c) in the following relative proportions:

Subsection (1), hourly production, 40 percent;
Subsection (2), yearly production, 30 percent;
Subsection (3), number of employees, 15 percent;
Subsection (4), taxes paid, 5 percent;
Subsection (5), standing timber, 10 percent;

unless the Division or Subdivision shall elect to accept the average relative proportions of the Divisions or Subdivisions whose allotments have been theretofore approved.

(f) The basis for determination of Division and Subdivision quotas and of individual allotments and any revisions thereof, all quotas, all allotments, and all appeals therefrom and all decisions on appeals shall be published.

(g) Allotments from two or more Divisions or Subdivisions to the same person shall be separate and distinct and shall not be interchangeable. Allotments shall not be cumulative except as authorized in specific cases under section (d) (1) of this Article, or in cases of seasonal operations of a Division or Subdivision under section (d) (2) of this Article, and shall not be transferable except as between operations under the same ownership within the same Division or Subdivision.

(h) Whenever in the case of any eligible person it shall be necessary, in order to accept and execute orders for export, to have an addition to his regular allotment, provision for such necessary excess shall be made by the Division or Subdivision agency, provided that any excess above his allotment shall be deducted from his subsequent allotment or allotments.

(i) The Authority may modify, or cause to be modified, production quotas and allotments determined hereunder, and the bases therefor, in such manner and to such extent as may be necessary to effectuate the provisions of the Code in respect of the conservation and sustained production of forest resources. Such modification shall not be made effective prior to the next succeeding allotment date.

(j) The basis of allotments as provided in sections (c), (d), and (e) hereof is tentative and is subject to revision. When in the judgment of the Authority revision of the bases of allotments is desirable, whether by changing the proportions of the factors in determining allotments enumerated in Section (c), subsections 1, 2, 3, 4, and 5, of this Article, in accordance with the procedure established in sections

(d) and (e) hereof, or by the addition of other factors, consideration shall be given to the inclusion of practicable and equitable measures, subject to the approval of the President, for increasing allotments of persons whose costs are below the weighted average defined in section (a) of Article IX.

(k) The Authority, as promptly as practicable after its action pursuant to Art. X hereof, shall submit for the approval of the President appropriate changes in the bases of allotments.

(l) Except as otherwise provided in section (h) of this Article, no person shall produce or manufacture lumber or timber products in excess of his allotment. If any person shall exceed his allotment the Division or Subdivision agency shall diminish the subsequent allotment or allotments of the offender in an amount equal to such excess.

(m) The Authority shall issue interpretations and shall promulgate rules and regulations necessary for the enforcement of this Article, to prevent evasion and secure equitable application thereof, and assign quotas to each Division and Subdivision which shall become effective on the dates specified by the Authority. Each Division and Subdivision shall assign allotments to all eligible persons effective on the dates specified by the Authority.

Interim Article.—Pending the effective date of placing Article VIII or any part thereof in execution in any Division or Subdivision, the Authority may authorize the designated agency of such Division or Subdivision to assign to eligible persons production allotments in hours of allowable operation.

Art. IX. *Cost Protection.*—(a) Whenever and so long as the Authority determines that it will contribute toward accomplishment of the declared purposes of the Code, and whenever it is satisfied that it is able to determine cost of production as defined in this section (a), the Authority is authorized to establish and from time to time revise minimum prices f.o.b. mill, to protect the cost of production of items or classifications of lumber and timber products. Such minimum prices shall be established with due regard to the maintenance of free competition among species, Divisions, and Subdivisions, and with the products of other industries and other countries, and to the encouragement of the use of said products; and except for export sales shall be not more than cost of production, determined as provided in this section (a), nor less than such cost of production after deducting the capital charges specified in items 11 and 12 (b) of this section (a).

The current weighted average cost of production of persons in operation in a Division or Subdivision, or where necessary in a group of persons within a Division or Subdivision, as defined by the Authority, shall be established by uniform accounting practices, and shall include—

1. Wages.
2. Materials and supplies.
3. Overhead and administration, including trade-association dues and Code fees.
4. Shipping, including grading and loading.
5. Selling, not including advertising or trade promotion.
6. Maintenance.
7. Insurance, including compensation and employee insurance, but not including insurance on standing timber.

8. Taxes, including taxes on timber tributary to and allocated to an existing mill or logging operation, not to exceed a twelve-year supply therefor.

9. Interest paid on indebtedness representing plant, facilities, and working capital necessary for mills actually operating or capable of operating, including mills, equipment, logging facilities, docks, inventory, accounts receivable, and timber tributary to and allocated to any existing mill or logging operation, not to exceed a twelve-year supply therefor.

10. Discounts, claims paid, and losses on trade accounts.

11. Depreciation: On straight-line method, and based on the fair value or the cost, whichever is lower, on operating mills and on mill and logging equipment, including mills and equipment capable of operation, plus amortization of investments in logging railroads, docks, and other logging and plant facilities.

12. Raw material: (a) Logs, flitches, lumber, and other partially manufactured material purchased, at actual cost, and standing timber cut under contract of purchase, at actual cost.

(b) Standing timber carried in capital account, cut for operations, at fair current value to be determined by the Administrator, without regard to greater original cost, higher book value, or accumulated carrying charges.

13. Conservation and Reforestation: (a) Costs of protection of timbered and cut-over lands, including fire protection and slash disposal, and protection from insects and disease.

Additional costs when incurred under instructions from the Authority, in such an amount as is warranted by market conditions, to be specifically devoted to timber conservation and reforestation in accordance with regulations prescribed by the Authority, up to the amount estimated by the Authority to be necessary to reproduce the equivalent of the timber converted.

(b) Until such time as the Authority shall have formulated and secured the general application by the several Divisions and Subdivisions of methods of accounting by which item 11 of section (a) hereof may be accurately ascertained, said item may not be included in the determination of cost of production for the purposes of this Article.

(c) Cost of production for each species, determined as provided in section (a), including or not including as the case may be, or in whole or in part, capital charges for stumpage and depreciation, shall be allocated by the Authority to the several items or classifications of lumber or other products thereof for which minimum prices are established, in proportion to their relative market prices over a representative period. Such allocation may be changed by the Authority from time to time as may be found necessary to avoid shortages or excessive accumulations, within any Division or Subdivision of particular items or classifications of lumber and timber products; but the weighted average minimum price of all items and classifications for each species shall not be more than cost of production as determined in section (a) nor less than said cost after deducting the capital charges specified in items 11 and 12 (b) of said section (a).

(d) In determining minimum prices for any Division or Subdivision the Authority shall establish equitable price differentials for products

below accepted standards of quality, as prescribed by the authority, such as the products of some small mills.

(e) No person shall sell or offer for sale lumber or timber products upon which minimum prices have been established at prices less than those so established. No person shall sell or offer for sale lumber or timber products to wholesale or other distributors who have been found by the Administrator to have violated any of the provisions of the Rules of Fair Trade Practice incorporated in this Code as Schedule B, except upon such terms and conditions as the Administrator in accordance with law shall prescribe.

(f) No person shall sell or offer for sale non-standard grades, sizes, dimensions, or classifications of lumber or timber products for the purpose of evading the provisions of this Article.

(g) In the case of imported lumber and timber products, minimum prices for domestic sale shall be determined by the Authority, and such minimum prices shall be equivalent to the minimum prices determined and approved for the same or similar or competing items, grades, sizes, and species of lumber and timber products of domestic production.

(h) The Authority shall secure current information concerning the competition in domestic markets of imported lumber and timber products, and if it shall find that such products are being imported into the United States in substantial quantities or increasing ratio to domestic production and on such terms or under such conditions as to render ineffective or seriously to endanger the maintenance of this Code, it shall complain to the President pursuant to the provisions of Section 3 (e) of the National Industrial Recovery Act and petition for suitable restrictions on the importation of such lumber and timber products.

(i) The Authority shall issue interpretations and shall promulgate rules and regulations necessary for the enforcement of this Article, to prevent evasion and secure equal application thereof.

(j) Minimum prices established in accordance with the provisions of this Article shall become effective ten (10) days after publication thereof by the Authority.

ART. X. *Conservation and Sustained Production of Forest Resources.*—The applicant industries undertake, in cooperation with public and other agencies, to carry out such practicable measures as may be necessary for the declared purposes of this Code in respect of conservation and sustained production of forest resources. The applicant industries shall forthwith request a conference with the Secretary of Agriculture and such State and other public and other agencies as he may designate. Said conference shall be requested to make to the Secretary of Agriculture recommendations of public measures with the request that he transmit them, with his recommendations, to the President; and to make recommendations for industrial action to the Authority, which shall promptly take such action, and shall submit to the President such supplements to this Code, as it determines to be necessary and feasible to give effect to said declared purposes. Such supplements shall provide for the initiation and administration of said measures necessary for the conservation and sustained production of forest resources, by the industries within each Division, in cooperation with the appropriate State and Federal authorities. To the extent that said conference may determine that

said measures require the cooperation of federal, state, or other public agencies, said measures may to that extent be made contingent upon such cooperation of public agencies.

Art. XI. *Special Agreements.*—Voluntary agreements, or proposed voluntary agreements, between and among persons engaged in the logging of timber or the production and distribution of lumber and timber products, or between and among organizations or groups in the lumber and timber products industries, or in which such persons, organizations, or groups purpose to participate, proposed to be submitted to the President for approval under Sec. 4 (a) of the National Industrial Recovery Act, shall not be in conflict with the provisions of this Code or with any approved rule issued thereunder. Such agreements or proposed agreements shall be submitted to the Authority and if not disapproved by it within thirty days as being in conflict with the provisions of this Code, they may thereafter be submitted to the President for approval; but no person engaged in the production and distribution of lumber and timber products shall participate in any such agreement which has been determined by the Authority to be in conflict with the provisions of this Code.

Art. XII. *Cancellation or Modification.*—(a) The President may from time to time cancel or modify any order, approval, license, rule, or regulation issued under Title I of the National Industrial Recovery Act in respect of this Code.

(b) Any decision, rule, regulation, order, or finding made or course of action followed pursuant to the provisions of this Code, may be cancelled or modified by the Administrator whenever he shall determine such action necessary to effectuate the provisions of Title I of the National Industrial Recovery Act.

Art. XIII. *Monopolies.*—(a) This Code shall not be construed, interpreted, or applied so as to promote or permit monopolies or monopolistic practices, and shall not be availed of for that purpose.

(b) The provisions of this Code shall not be so interpreted or administered as to eliminate or to oppress or to discriminate against small enterprises.

Art. XIV. *Division and Subdivision Code Provisions.*—Code provisions affecting or pertaining to Divisions and Subdivisions of the lumber and timber products industries are contained in Schedule "A" attached hereto, which is specifically made a part of this Code, in so far as they relate to description of the respective Divisions and Subdivisions, identification of persons and products subject to their jurisdiction, and designation of administrative agencies. Additional Code provisions affecting or pertaining to Divisions and Subdivisions may be filed with the Authority and if not inconsistent with the provisions of this Code may be recommended by it to the President. When approved by the President such provisions shall have the same force and effect as any other provisions of this Code.

Art. XV. *Violations.*—Violation by any person of any provision of this Code or of any rule or regulation issued thereunder and approved by the President, or of any agreement entered into by him with the Authority so observe and conform to this Code and said rules and regulations or by any importer of any agreement entered into by him with the said Authority for the restriction of importation of lumber and timber products, or any false statement or report made to the President or to the Authority or to the governing body or agency of

any designated Division or Subdivision, after decision by the Administrator thereon pursuant to Article XVII of this Code or otherwise, shall constitute an unfair method of competition, and the offender shall be subject to the penalties imposed by the National Industrial Recovery Act.

Art. XVI. *Rules of Fair Trade Practice.*—(a) The Rules of Fair Trade Practice for the Lumber and Timber Products Industries, as set forth in Schedule "B" attached hereto, are specifically made a part of this Code. The Authority shall make such additions to or exceptions from said Rules, as the agencies of the respective Divisions or Subdivisions may request, applicable in the respective Divisions and Subdivisions, provided the Authority finds said additions and exceptions are not unfair to persons in other Divisions or Subdivisions or their employees, or to consumers, and not inconsistent with the other provisions of this Code, or with the National Industrial Recovery Act. Upon approval of such additions and exceptions by the Administrator said rules shall take precedence in the respective Divisions and Subdivisions in respect of the subject matter of said additions and exceptions, and shall be effective concurrently with the Rules so added or excepted to.

(b) The applicant industries undertake to adopt, apply, and enforce branding or marking or marking of lumber and timber products. Subject to section (c) hereof, all timbers, all seasoned lumber except factory and shop lumber, all flooring and all shingles and lath shipped to markets within the United States, not including export shipments, shall be branded by the manufacturer or producer thereof or by his agent in such manner as will indicate (1) its species, except as otherwise determined by the Authority; (2) its grade; (3) whether it is of standard or substandard dimensions; (4) whether it is seasoned or unseasoned. All shipments except export shipments, by rail or water of timber, lumber, flooring, shingles, and lath shall be accompanied by a certificate of the originating shipper showing the quantity and grade thereof.

(c) The Authority shall submit to the President, not later than January 1, 1934, provisions, including proposed rules and regulations, necessary to effectuate the requirements of this Article and to establish other desirable certification of products, to prevent evasion and to secure equitable application thereof; and the said provisions when approved shall be a part of this Code, or of the Rules of Fair Trade Practice, and shall be effective not more than thirty (30) days thereafter.

Art. XVII. *Appeals.*—(a) Any interested party shall have the right of complaint to the designated agency of any Division or Subdivision and of prompt hearing and decision thereon in respect of any decision, rule, regulation, order, or finding made by such agency. Such complaint must be filed in writing with the said agency within a reasonable period of time after said decision, rule, regulation, order, or finding is issued. The decision of said agency may be appealed by any interested party to the Authority.

(b) Any interested party shall have the right of complaint to the Authority and of prompt hearing and decision thereon, under such rules and regulations as it shall prescribe, in respect of any decision, rule, regulation, order, or finding made by the Authority.

(c) Any interested party shall have the right of appeal to the Administrator of the National Industrial Recovery Act, under such rules and regulations as he shall prescribe, in respect of any decision, rule regulation, order or finding made by the Authority.

Art. XVIII. *Jurisdiction.*—This Code, when approved by the President, shall apply to all persons engaged in the lumber and timber products industries as defined herein.

Art. XIX. *Effective Date and Termination.*—(a) The provisions of this Code in respect of maximum hours and minimum wages shall be in effect beginning three days after its approval by the President; and other provisions of the Code, unless specifically provided otherwise, ten days after approval by the President; Schedule B shall be in effect at such date as may be specified by the Authority; but not later than November 1, 1933.

(b) This Code shall terminate on June 16, 1935, or on such earlier date as the National Industrial Recovery Act may cease to be effective.

(c) This Code shall continue in effect for a period of six (6) months after the date of approval thereof by the President in order to afford to the President an opportunity to determine upon the recommendations of his representatives on the Authority, which recommendations shall be made periodically or as often as the said representatives deem necessary or advisable but in any event not later than six months after the date of approval of this Code by the President, whether its provisions will effectuate the purposes of Title I of the National Industrial Recovery Act, subject, however, to amendment at any time, as hereinbefore provided, and subject also to the reserved power of the President to cancel or modify his approval thereof. This Code shall continue in effect after the expiration of said period of six (6) months in the absence of the exercise of such reserved right on the part of the President.

Approved Code No. 9.
Registry No. 313/1/06.

SCHEDULE A

DIVISION AND SUBDIVISION—CODE PROVISIONS

(Parenthetical references in these Provisions refer to Articles of the Code)

1. Cypress Division.
2. Hardwood Division.
3. Appalachian and Southern Hardwood Subdivision.
4. Mahogany Subdivision.
5. Philippine Mahogany Subdivision.
6. Walnut Subdivision.
7. Northern Hardwood Subdivision.
8. North Central Hardwood Subdivision.
9. Northeastern Hardwood Subdivision.
10. Northern Hemlock Division.
11. Northern Pine Division.
12. Redwood Division.
13. Northeastern Softwood Division.
14. Southern Pine Division:
15. Southern Rotary Cut Lumber Subdivision.
16. West Coast Logging and Lumber Division:
17. Douglas Fir Plywood Subdivision.
18. Douglas Fir Door Subdivision.
19. Western Pine Division.
20. Woodwork Division:
21. Stock Manufacturers Subdivision.
22. Wholesale Distributors Subdivision.
23. Special Woodwork Subdivision.
24. Wooden Package Division.
25. Sawed Box, Shook, Crate, and Tray Subdivision.
26. Plywood Package Subdivision.
27. Standard Container Subdivision.
28. Pacific Veneer Package Subdivision.
29. Egg Case Subdivision.
30. Wirebound Box Subdivision.

30a. Veneer Fruit and Vegetable Package Subdivision.

31. Red Cedar Shingle Division:
32. Stained Shingle Subdivision.
33. Oak Flooring Division.
34. Veneer Division.
35. Maple, Beech, and Birch Flooring Division.
36. Hardwood Dimension Division.

1. Cypress Division

Division (Art. II c).—The Cypress Division consists of producers and manufacturers of lumber and timber products of Tidewater Red Cypress in the states of Florida, Georgia, Louisiana, and South Carolina, but does not include white and yellow cypress or the small amount of red cypress produced by hardwood mills.

Products (Art. II a).—Lumber and Timber products under the jurisdiction of this Division include all Tidewater Red Cypress logs, poles, and piling; sawn lumber; planing mill products, except those of planing mills operated in conjunction with retail lumber yards; shingles, flooring, veneers; plywood; lath; boxes and crates.

Administrative Agency (Art. III).—The Southern Cypress Manufacturers' Association is designated as the agency of the Authority for the administration of the Code in this Division. Said Association, through its Board of Directors, is authorized to make rules and regulations necessary to administer the Code in this Division, and shall designate and authorize such agencies as may be required for this purpose.

2. Hardwood Division

Division (Art. II c).—(*a*) The Hardwood Division consists of producers, manufacturers, importers, and distributors of hardwood lumber and timber products, in the following Subdivisions:

Walnut Subdivision.
Southern and Appalachian Hardwood Subdivision.
North Central Hardwood Subdivision.
Mahogany Subdivision.
Northeastern Hardwood Subdivision.
Northern Hardwood Subdivision.
Philippine Mahogany Subdivision.

(*b*) Jurisdiction shall also extend to wholesalers, exporters, and distributors of such hardwood products to the extent provided for in the Code, in this or any Subdivision code provisions, and in the rules of fair trade practice appended in Schedule B.

(*c*) The territory and person subject to the jurisdiction of the seven Subdivisions shall be defined by the Hardwood Coordinating Committee hereinafter designated. Other Subdivisions may be established upon application to the Authority through the Hardwood Coordinating Committee.

Products (Art. II a).—Hardwood logs, sawn ties, timber and lumber, lath, dimension cut from the log, and products of planing mills operated in conjunction with sawmills; and in respect of any Subdivision such additional hardwood timber products as it may enumerate.

Administrative Agencies (Art. III).—(a) The Administrative Agencies in the respective Subdivisions shall be as follows:

Walnut Subdivision, American Walnut Manufacturers Association.
Southern and Appalachian Hardwood Subdivision, Hardwood Manufacturers Institute.
North Central Hardwood Subdivision, Indiana Hardwood Lumbermen's Association.
Mahogany Subdivision, Mahogany Association.
Northeastern Hardwood Subdivision, Northeastern Lumber Manufactures Assn.
Northern Hardwood Subdivision, Northern Hemlock & Hardwood Manufacturers Association.
Philippine Mahogany Subdivision, Phillippine Mahogany Manufacturers Import Association.

(b) The Hardwood Coordinating Committee, established by the above administrative agencies in conjunction with the National-American Wholesale Lumber Association, the National Hardwood Lumber Association, and the National Lumber Exporters Association, is designated as the agency of the Authority for the administration of the Code in this Division, through and by means of this administrative agency herein designated for each Subdivision.

(c) Said Committee shall issue and enforce such rules, regulations, and interpretations, including trade practices, impose upon persons subject to the jurisdiction of this Division such restrictions and designate such agents and delegate such authority to them as may be deemed necessary; but shall reserve the power and duty to enforce the provisions of the Code in this Division. The Committee may delegate any of its authority to its representatives, selected from its membership, or the membership of the Authority, who are hereby empowered to act for the Division conclusively in respect of all matters coming before the Authority. Such representatives shall constitute the Hardwood Executive Committee. All matters of interest to the Division or any Subdivision requiring action by the Authority shall first be presented to the Hardwood Executive Committee.

(d) Each Subdivision shall, under authority of the Hardwood Coordinating Committee, select its own administrative agencies. Each Subdivision shall be independent and self-governing in respect of all conditions and problems relating to the said Subdivision exclusively. Proposals in respect of matters affecting more than one Subdivision may be initiated by any Subdivision and shall be submitted to the Hardwood Coordinating Committee.

3. Appalachian and Southern Hardwood Subdivision

Subdivision (Art. II c): This Subdivision consists of producers and manufacturers of hardwood lumber and timber products, but including Appalachian hemlock, white pine and spruce, also white and yellow cypress and Southern red cedar, within the following States: Texas, Louisiana, Mississippi, Alabama,

Arkansas, Missouri, Oklahoma, Florida, Georgia, Tennessee, Kentucky, South Carolina, North Carolina, Virginia, West Virginia, and Maryland.

The Appalachian Territory is defined as that part of the Appalachian and Southern Hardwood Subdivision within the lines defined as follows: Starting at Cincinnati, Ohio, following main line Louisville and Nashville Railroad through Louisville, Kentucky, and Nashville, Tennessee, to Tennessee-Alabama state line, marking the western boundary of the Appalachian territory; thence east on Tennessee-Alabama state line to Georgia state line; thence south on Alabama-Georgia state line to thirty-fourth parallel; thence east on thirty-fourth parallel in Georgia to main line Southern Railway, Atlanta to Washington route; and thence northeast following Southern Railway from this point through South Carolina, North Carolina, Virginia, and Maryland to Pennsylvania state line. All points on boundary lines are in southern territory.

Products (Art. IIa): All lumber and timber products enumerated except: poles and piling; products of planing mills not operated in conjunction with sawmills; hardwood flooring; veneers; plywood.

Administrative Agency (Art. III): The Hardwood Manufacturers Institute is designated as the agency of the Authority and the Hardwood Coordinating Committee for the administration of the Code in this Subdivision. Said Institute, through its Board of Directors, is authorized to make rules and regulations necessary to administer the Code in this Subdivision and to designate and authorize such further agencies as may be required for this purpose.

4. Mahogany Subdivision

Subdivision (Art. II c):

The Mahogany Subdivision includes all manufacturers importers, and distributors, including principals, brokers and agents, of mahogany and foreign woods as hereinafter defined.

Species and Products (Art. II a): (a) All species of Mahogany (except woods from the Philippine Islands sold under the trade name "Philippine Mahogany"), Spanish Cedar, Teak, Ebony, Rosewood, Satinwood, Box Wood, Cocabola, Lignum-vitaæ, wood from Australia sold under the trade name "Oriental Wood," European Brown and Pollard Oak, all other tropical hardwoods (except from the Philippine Islands) and all other foreign hardwoods customarily described as "fine," "fancy," or "of value." Ordinarily European and Canadian commercial hardwoods are excepted.

(b) Jurisdiction over the woods specified and described shall apply to logs, hewn or sawn timbers, billets, flitches, dimension stock, and lumber. Veneers (below 5/16″ thick) are excluded, except cigar box lumber 1/8″ or thicker of Spanish Cedar and other tropical woods. Subject to the provisions hereof under "Control of Production," all logs, including those intended solely for the manufacture of veneers or plywood and/or so used, shall be under the jurisdiction of this Subdivision, in order that due control may be exercised over lumber production in the event of the diversion of veneer logs to that purpose.

Administrative Agency (Art. III): The Mahogany Association, Inc., acting through the Mahogany Coordinating Committee as its Board of Directors, is hereby designated as the agency of the Authority and of the Hardwood Coordinating Committee for the administration of the Code in this Subdivision.

5. Philippine Mahogany—Subdivision

Subdivision (Art. II c).—The Philippine Mahogany Subdivision in the United States consists of manufacturers of lumber and timber products of Philippine Mahogany and other Philippine hardwoods, persons exclusively representing in the United States manufacturers of such lumber and timber products in the Philippine Islands and all importers of such lumber and timber products.

Products (Art. II a).—Logs, lumber, and timber products of all species of hardwoods produced in the Philippine Islands.

Administrative Agency (Art. III).—The Philippine Mahogany Manufacturers Import Association is designated as the agency of the Authority and the Hardwood Coordinating Committee for the administration of the Code in this Subdivision. Said Association, through its Executive Committee, is authorized to make rules and regulations necessary to administer the Code in this Subdivision.

6. Walnut Subdivision

Subdivision (Art. II c).—The Walnut Subdivision consists of producers, manufacturers, and importers of walnut throughout the United States.

Products (Art. II a).—All walnut lumber, logs, burls, crotches, and sawmill products regardless of the variety of walnut, except walnut veneers.

Administrative Agency (Art. III).—The American Walnut Manufacturers Association is designated as the agency of the Authority and the Hardwood Coordinating Committee for the administration of the Code in this Subdivision. Said Association, through its Executive Committee, is authorized to make rules and regulations necessary to administer the Code in this Subdivision, and shall designate and authorize such agencies as may be required for this purpose.

7. Northern Hardwood Subdivision

Subdivision (Art. IIc).—The Northern Hardwood Subdivision consists of producers and manufacturers of lumber and timber products of birch, maple, ash, elm, basswood, oak, beech, and other indigenous and related species in Michigan, Wisconsin, and Minnesota.

Products (Art. II a).—All lumber and timber products enumerated except poles and piling, woodwork, hardwood flooring, veneers, plywood, and kiln-dried hardwood dimension.

Administrative Agency (Art. III).—The Northern Hemlock and Hardwood Manufacturers Association is designated as the agency of the Authority and of the Hardwood Coordinating Committee for the administration of the Code in this Subdivision. Said Association, through its Board of Directors, is authorized to make rules and regulations necessary to administer the Code in this Subdivision and shall designate and authorize such agencies as may be required for this purpose.

8. North Central Hardwood Subdivision

Division (Art. II c).—The North Central Hardwood Subdivision consists of producers and manufacturers of hardwood lumber and timber products in the States of Ohio, Indiana, and Illinois.

Products (Art. II a).—All lumber and timber products enumerated except poles and piling, products of planing mills not operated in conjunction with sawmills, hardwood flooring, veneers, and plywood.

Administrative Agency (Art. III).—The North Central Subdivision Association is designated as the agency of the Authority and of the Hardwood Coordinating Committee for the administration of the Code in this Subdivision. Said Association, through its Administration Committee, is authorized to make rules and regulations necessary to administer the Code in this Subdivision, and shall designate and authorize such further agencies as may be required for this purpose.

9. Northeastern Hardwood Subdivision

Subdivision (Art. II c).—The Northeastern Hardwood Subdivision consists of the producers and manufacturers of hardwood lumber and timber products of birch, beech, maple, ash, elm, basswood, oak, and related species in the New England States, New York, Pennsylvania, and New Jersey.

Products (Art. II a).—All lumber and timber products enumerated except: poles and piling, planing-mill products, woodwork, hardwood flooring, veneers, plywood, and kiln-dried hardwood dimension.

Administrative Agency (Art. III).—The Northeastern Lumber Manufacturers Association is designated as the agency of the Authority and of the Hardwood Coordinating Committee for the Administration of the Code in this Subdivision. Said Association, through its Board of Directors, is authorized to make rules and regulations necessary to administer the code in this Subdivision and shall designate and authorize such agencies as may be required for this purpose.

10. Northern Hemlock Division

Division (Art. II c).—The Northern Hemlock Division consists of the producers and manufacturers of lumber and timber products of Northern hemlock, tamarack, balsam fir, Norway pine, and white pine in the States of Michigan, Wisconsin, and Minnesota (excepting the producers and manufacturers of Northern pine lumber in Minnesota).

Products (Art. II a).—All lumber and timber products enumerated except: poles and piling, woodwork, hardwood flooring, veneers, plywood, and kiln-dried hardwood dimension.

Administrative Agency (Art. III).—The Northern Hemlock and Hardwood Manufacturers Association is designated as the agency of the Authority for the

administration of the Code in this Division. Said Association, through its Board of Directors, is authorized to make rules and regulations necessary to administer the Code in this Division, and shall designate and authorize such agencies as may be required for this purpose.

11. Northern Pine Division

Division (Art. II c).—The Northern Pine Division consist of the producers and manufacturers of lumber and timber products of white pine, Norway pine, and miscellaneous softwood and hardwood lumber in the State of Minnesota.

Products (Art. II a).—All lumber and timber products enumerated except: millwork, hardwood flooring, veneers, plywood, and kiln-dried hardwood dimension.

Administrative Agency (Art. II).—The Northern Pine Manufacturers' Association is designated as the agency of the Authority for the administration of the Code in this Division. Said Association, through its Board of Directors, is authorized to make rules and regulations necessary to administer the Code in this Division, and shall appoint such agencies as may be necessary for this purpose.

12. Redwood Division

Division (Art. II c).—The Redwood Division consists of producers and manufacturers of lumber and timber products of redwood and intermingled species in the counties of Del Norte, Humboldt, Mendocino, Sonoma, Marin, San Mateo, Santa Cruz, and Monterey, in the State of California.

Products (Art. II a).—All lumber and timber products, split, sawn, or refined by manufacture, except hardwood flooring, veneers, plywood, and kiln-dried hardwood dimension.

Administrative agency (Art. III).—The California Redwood Association is designated as the agency of the Authority for the administration of the Code in this Division. Said Association, through its Board of Directors, is authorized to make rules and regulations necessary to administer the Code in this Division and shall designate such agencies as may be required for this purpose.

13. Northeastern Softwood Division

Division (Art. II c).—The Northeastern Softwood Division consists of producers and manufacturers of lumber and timber products of hemlock, spruce, white pine, and other softwoods in the New England States, New York, Pennsylvania, New Jersey, and West Virginia.

Products (Art. II a).—All lumber and timber products enumerated except poles and piling, planing-mill products, woodwork, hardwood flooring, veneers, plywood, and kiln-dried hardwood dimension.

Administrative Agency (Art. III).—The Northeastern Lumber Manufacturers Association is designated as the agency of the Authority for the administration of the Code in this Division. Said Association, through its Board of Directors, is authorized to make rules and regulations necessary to administer the Code in this Division and shall designate and authorize such agencies as may be required for this purpose.

14. Southern Pine Division

Division (Art. II c).—The Southern Pine Division consists of producers and manufacturers of lumber and timber products of the various species of Southern Pine, in the States of Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, Missouri, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

Products (Art. II a).—Southern Pine logs, poles and piling, sawn lumber, and products of planing mills operated in conjunction with sawmills, shingles, lath, boxes, and crates.

Administrative Agency (Art. III).—The Southern Pine Association is designated as the agency of the Authority for the administration of the Code in this Division. Said Association, through its Board of Directors, is authorized to make rules and regulations necessary to administer the Code in this Division and shall designate and authorize such agencies as may be required for this purpose.

15. Southern Rotary Cut Lumber Subdivision

Subdivision (Art. II c).—The Southern Rotary Cut Lumber Subdivision consists of manufacturers of package and box grades of rotary-cut lumber in the

States of North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Tennessee, Arkansas, and Texas.

Products (Art. II a).—All lumber manufactured on rotary lathes for cases, crates, and fruit and vegetable packages, whether for sale to the manufacturers of these products, or for use by the rotary-cut lumber producer himself in the manufacture of such products, or for sale in the open market or to package manufacturers in competition with those who produce solely package grades of rotary-cut lumber.

Administrative Agency (Art. III).—The Southern Rotary Cut Lumber Association is designated as the agency of the Authority for the administration of the Code in this Subdivision. Said Association, through its Executive Committee, is authorized to make rules and regulations necessary to administer the Code in this Subdivision, and shall designate and authorize such agencies as may be required for this purpose.

16. West Coast Logging and Lumber Division

Division (Art. II c).—The West Coast Logging and Lumber Division consists of producers and manufacturers of lumber and timber products of Douglas Fir, West Coast Hemlock, Sitka Spruce, Western Red Cedar, and related species in Western Oregon, Western Washington, and Alaska.

Products (Art. II a).—All lumber and timber products enumerated except: shingles, woodwork, veneers, plywood, hardwood flooring, and kiln-dried hardwood dimension.

Administrative Agencies (Art. III).—The West Coast Lumbermen's Association and the Pacific Northwest Loggers Association are designated as the agencies of the Authority for the administration of the Code in this Division. Said Associations, through their respective Boards of Trustees, are authorized to make rules and regulations necessary to administer the Code in this Division and shall designate and authorize such agencies as may be required for this purpose.

17. Douglas Fir Plywood Subdivision

Subdivision (Art. II c).—The Douglas Fir Plywood Subdivision consists of manufactures of Douglas Fir Veneers and plywood in the States of Oregon and Washington.

Products (Art. II a).—The following products only shall be under the jurisdiction of this Subdivision, viz: veneers; plywood.

Administrative agencies (Art. III).—The Douglas Fir Plywood Manufacturers Association, a Branch of the West Coast Lumbermen's Association, is designated as the agency of the Authority for the administration of the Code in this Subdivision, under the supervision of the West Coast Lumbermen's Association as to maximum hours of labor, minimum rates of pay, the payment of Code fees and submission of Code reports, and any questions of correlation and adjustment with other industries included in the West Coast Logging and Lumber Division. Subject to such supervision, the said Association, through its Executive Committee, is authorized to make rules and regulations necessary to administer the Code in this Subdivision and shall designate and authorize such agencies as may be required for this purpose.

18. Douglas Fir Door Subdivision

Subdivision (Art. II c).—The Douglas Fir Door Subdivision consists of manufactures of Douglas Fir stock doors in the States of Oregon and Washington.

Products (Art. II a).—The following products only shall be under the jurisdiction of this Subdivision, viz: Douglas Fir stock doors.

Administrative Agencies (Art. III).—The Douglas Fir Door Manufacturers Association, a branch of the West Coast Lumbermen's Association, is designated as the agency of the Authority for the administration of the Code in this Subdivision, under the supervision of the West Coast Lumbermen's Association as to maximum hours of labor, minimum rates of pay, the payment of Code fees and submission of Code Reports, and any questions of correlation and adjustment with other industries included in the West Coast Logging and Lumber Industry Division. Subject to such supervision, the said Association, through its Executive Committee, is authorized to make rules and regulations necessary to administer the Code in this Subdivision and shall designate and authorize such agencies as may be required for this purpose.

19. Western Pine Division

Division (Art. II c).—The Western Pine Division consists of producers and manufacturers of lumber and timber products of western pines and intermingled species in the States of Arizona, California (excepting certain counties which are included in the Redwood Division), Colorado, Idaho, Montana, Oregon (excepting certain counties which are included in the West Coast Logging and Lumber Division), New Mexico, South Dakota, Utah, Washington (excepting certain counties which are included in the West Coast Logging and Lumber Division), and Wyoming.

Products (Art. II a).—All lumber and timber products enumerated except poles and piling, products of planing mills not operated in conjunction with sawmills, shingles, woodwork (millwork), hardwood flooring, veneers, plywood, and kiln-dried hardwood dimension.

Administrative Agency (Art. III).—The Western Pine Association is designated as the agency of the Authority for the administration of the Code in this Division. Said Association, through its Board of Directors, is authorized to make rules and regulations necessary to administer the Code in this Division, and shall designate and authorize such agencies as may be required for this purpose.

20. Woodwork Division

Division (Art II c).—(a) The Woodwork Division consists of manufacturers whose predominant products are doors, windows, screens, frames, and interior trim, which products are similar to and in competition with the products of planing mills and sash and door and millwork factories operated in conjunction with sawmills; manufacturers whose predominant products are furniture, fixtures, refrigerators, automobile bodies, or ecclesiastical furniture or whose predominant business is the manufacturing, finishing, and installing in the building of cabinetwork are not included.

(b) The Woodwork Division is divided for jurisdictional and administrative purposes into Subdivisions as follows:

Stock Manufacturers Subdivision.
Wholesaler Distributors Subdivision.
Special Woodwork Subdivision.

(c) The territory and persons subject to the jurisdiction of the several Subdivisions shall be defined by the agency of the Division hereinafter designated. Other Subdivisions may be established by the Agency of the Division with the approval of the Authority.

(d) Each of the Subdivisions hereinabove named and any Subdivision hereafter established under authority of the designated agency of the Division may, subject to the approval of said agency, designate an agency for the administration of the Code in such Subdivision. Each Subdivision shall be independent and self-governing in respect of all conditions and problems relating to the said Subdivision exclusively. Proposals in respect of matters affecting more than one Subdivision may be initiated by any Subdivision and shall be submitted to and decided by the designated agency of the Division. The designated agency of the Division shall reserve the power and duty to enforce the provisions of the Code and the rules and regulations of the Authority and of this Division, including rules of fair trade practice.

(e) Each Subdivision hereinabove named and each Subdivision hereafter established as hereinabove provided shall have the power and authority to establish within the Subdivision groups of manufacturers or distributors whose conditions and problems are similar, and may authorize each of said groups so established to designate with the approval of the designated agency of the Subdivision its own administrative agency and may confer upon the administrative agency of any such group such powers and authorities as it may deem necessary in order to administer this Code within said group.

Products (Art. II a).—Woodwork (millwork) including products of planing mills operated in conjunction with retail lumberyards, and excepting Douglas fir stock doors.

Administrative Agency (Art. III).—The Emergency National Committee of the Woodwork Division, consisting of the Board of Directors of the National Woodwork Association, is designated as the agency of the Authority for the administration of the Code in this Division. Said Committee is authorized to make rules and regulations necessary to administer the Code in this Division and shall designate and authorize such agencies as may be required for this purpose.

21. Stock Manufacturers Subdivision

Subdivision (Art. II c).—The Stock Manufacturers Subdivision consists of manufacturers of products listed below:

Products (Art. II a).—Stock or standard doors, windows, screens, frames, trim, and miscellaneous millwork.

Administrative Agency (Art. III).—The Stock Manufacturers Coordinating Committee, to be composed of five persons selected jointly by National Door Manufacturers Association and National Screen Association, is designated as the agency of the Authority and of the Emergency National Committee of the Woodwork Division for the administration of the Code in this Subdivision. Said committee is authorized to make rules and regulations necessary to administer the Code in this Subdivision and shall designate and authorize such agencies as may be required for this purpose.

22. Wholesale Distributors Subdivision

Subdivision (Art. II c).—The Wholesale Distributors Subdivision consists of wholesale distributors of products listed below:

Products (Art. II a).—Doors, windows, screens, frames, trim, and miscellaneous woodwork.

Administrative Agency (Art. III).—The Wholesale Sash and Door Association, Chicago, Illinois, is designated as the agent of the Authority and of the Emergency National Committee of the Woodwork Division for the administration of the Code in this Subdivision. Said Association is authorized to make rules and regulations necessary to administer the Code in this Subdivision and shall designate and authorize such agencies as may be required for this purpose.

23. Special Woodwork Subdivision

Subdivision (Art. II c).—The Special Woodwork Subdivision consists of manufacturers of products listed below:

Products (Art. II a).—Made-to-order or special woodwork.

Administrative Agency (Art. III).—A committee to be selected jointly by Millwork Cost Bureau of Chicago, Illinois; Eastern Millwork Bureau of New York City, New York; and Southern Woodwork Association of Knoxville, Tennessee, to be known as the Coordinating Committee of the Special Woodwork Subdivision, is designated as the agent of the Authority and of the Emergency National Committee of the Woodwork Division for the administration of the Code in this Subdivision. The said Committee is authorized to make rules and regulations necessary to administer the Code in this Subdivision and shall designate and authorize such agencies as may be required for this purpose.

24. Wooden Package Division

Division (Art. II (c)) *and Products* (Art. II (a)).—The Wooden Package Division consists of manufacturers of wooden shooks, boxes, crates, baskets, hampers, and other packages or parts thereof, whether made of sawed lumber, veneer, or plywood, either knocked down or put together with nails, wire, or glue, with or without iron or wire reinforcement, together with trays and other products commonly made in box factories.

Administrative Agency (Art. III).—The National Federation of Wooden Package Associations, a coordinating agency of the Wooden Package Industry Associations, is designated as the agency of the Authority for the administration of the Code in this Division. Said National Federation, through its Board of Directors (being the Coordinating Committee of the Wooden Package Industry), is authorized to make rules and regulations necessary to administer the Code in this Division, and shall designate and authorize such agencies as may be required for this purpose.

(a) For the more effective administration and enforcement of the Code in this Division, Subdivisions shall be established as may be necessary to meet the requirements of the various groups and classifications of manufacturers included therein.

(b) The following Subdivisions are hereby established:

A. Sawed Box, Shook, Crate, and Tray Subdivision.
B. Plywood Package Subdivision.
C. Standard Container Subdivision.
D. Pacific Veneer Packages Subdivision.

E. Egg Case Subdivision.
F. Wirebound Box Subdivision.
G. Veneer Fruit and Vegetable Package Subdivision.

(c) Additional Subdivisions of this Division may be established by said Coordinating Committee with the approval of the Authority.

(d) The said Coordinating Committee shall, with the approval of the Authority, designate the administrative agency under the Code in each of the foregoing Subdivisions and in such additional Subdivisions as may hereafter be established; and shall authorize the designated agency in each Subdivision to make such rules and regulations and to designate such further agencies as may be required for the administration of the Code therein. Each Subdivision shall be independent and self-governing in respect of all matters and problems relating to the said Subdivision exclusively, under the general direction of the said Coordinating Committee. Proposals in respect of matters affecting more than one Subdivision may be initiated by any such Subdivision and shall be submitted for consideration to the said Coordinating Committee. The designated agency of the Division shall reserve the power and duty to enforce the provisions of the Code and the rules and regulations of the Authority and of this Division, including rules of fair trade practice.

(e) Subdivision hereinabove named, and each Subdivision hereafter established as hereinabove provided, shall have power and authority to establish within the Subdivision groups of manufacturers whose conditions and problems are similar, and may authorize each of said groups so established to designate with the approval of the designated agency of the Subdivision its own administrative agency and may confer upon the administrative agency of any such group such powers and authorities as it may deem necessary in order to administer this Code within said group.

25. Sawed-Box, Shook, Crate and Tray Subdivision

Subdivision (Art. II c) *and Products* (Art. II a).—The Sawed-Box, Shook, Crate and Tray Subdivision of the Wooden Package Division consists of manufacturers, sales agencies, distributors, and the agents or representatives thereof, of sawed wooden boxes, shooks, crates and trays, whether such containers be in shook or in made-up form, including complete boxes, crates and trays, as well as any portion thereof.

Administrative Agency (Art. III).—The National Wooden Box Association, through its Board of Governors as its Coordinating Committee, is designated as the agency of the Authority and of the Coordinating Committee of the Wooden Package Division for the administration of the Code in this Subdivision. Said Association, through its Coordinating Committee, is authorized to make rules and regulations necessary to administer the Code in this Subdivision, and shall designate and authorize such agencies as may be required for this purpose.

26. Plywood Package Subdivision

Subdivision (Art. II c) *and Products* (Art. II a).—The Plywood Package Subdivision consists of manufacturers of plywood packages or containers and of flat plywood for package or container purposes located in any part of the United States.

Administrative Agency (Art. III).—The Plywood Package Institute is designated as the agency of the Authority and of the Coordinating Committee of the Wooden Package Division for the administration of the Code in this Subdivision. Said Institute, through its Executive Committee, is authorized to make rules and regulations necessary to administer the Code in this Subdivision, and shall designate and authorize such agencies as may be required for this purpose.

27. Standard Container Subdivision

Subdivision (Art. II c) *and Products* (Art. II a).—The Southeastern Veneer Container Subdivision of the Wooden Package Division consists of manufacturers of veneer fruit and vegetable containers and/or container material in the States of Florida, Georgia, and Alabama.

Administrative Agency (Art. III).—The Standard Container Manufacturers Association is designated as the agency of the Authority and of the Coordinating Committee of the Wooden Package Division for the administration of the Code in this Subdivision. Such Association, through its Board of Directors, is authorized to make rules and regulations necessary to administer the Code in this Subdivision, and shall designate and authorize such agencies as may be required for this purpose.

28. Pacific Veneer Package Subdivision

Subdivision (Art. II c) *and Products* (Art. II a).—The Pacific Veneer Package Subdivision of the Wooden Package Division consists of manufacturers of veneer fruit and vegetable containers and package, and parts thereof, in the states of the Pacific Slope.

Administrative Agency (Art. III).—The Pacific Veneer Package Association is designated as the agency of the Authority and of the Coordinating Committee of the Wooden Package Subdivision for the administration of the Code in this Subdivision. Such Association, through its Board of Directors, is authorized to make rules and regulations necessary to administer the Code in this Subdivision and shall designate and authorize such agencies as may be required for this purpose.

29. Egg Case Subdivision

Subdivision (Art. II c) *and Products* (Art. II a).—The Egg Case Subdivision consists of manufacturers of egg cases or parts thereof of cottonwood, tupelo, gum, and other hardwoods.

Administrative agency (Art. III).—The Egg Case Manufacturers Exchange is designated as the agency of the Authority and of the Coordinating Committee of the Wooden Package Division for the administration of the Code in this Subdivision. Said Exchange, through its Executive Committee, is authorized to make rules and regulations necessary to administer the Code in this Subdivision, and shall designate and authorize such agencies as may be required for this purpose.

30. Wirebound Box Subdivision

Subdivision (Art. II c) *and Products* (Art. II a).—The Wirebound Box Subdivision of the Wooden Package Division consists of manufacturers of wirebound boxes and crates in the United States.

Administrative Agency (Art. III).—The Wirebound Box Manufacturers Association is designated as the agency of the Authority and of the Coordinating Committee of the Wooden Package Division for the administration of the Code in this Subdivision. Said Association, through its Board of Governors, is authorized to make rules and regulations necessary to administer the Code in this Subdivision and shall designate and authorize such agencies as may be required for this purpose.

30a. Veneer, Fruit and Vegetable Package Division

Division (Art. II c) *and Products* (Art. II a).—The Veneer Fruit and Vegetable Package Subdivision consists of manufacturers of wooden boxes, crates, shooks, baskets, hampers, trays, and all kinds of wooden veneer packages used in the marketing of fresh and perishable fruits and vegetables not included in other subdivisions of the Wooden Package Division of this Code.

Administrative Agency (Art. III).—The American Veneer Package Association is designated as the agency of the Authority and of the Coordinating Committee of the Wooden Package Division for the administration of the Code in this Subdivision. Said Association, through its Board of Directors, is authorized to make rules and regulations necessary to administer the Code in this Subdivision, and shall designate and authorize such agencies as may be required for this purpose.

31. Red Cedar Shingle Division

Division (Art. II c).—The Red Cedar Shingle Division consists of producers and manufacturers of Western Red Cedar shingles in Washington and Oregon.

Products (Art. II a).—The following products only shall be under the jurisdiction of this Division, viz: Shingles.

Administrative Agency (Art. III).—The Washington and Oregon Shingle Association is designated as the agency of the Authority for the administration of the Code in this Division. Said Association, through its Board of Trustees, is authorized to make rules and regulations necessary to administer the Code in this Division and shall designate and authorize such agencies as may be required for this purpose.

32. Stained Shingle Subdivision

Subdivision (Art. II c).—The Stained Shingle Subdivision consists of persons processing, staining, and treating wood shingles in the United States.

Products (Art. II a).—The following products only shall be under the jurisdiction of this Subdivision, viz: Shingles (Stained, processed, or treated).

Administrative Agency (Art. III).—The National Stained Shingle Association is designated as the agency of the Authority for the administration of the Code in this Subdivision. The said Association, through its Board of Directors, is autl r-ized to make rules and regulations necessary to administer the Code in this Subdivision and shall designate and authorize such agencies as may be required for this purpose.

33. Oak Flooring Division

Division (Art. II c).—The Oak Flooring Division consists of producers, manufacturers, and distributors of oak flooring throughout the United States.

Products (Art. II a).—All standard items of oak flooring as set forth in the Grading Rules and Specifications of the National Oak Flooring Manufacturers Association.

Administrative Agency (Art. III).—The National Oak Flooring Manufacturers Association is designated as the agency of the Authority for the administration of the Code in this Division. Said Association, through its Board of Directors, is authorized to make rules and regulations necessary to administer the Code of this Division and shall designate and authorize such agencies as may be required for this purpose.

34. The Veneer Division

Division (Art. II c).—The Veneer Division consists of producers, manufacturers, importers, and distributors of veneers throughout the United States.

Products (Art. II a).—All veneers regardless of species and origin except: Douglas Fir, Western Cedars, Spruce, Western and Southern Pines, Hemlock, and such hardwood veneers as are manufactured exclusively for crates and other containers.

Administrative Agency (Art. III).—The Veneer Association is designated as the agency of the Authority for the administration of the Code in this Division. Said Association, through its Board of Directors, is authorized to make rules and regulations necessary to administer the Code in this Division and shall designate and authorize such agencies as may be required for this purpose.

35. Maple, Beech, and Birch Flooring Division

Division (Art. II c).—This Division consists of manufacturers of maple, beech, and birch flooring throughout the United States.

Products (Art. II a).—Hard maple, beech, and birch flooring.

Administrative Agency (Art. III).—The Maple Flooring Manufacturers Association is designated as the agency of the Authority for the administration of the Code in this Division. Said Association, through an Executive Committee consisting of its President, Vice President, two members appointed by the manufacturers in the northern states and one member appointed by the manufacturers in the Southern States, is authorized to make sales and regulations necessary to administer the Code in this Division, and shall designate and authorize such agencies as may be required for this purpose.

36. Hardwood Dimension Division

Division (Art. II c).—The Hardwood Dimension Division consists of manufacturers of kiln-dried hardwood dimension stock in three distinct sections as follows: *Southeastern*—North Carolina, South Carolina, Florida, Georgia, and eastern Tennessee; *Central*—Kentucky and Western Tennessee; *Southwestern*—Missouri, Arkansas, Louisiana, Mississippi, and Texas.

Products (Art. II a).—Kiln-dried hardwood dimension only.

Administrative Agency (Art. III).—The Hardwood Dimension Manufacturers Association is designated as the agency of the Authority for the administration of the Code in this division. This association authorized its Executive Committee to make rules and regulations necessary to administer the Code in this division.

SCHEDULE B

Rules of Fair Trade Practice for the Lumber and Timber Products Industries

Section 1. *Definitions.*—(a) A manufacturer is a person who operates a mill converting logs or lumber into lumber and/or timber products.

(b) The term "sales company" used in this Code is a company organized or owned by manufacturers to sell their own or other manufacturers' lumber through salaried salesmen, wholesalers, or commission men.

(c) A *wholesaler* is a person actively and continuously engaged in buying, assembling, or rehandling lumber and timber products from manufacturers or other wholesalers in quantity lots and selling it principally to wholesalers, retailers, and recognized wholesale trade, who maintains a sales organization for this purpose, assumes credit risks and such other obligations as are incident to the transportation and distribution of lumber and timber products. Wholesale Assembling and Distributing Yards as defined in Divisional Rules and Regulations shall also be classed as wholesalers.

(d) A *commission man* is a person located in the territory which he serves, who regularly sells in wholesale quantities for manufacturers or wholesalers to recognized wholesale trade and who is paid a stipulated amount (known as a commission) on each individual sale and holds a relation to the seller similar to that of a salaried salesman.

(e) A *retailer* is one who maintains adequate and permanent storage and handling facilities, a sales organization for the consumer trade and carries a well assorted stock adapted to the normal needs of the consumers in his sales territory.

(f) *Industrial.*—The term "industrial" as used in these Rules includes wood fabricators, box and crating manufacturers and users, and users of lumber and timber products in part or all of their manufacturing and shipping processes.

(g) An *exporter* is a manufacturer or sales company or wholesaler with definite foreign connections or established agencies, maintaining a permanent office in the U.S.A., continuously selling and shipping lumber and timber products to foreign countries (Canada and Mexico excepted) in substantial quantities.

(h) An *importer* is a person of any nationality who brings goods, or causes them to be brought, into the United States from any foreign country, whether in bond or not, and whether he is already the owner of the goods before they arrive or purchases them on delivered terms.

Sec. 2. *Wholesalers.*—The lumber wholesaler is an economic factor in the distribution of lumber and it is recognized that he is entitled to compensation for his distribution services.

(a) Each Division, and each Subdivision, through its designated agency, shall establish for its members and file with the Authority a schedule of maximum discounts to be allowed to wholesalers for distribution services. Said discounts when approved by the Authority shall remain in effect until changes are approved by it.

(b) As a condition of the grant of wholesale discounts, the wholesaler shall not rebate or allow any part of said discount to any customer, or sell or offer to sell any item of lumber or timber products under the minimum prices established as provided in this Code, except to another wholesaler or manufacturer; and he shall conform to all provisions of this Code, as they apply to him in the sale and distribution of each species.

Sec. 3. *Commission men.*—The lumber commission man, as an agent of the seller, is entitled to compensation (commission) for his distribution services.

(a) Each Division, and each Subdivision, through its designated agency, shall establish for its members and file with the Authority a schedule of maximum commissions to be paid to commission men for distribution services. Said commissions when approved by the Authority shall remain in effect until changes are approved by it.

(b) As a condition of the payment to him of commissions, the commission man shall not split commissions with any customer nor shall he sell or offer to sell any item of lumber and timber products under the minimum prices established as provided in this Code, and he shall conform to all provisions of this Code as they apply to him in the sale and distribution of each species.

(c) No manufacturer or wholesaler shall be permitted to have more than one commission representative for each species calling on the same trade in the same territory.

Sec. 4. (a) Buyers' agents who act for the purchaser shall not be entitled to any discounts or allowances on any lumber or timber products sold to their customer stockholders, owners, partners, or parties otherwise interested.

(b) No manufacturer shall give discounts to others than wholesalers or greater in amount than those established and filed in accordance with Section 3 (b) of these Rules, or commissions to others than commission men or greater than those established or filed in accordance with Section 4 (b) of these Rules, and no manufacturer shall give allowances of any character otherwise than in accordance with standard terms of sale as set forth in Section 5 of these Rules.

(c) Direct intermanufacturer purchases or exchanges of stock between mills of the same Division, for the filling of orders sold on a wholesale basis, shall not be considered as coming under the provisions of this Code as regards minimum prices.

(d) Contractual relations between a manufacturer and his sales company, acting as sales agent or outlet at cost, shall not come under the provisions of this Code as to wholesale allowances or commissions, but the sales of any such sales company however made shall be in accordance with all provisions of this Code.

Sec. 5. *Sales, Orders, and Invoices.*—(a) Except for water shipment, where the credit risk is satisfactory to the seller, lumber, and timber products sold by manufacturers and wholesalers shall not be more liberal to the buyer than as follows:

(1) To retailers—60 days net from date of invoice, or a cash discount of 2% of the net amount after deducting actual freight if paid within 5 days after arrival of car.

(2) To wholesalers—80% of the net amount after deducting estimated freight within 15 days from date of invoice, balance less 2% of total net after deducting actual freight within 60 days from date of invoice.

(3) To industrials and buyers not otherwise classified—60 days net from date of invoice or a cash discount of 2% of the net amount after deducting freight if paid within 10 days after arrival of car.

(4) Prepaid freight shall be net and subject to sight draft, or to payment upon receipt of invoice.

(b) No lumber and timber products on which minimum prices have been established under this Code shall be sold for less than the said established prices, except when sold to wholesalers under provisions of Section 2.

(c) No lumber or timber products shall be sold with any guarantee against decline in price before or after delivery.

(d) Except for water shipment, manufacturers and wholesalers shall not make contracts with retailers and/or wholesalers for future shipment to retailers at current prices for shipment over a longer period than 30 days from date of order. Except as specifically authorized by the Division or Sub-Division Authority, manufacturers and wholesalers shall not make contracts with industrials and/or wholesalers for shipments to industrials at current prices for a longer period than three months from date of order, except when said contracts contain a provision for a price adjustment to be effective for each succeeding ninety-day period, which revised prices shall be not less than the established minimum prices at the time of each adjustment. The foregoing restrictions shall not apply to lumber or timber products sold for a specific construction job on a contract not subject to cancellation. Complete specifications covering all orders for rail or water shipments shall be furnished to the seller within ten days from date of order.

(e) In figuring delivered prices for rail shipment, by adding freight charges to mill prices, the seller shall use the established schedule of weights for the species sold.

(f) Prices shown on order and invoice shall not include any manufacturer's sales, excise, privilege, or other tax, freight surcharge or charge imposed upon or incident to said transaction, or by reason thereof, by any governmental authority either by present or future enactment, and no such tax, surcharge or charge shall be deductible from invoice by buyer in making remittance to either manufacturer or wholesaler.

(g) All quotations shall include a definite limit of time for acceptance, but in no case shall quotations be for a period longer than 15 days from date of quotation. except on special construction projects, not to exceed 60 days.

(h) No manufacturer or wholesaler shall make a carload sale that requires invoicing and delivery to more than three retailers or more than one stop-over at origin and one stop-over at destination. Pool car sales of less than 10,000 feet to any one customer shall be subject to such service charge as may be established by each of the several Divisions. Stop-over charges, if any, shall be paid by the buyer or buyers in addition to the invoice price.

(i) Orders and invoices shall show terms of sales, association grade, species, quantities, sizes, and price of each item for agreed delivery. In respect to lumber and timber products not of American Lumber Standard size and/or association grade both order and invoice shall show the nominal and finished sizes and the grade sold by reference to some non-association specification on file with the Division, or completely stating the specifications. Orders and invoices shall state whether the stock is green, air dried, or kiln dried.

(j) Neither manufacturers nor wholesalers shall place stock in transit via rail. Neither manufacturers nor wholesalers (except such wholesalers as have acquired full and unconditional title to the stock prior to shipment) shall place unsold stock in transit via water. Neither manufacturers nor wholesalers shall place stock on consignment.

(k) In respect of lumber special nonstandard sizes and grades may be manufactured and sold under special contract, but grade, size, both rough and dressed, and price must be detailed in both order and invoice. The manufacture, purchase and/or sale of nonstandard sizes, grades, and classifications of lumber and timber products for the purposes of evading any of the provisions of this Code is hereby prohibited.

Sec. 6. *Grading and Inspection.*—(a) In the absence of an express sales agreement all lumber and timber products shall be manufactured and graded in accordance with official published manufacturers association grading and inspection rules applicable thereto. In the absence of an express sales agreement, trade terms, definitions, and all other terms, words or phrases, and regulations relating to the manufacture, sale, invoicing, and shipment of lumber are understood to be interpreted and applied in accordance with the applicable provisions of the official manufacturers association grading rules in effect at the time of sale.

(b) Manufacturers and wholesalers shall not alter grades by taking out either the poorest or the best material or by adding lower or higher grade material for the purpose of evading the provisions of the Code.

(c) If lumber is grade marked or species marked only the standard manufacturers association grade marks and species marks wherever established shall be used.

(d) Manufacturers and wholesalers shall not misbrand or invoice falsely any lumber as to quantity, size, grade, origin, species, or condition of dryness.

(e) Official inspection, when required by either buyer or seller, shall be made only by an official inspector of the manufacturers association issuing the official grading rules for the species to be inspected, applying the rules agreed to at the time of sale, or, in the event of no such agreement, the official manufacturers association grading rules and regulations under which the lumber or timber products are commonly bought and sold.

(f) Except for water shipment, as certification of quantity and grade of lumber and timber products shipped, an official manufacturers association car card (shippers certificate) shall be placed in each car shipped; such certificate shall not disclose the name of the originating manufacturer but shall carry such marks or number as will enable the Division or Subdivision to trace the shipment. For shipments requiring official inspection at point of origin the official certification of the manufacturers association inspection agencies shall be furnished.

(g) All lumber and timber products either rough or dressed manufactured to sizes below American Lumber Standards and/or manufacturers association standards sold on standard nominal size shall be branded "sub-standard" and such brand shall not be obliterated or removed.

Sec. 7. *Arbitration.*—Any dispute between parties coming within the provisions of this Code involving $50.00 or more and arising out of transactions in respect to the sale of lumber and timber products, except as to grade or tally, may be referred to an arbitration committee. For this purpose the disputants agreeing to arbitration shall sign an arbitration agreement approved by the Authority for which application may be made to any Division. In the event of the failure of the disputants to agree as to the arbitration agency the Authority may designate an agency to conduct the arbitration. The findings and award of said arbitration through said agency shall be final and binding upon both parties.

Sec. 8. *Policing.*—The authority shall establish such agencies generally distributed through the United States as it may deem necessary to provide for such prompt relaxation of these rules and/or interpretation thereof as may be necessary to prevent these rules from promoting monopolies or eliminating or oppressing small enterprises or operating to discriminate against them, and shall invest such agencies with all power and authority necessary or appropriate to secure prompt decision of such questions.

Sec. 9. *Export Business.*—These rules shall not apply to export business which shall be subject to the supplemental Rules of Fair Trade Practice of each Division or Subdivision.

O

Approved Code No. 10

CODE OF FAIR COMPETITION

FOR THE

PETROLEUM INDUSTRY

As Approved on August 19, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16, 1933, and for my approval of a Code of Fair Competition for the Petroleum Industry, and hearings having been held thereon and the Administrator having rendered his report together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of title I of said act and that the requirements of clauses (1) and (2) of subsection (a) of section 3 of the said act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations and findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:

Hugh S. Johnson,
Administrator.

The White House,
August 19, 1933.

NATIONAL RECOVERY ADMINISTRATION,
Washington, D.C., August Nineteenth 1933.

THE PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval, the Code of Fair Competition of the Petroleum Industry. The Code has been approved by the Labor Advisory Board, the Consumers Advisory Board and the Industrial Advisory Board.

An analysis of the provisions of the Code has been made by the Administration and a complete report is being formulated for transmission to you. I find that the Code complies with the requirements of clauses 1 and 2, subsection (a) of Section 3 of the National Industrial Recovery Act.

I am, my dear Mr. President,

Very sincerely yours,

(Signed) HUGH S. JOHNSON,
Administrator.

Enclosure.

CODE OF FAIR COMPETITION

FOR THE

PETROLEUM INDUSTRY

PREAMBLE

To meet the emergency in the petroleum industry; to increase employment, establish fair and adequate wages, enlarge the purchasing power of persons related to this industry and improve standards of labor; to conserve the Nation's petroleum resources and to prevent physical and economic wastes which demoralize the national market to the detriment of consumers and producers and to restrain and avoid recurring abuses in the production, transportation and marketing of petroleum and its products which directly obstruct the free flow of interstate and foreign commerce by causing abnormal and disturbing temporary fluctuations in the supply of petroleum or its products that are not responsive to actual demand and prices and disrupt the normal flow of interstate commerce in petroleum and its products; and to prevent the growth of monopoly resulting from unfair competitive practices; and to protect the Nation from an unnecessarily wasteful depletion of this natural resource essential for the national defense and safety and the continued functioning of the Nation's transportation facilities that are dependent for operation on an adequate and economic supply of petroleum and its products and to accomplish and effectuate the policies set forth in the National Industrial Recovery Act, this code of fair competition governing the petroleum industry is adopted.

Article 1—General

Section 1. The provisions of this code shall become effective two weeks after approval thereof by the President.

Sec. 2. The term "American Petroleum Industry" includes the production, transportation, refining, and marketing of crude petroleum and its products; and is inclusive likewise of natural gasoline and the production of natural gas in conjunction with petroleum. The term "person" shall include natural persons, partnerships, associations, trusts, including trustees in bankruptcy and receivers and corporations. The word "President" shall mean either the President or any agent, employee, or agency empowered by the President to act in his stead.

Sec. 3. Such of the provisions of this code as are not required to be included therein by the National Recovery Act, may, with the approval of the President, be modified or eliminated as changes in circumstances and experience may indicate.

Sec. 4. This code is hereby declared subject to the right of the President from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of the National Industrial Recovery Act.

Sec. 5. Agreements between competitors within the industry or the purpose of accomplishing the objectives of this code, or any of them, or for the purpose of eliminating wasteful duplication of manufacturing, transportation, and marketing facilities are hereby expressly permitted, but such agreements shall not become operative until specifically approved by the President, and suitable public notice shall have been given of such agreements. Such agreements may at any time be disapproved by the President and upon such disapproval they shall cease to be valid.

Article II

Section 1. In drilling, production, refinery and pipe-line operations, the maximum hours for clerical employees shall not exceed 40 per week and the rate of pay for each geographic division shall not be less than the minimum stated in Section 2. All other employees in these operations, except executives, supervisors, and their immediate staffs and pumpers on "stripper" wells located so as to make relief impracticable, shall work not more than 72 hours in any 14 consecutive days, but not more than 16 hours in any two days.

To establish geographic divisions for the petroleum industry, the geographic divisions as shown by the United States Department of Labor, Bureau of Labor Statistics wage reports (October 1929) have been adopted. The minimum hourly rates for the employees above specified, other than clerical, in each of these geographic divisions shall be as follows:

	Minimum rate per hour (cents)
Middle Atlantic Division:	
New York, New Jersey, Pennsylvania	52
New England:	
Maine, New Hampshire, Vermont, Rhode Island, Massachusetts, Connecticut	52
East North Central:	
Ohio, Indiana, Illinois, Michigan, Wisconsin	52
West North Central:	
Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, Kansas	48
South Atlantic:	
Delaware, Maryland, District of Columbia, Virginia, West Virginia, North Carolina,[1] South Carolina,[1] Georgia,[1] Florida [1]	45
East South Central:	
Kentucky, Tennessee, Alabama,[1] Mississippi [1]	45
West South Central:	
Arkansas,[1] Louisiana,[1] Oklahoma, Texas [1]	48
Mountain:	
Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Nevada, Utah	50
Pacific:	
Washington, Oregon, California	52

Sec. 2. In market operations all employees (other than those employed in filling or service stations, garages, or other institutions which sell gasoline to the public) including clerical, but excluding executives, supervisors and their immediate staffs, and outside salesmen shall work not more than 40 hours per week. The minimum rates for such employees in each of the geographic divisions above specified shall be as follows:

[1] For refinery and pipe-line work in States so marked, not more than ten percent, constituting common labor only, of the total number of employees in any plant or operation may be paid at not less than 80 percent of this minimum rate.

	Minimum rate per hour (cents)
Middle Atlantic Division:	
New York, New Jersey, Pennsylvania	47
New England:	
Maine, New Hampshire, Vermont, Rhode Island, Massachusetts, Connecticut	47
East North Central:	
Ohio, Indiana, Michigan, Wisconsin, Illinois	47
West North Central:	
Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, Kansas	42
South Atlantic:	
Delaware, Maryland, District of Columbia, Virginia, West Virginia, North Carolina,[2] South Carolina,[2] Georgia,[2] Florida [2]	40
East South Central:	
Kentucky, Tennessee, Alabama,[2] Mississippi [2]	40
West South Central:	
Arkansas,[2] Louisiana,[2] Oklahoma, Texas [2]	40
Mountain:	
Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Nevada, Utah	45
Pacific:	
Washington, Oregon, California	47

Sec. 3. No filling or service station employee, nor any employee of any garage or other institution selling gasoline to the public shall work more than 48 hours per week. Nor shall any such employee receive less than $15.00 per week in any city of over 500,000 population or in the immediate trade area of such city; nor less than $14.50 per week in any city between 250,000 and 500,000 population, or in the immediate trade area of such city; nor less than $14.00 per week in any city of between 2,500 and 250,000 population, or in the immediate trade area of such city; and in towns of less than 2,500 population such employees shall receive wage increases of not less than 20 percent: *Provided,* That this shall not require wages in excess of $12.00 per week: *And provided further,* That no employee shall receive a smaller weekly wage for the shorter work week than was his weekly wage on July 20, 1933.

Sec. 4. It is the purpose of the labor provisions of this code that all employees engaged in similar work in each of the geographic divisions shall be placed on the same basis of hours and receive at least the minimum earnings provided for each class of work in the industry.

To effectuate this purpose, the differentials between the rates for skilled jobs and the minimums established in this code for common labor will not be less than those existing in the industry in each geographic area on July 1, 1929; but in no case will such differential for First grade refinery stillmen be less than 45¢ per hour or for rotary drillers less than 75¢ per hour.

Sec. 5. Every person subject to this code shall insert a provision in all contracts made by him for work within the industry, whereby the contractor agrees that his employees, or those of any subcontractor, shall receive the rates designated by this Code for each respective class of work and shall not work in excess of the schedule of hours in this Code.

Sec. 6. On and after the effective date of this Code the employer in the Petroleum Industry shall not employ any person under the age of sixteen years.

[2] For market operations in States so marked, not more than 10 percent, constituting common labor only, of the total number of employees in any plant or operation may be paid at not less than 80 percent of this minimum rate.

SEC. 7. Employees in this industry shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from interference, restraint, or coercion by employers of labor, or their agents, in the designation of such representatives or in self-organization, or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection. No employee in this industry, and no one seeking employment therein shall be required as a condition of employment to join any company union or to refrain from joining a labor organization of his own choosing. Employers of labor in this industry shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

SEC. 8. The provisions of this Code regulating hours of labor and wages of employees, shall be deemed violated by any device or method by which employees, as recognized in the industry on July 1st, 1933, are or are attempted to be removed from such present recognized status of employees by means of drilling contracts, commission contracts, lease and agency, or any other agreement.

ARTICLE III—PRODUCTION

SECTION 1. The President is hereby requested, after such investigation and hearing as is prescribed by, and subject to the limitations contained in, Title 1 of the National Industrial Recovery Act, to limit imports of crude petroleum and petroleum products for domestic consumption to volumes bearing such ratio to the estimated volume of domestic production as will effectuate the purposes of this Code and the National Industrial Recovery Act.

SEC. 2. Withdrawals of crude oil from storage shall be subject to approval by the Planning and Coordination Committee but for the remainder of 1933 shall be limited in the aggregate to an average not in excess of 100,000 barrels daily. Additions to storage beyond the necessary limits of fluctuations in working stocks shall be made only with the approval of the Planning and Coordinating Committee.

SEC. 3. Required production of crude oil to balance consumer demand for petroleum products shall be estimated at intervals by a Federal Agency designated by the President. In estimating such required production, due account shall be taken of probable withdrawals from storage and of anticipated imports. The required production shall be equitably allocated among the several States by the Federal Agency. The estimates of required production and the allocations among the States shall be submitted to the President for approval, and, when approved by him, shall be deemed to be the net reasonable market demand, and may be so certified by the Federal Agency. The allocations when approved by the President shall be recommended as the operating schedule for the producing States and for the industry. In any States where oil is produced on account of back allowables, total current allowables shall be reduced accordingly.

SEC. 4. The subdivision into pool and/or lease and/or well quotas of the production allocated to each State is to be made within the State. Should such quotas allocated in conformity with the provisions of this section not be made within the State or if the production of petroleum within any State exceeds the quota allocated to said State, the President may regulate the shipment of petroleum or

petroleum products in or affecting interstate commerce out of said State to the extent necessary to effectuate the purposes of the National Industrial Recovery Act and/or he may compile such quotas and recommend them to the State Regulatory Body in such State in which event it is hereby agreed that such quotas shall become operating schedules for that State.

If any subdivision into quotas of production allocated to any State shall be made within a State, any production by any person, as person is defined in Article I, Section 3 of this code in excess of any such quota assigned to him, shall be deemed an unfair trade practice and in violation of this code.

Sec. 5. In any State in which no regulatory body or officer charged with the duty of allocating quotas within said State exists, and under the laws of which any person in any trade or industry within said State is required to comply with the terms of any Code of Fair Competition for such trade or industry approved under Title I of the National Industrial Recovery Act, the President may designate an agency within such State to compile quotas within said State. Such compilations, upon approval by the President shall become operating schedules for the petroleum industry within said State. If any subdivision into quotas of production allocated to any such State shall be made within the State, any production by any person, as person is defined in Article I, Section 3 of this code in excess of any such quota assigned to him shall be deemed an unfair trade practice and in violation of this code; and, further, persons engaged in the petroleum industry or any branch thereof in any State may adopt a supplemental code, for that State to be effective when approved by the President, covering any matter relating to the petroleum industry not in conflict with the provisions of this code.

Sec. 6. During such periods as the production of crude petroleum in any State is within the allocation to that State, as provided in Section 3, Article III, of this code, it shall be an unfair practice within that State to buy, sell, receive in exchange, or otherwise acquire Mid-Continent crude petroleum of 36°–36. 9° A.P.I. gravity during any calendar month at a price per barrel (to the nearest cent) less than that which will be determined by multiplying the average Group 3 tank car price per gallon of U.S. Motor gasoline of 60–64 octane rating during the preceding calendar month as ascertained and declared by the Federal agency designated by the President, by the constant 18.5. The constant 18.5 represents the relationship, during the period 1928–1932, between the average price per barrel of Mid-Continent crude petroleum of 36°–36.9° A.P.I. gravity and the average Group 3 price per gallon of U.S. Motor gasoline of 57–65 octane rating or 58–60 U.S. Motor gasoline. For crude petroleum of lower or higher gravity and/or different quality and/or in different locality, fair and equitable differentials between the price of 36°–36.9° Mid-Continent crude petroleum, determined as above prescribed, and the prices quoted for other crude petroleums shall be observed. Each company or individual purchasing crude petroleum shall file a certified copy of its price schedule and subsequent price changes with the Planning and Coordination Committee. Such contracts for the purchase of crude oil as were in existence on the effective date of this code shall not be affected by the provisions of this section during the period of the contract: *Provided*, That a certified copy of each such

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contract is filed with the Planning and Coordination Committee within thirty (30) days of the effective date of this code. Such contracts, however, may not be renewed except with the approval of the Planning and Coordination Committee.

(a) For a test period of not to exceed ninety days, the President may prescribe the base price of the gasoline described in Section 6 of this Article to which said constant shall be applied and, at the end of said period the President may revise the formula set forth in said Section 6 or add such additional formulae relative to the wholesaling and retailing of petroleum and its products in such manner as in his opinion may be necessary to effectuate the purposes of the National Industrial Recovery Act. If and whenever the President shall prescribe a base price for gasoline then it shall be an unfair trade practice to buy, sell, give or receive in exchange or otherwise dispose of or acquire such gasoline at a lower price.

Sec. 7. Wild-catting shall not be prohibited because the future maintenance of the petroleum supply depends on new discoveries and new pools, but the shipment of petroleum or the products thereof in or affecting interstate commerce which was produced in a new field or pool which is not developed in accordance with a plan approved by the President is unfair competition and in violation of this code. For the purpose of this code a new field or pool is one discovered after date of approval of this code and in which ten producing wells have been completed.

Article IV—Refining

Section 1. To achieve greater accuracy in balancing production and consumption, to prevent the injurious effect upon interstate commerce of an unbalanced accumulation of gasoline inventories in any part of the country, and to facilitate equitable access of refiners to the allowable supply of crude oil, the Federal Agency designated by the President shall divide the country into eight refining districts and shall suggest a proper relationship between inventories of gasoline and sales thereof for each district.

Sec. 2. The Planning and Coordination Committee shall appoint subcommittees for each refining district. Said subcommittees shall call the attention of refiners within their respective districts to the existing and recommended ratios between gasoline inventories and sales within said districts. If any refinery claims that inequities exist in the availability of supplies of crude oil it shall make complaint to the subcommittee for the district within which it is situated. Said district subcommittee shall endeavor to adjust such controversy; if it cannot do so, it shall refer such complaint to the Adjustment Committee of the Planning and Coordination Committee. The Adjustment Committee, after proper statistical study of the ratio between claimant's inventory and sales, and upon recommendation of the Planning and Coordination Committee, shall hold public hearings, upon due notice, with a view to arbitration.

Sec. 3. Should any refiner have an inadequate supply of crude oil available from current purchases, within economic transportation limits then he may withdraw or purchase from storage such oil as may be necessary to make up the deficiency. In such cases a special report shall be made by such refiner to the subcommittee, which may prohibit further withdrawals by providing the deficiency from current

sources at competitive prices. In the event of such purchase from storage then it shall not be an unfair trade practice for the owner of storage oil to make such sale.

Sec. 4. The storage of gasoline in amounts greater than is required to provide for the necessary fluctuations in working stocks and to meet the variation resulting from seasonal demand as determined by the Planning and Coordination Committee, is an unfair trade practice and is prohibited.

Article V—Marketing

Rule 1.—The provisions of this Code relating to transactions of refiners, distributors, jobbers, or wholesalers with retailers and others selling or consigning petroleum products to consumers shall apply to all accounts, of any description, under which refiners, distributors, jobbers, or wholesalers sell their products or cause their products to be sold to consumers or to retailers, or to others selling petroleum products to consumers.

Rule 2.—Whenever any merchant or vendor of any and all types of merchandise offers for sale at wholesale or retail motor fuels, motor lubricants, motor gasoline, or naphtha of a petroleum nature he shall, insofar as his business pertains to these products, be bound by the regulations of this Code.

Rule 3.—All refiners, distributors, jobbers, and wholesalers shall conspicuously post at each point from which they make deliveries, and at places there readily accessible during business hours to the public, all prices for which naphtha, gasoline, motor fuel, lubricating oil, grease, kerosene, and heating oils are sold.

With the exception of sales made directly by refiners, all such prices shall remain in effect for at least twenty-four (24) hours after they become effective. Refiners must post for twenty-four (24) hours the prices for all sales made the previous day. The posting shall include the following:

The prices for all classes, types, methods, and quantities of deliveries, except those under previously executed contracts, being made from the place where the price is posted, a schedule of all discounts offered and the terms thereof and a statement of all terms as to freight rates and deliveries. If different prices are offered to different classes of buyers, such prices shall be separately posted. The posted prices shall include, among others, the prices for spot sales. When prices are posted for deliveries in tank wagons or tank trucks, the posting shall describe the area to which the prices apply. All sales shall be made at the posted prices applicable thereto, and no departure shall be made from the prices, schedule, or discounts or from the terms posted applicable to any such sale.

All retailers, and others who sell consumers, shall conspicuously post at the place from which delivery is made, and at places there readily accessible during business hours to the public, one price at which each brand, grade, or quality of naphtha, gasoline, motor fuel, lubricating oil, grease, kerosene, and heating oil are sold. All retailers and others who sell consumers, unless prevented therefrom by applicable law, shall separately post in the same manner all tax they are required to pay or collect because of the sale of naphtha, gasoline, motor fuel, lubricating oil, grease, kerosene, or heating oil. All prices

posted shall remain in effect for at least twenty-four (24) hours after they are posted.

All sales shall be made at the posted prices applicable to the brand, grade, or quality of the commodity sold.

Coupon books or other scrip of any nature, if used, shall be sold and redeemed at their face value without any discount.

No one shall make any deviation from his posted price by means of rebates, allowances, concessions, benefits, scrip books, or any other device whereby any buyer obtains any naphtha, gasoline, motor fuel, lubricating oil, grease, kerosene, or heating oil at a net lower cost than the applicable posted price; except that commercial consumers may secure gasoline, motor fuel, and other oils, on contract quantity basis under conditions established by the Planning and Coordination Committee.

The provision of all previously executed then existing contracts regarding price will be available for inspection upon the direct request of any competitor, unless such request shall be made for the purpose of unfairly obtaining information, in which event the decision whether such contract shall be made available shall be made by the authority, committee, or commission provided in Rule 4 of this Article, or such agency as it may designate.

On a change in the posted price, no adjustments, allowances, credits, or refunds shall be given to any buyer on deliveries already made.

Abnormal deliveries in anticipation of price advance and acceptance of orders for subsequent deliveries at prices effective before advances are prohibited.

Rule 4.—Refiners, distributors, jobbers, wholesalers, retailers, and others engaged in the sale of petroleum shall not sell any such refined petroleum products below cost of manufacturing or importation into the State where offered for sale, plus reasonable expenses in the cost of marketing as observed under prudent management, fixed taxes and inspection fees by the Federal or State Government, or any political subdivision thereof, provided, however, that any person is permitted to meet competition in violation of this rule concerning which he has made complaint to the Planning and Coordination Committee, or any authorized agency thereof, but only pending action thereon.

An authority, committee, or commission delegated by the National Recovery Administration for such purposes shall receive complaints of violation of this rule and make such investigation and/or hold such hearings as it deems necessary to determine whether the prices complained of are in violation of this rule.

Rule 5.—The schedule of credit attached hereto marked Appendix "B" is hereby adopted by the petroleum industry as a uniform basis of credit to be applicable to all deliveries made after the effective date of this Code. The granting of a longer term of credit or a larger rate of discount by any refiner, distributor, jobber, wholesaler, or retailer than that allowed by this schedule shall constitute an unfair method of competition.

Credit conditions of contracts made prior to the effective date of this Code are excepted from the provisions of this rule.

Rule 6.—Inasmuch as there are firms and corporations in the petroleum industry who severally or through firms and corporations owned or controlled, constitute and comprise a complete or integrated unit in such industry or produce and refine petroleum and market the

products manufactured therefrom, the business thereof shall be so conducted that the several branches of this industry, viz; producing of petroleum, refining, and marketing of refined products may be carried on upon a profitable basis and that no one or more of the said branches shall obtain or receive excessive or disproportionate gain or profit therefrom to the exclusion of any other branch of this industry.

Rule 7.—Refiners, distributors, jobbers, wholesalers, or retailers shall not hereafter sell, lease, loan, or otherwise furnish to consumers of petroleum products or to anyone engaged in the sale of petroleum products at retail, any pumps, tanks, air compressors, greasing equipment or guns, lubsters, or other equipment or accessories (excepting only pump globes and the usual advertising signs, for the storage, display, vending, delivering, or consumption of petroleum products), except as otherwise provided in paragraph 3 of this rule. Notwithstanding the prohibition hereinabove contained, any cooperative society, association, or corporation of the type described in Rule 29 of this Article shall be permitted to purchase for cooperative distribution to any member or members thereof, equipment of the kind hereinabove described, intended for exclusive use by such member or members.

If equipment of this kind, type, or description hereinbefore mentioned now in operation becomes damaged, destroyed, or worn out, it shall not be replaced by any refiner, distributor, jobber, or wholesaler.

The equipment of the kind, type, or description hereinbefore mentioned, furnished, loaned, or leased before June 15, 1933, by any refiner, distributor, jobber, or wholesaler to or installed with any retailer or consumer shall, at the expiration of any contractural relation, and on the request of such retailer or consumer, be sold by such refiner, distributor, jobber, or wholesaler to such retailer or consumer, or, in the absence of a sale of such retailer or consumer as herein provided, shall be sold by the refiner, distributor, jobber, or wholesaler, who has made the loan, to any other refiner, distributor, jobber, or wholesaler who is about to begin supplying petroleum products to such retailer or consumer, on the request of such other refiner, distributor, jobber, or wholesaler at the original invoice price plus actual cost of installation, less a depreciation of 15% per annum, but in no event at a price lower than that fixed in the schedule hereto attached, marked Appendix "A". In the event of a purchase as herein provided by such other refiner, distributor, jobber, or wholesaler, such equipment may be loaned, leased, or licensed to the retailer or consumer at such location by any new supplier subsequently acquiring title thereto.

This rule does not apply to the sale of equipment by the manufacturer thereof where such sale is not conditioned upon the purchase of use of petroleum products. This rule does not apply to special equipment used in connection with the sale and distribution of propane, butane, and other liquefied petroleum gases.

Rule 8.—Refiners, distributors, jobbers, wholesalers, or retailers shall not construct, repair, lease, loan, or furnish driveways, buildings, canopies, air compressors, grease lifts or pits, grease equipment, grease guns, air towers, light poles, flood lights, material for driveways, buildings, or canopies, or any other equipment of any character whatsoever in connection with service stations or the storage, display,

or sale or consumption of petroleum products (excepting only pump globes and the usual advertising signs and except as provided in Rule 7 of this Article) for or to anyone engaged in the sale or delivery of petroleum products to consumers or for or to consumers.

Nothing contained in Rules 7 and 8 of this Code shall prohibit refiners, distributors, jobbers, or wholesalers or retailers from installing at or furnishing or equipping with any of the devices mentioned in Rules 7 and 8 any station or place where petroleum products are sold to consumers, which station or place is owned, in fee by such refiner, distributor, jobber, or wholesaler, or held by such refiner, distributor, jobber, or wholesaler under a valid and binding lease, and at the time the lease was executed the leased premises were not improved with any building or other facility or equipment for the sale or storage of petroleum products, or held by such refiner, distributor, jobber, or wholesaler under a valid and binding lease for a period of at least five years, which lease provides for a substantial rental not determined by the volume of petroleum products sold at the premises and which does not contain any provision permitting either party thereto to cancel or terminate it or the term thereby granted before the expiration of five years from the beginning of such term.

Nothing contained in Rule 8 shall prohibit any individual from setting up a station or place for the sale and distribution of petroleum products and from furnishing his own equipment at his own expense.

Rule 9.—Refiners, distributors, jobbers, or wholesalers shall not make any repairs to any equipment of any kind owned by retailers or consumers; and shall not make any repairs to any equipment now loaned or leased to or installed with retailers or consumers which necessitates the removal from the premises of the equipment in order to effect the repairs.

Refiners, distributors, jobbers, or wholesalers may make any ordinary repairs to any equipment now loaned or leased or otherwise furnished to retailers or consumers, provided such repairs can be made without the removal of such equipment from the premises.

Rule 10.—Refiners, distributors, jobbers, or wholesalers, shall not do any painting, nor furnish any paint free, or sell any paint for or to consumers, or for or to retailers, except for pumps through which the products of the refiner, distributor, jobber, or wholesaler are sold and except for usual advertising signs. Any new supplier shall assume the obligation of painting out colors identifying previous suppliers of the retailers or of anyone selling petroleum products to consumers with some neutralizing color other than that customarily used to identify places through which the products of the refiner, distributor, jobber, or wholesaler doing the painting are sold or dispensed. Before any refiner, distributor, jobber, or wholesaler paints over any sign or color of another refiner, distributor, jobber, or wholesaler, it shall communicate with the refiner, distributor, jobber, or wholesaler whose signs or colors are involved inquiring whether such refiner, distributor, jobber, or wholesaler has any written contract which would be violated by such proposed painting. Any refiner, distributor, jobber, or wholesaler to whom such inquiry is presented shall respond thereto within ten days from date of notice giving the information requested and if such proposed painting would violate any contract which it holds shall offer to submit the contract for inspection at its office. If such proposed painting would violate the contract so submitted, the painting shall not be done.

Refiners, distributors, jobbers, or wholesalers may sell paint direct to any other refiner, distributor, jobber, or wholesaler. Nothing hereinabove contained shall prevent any cooperative society, association, or corporation of the type defined in Rule 29 of this Article, from buying paints for cooperative distribution to any member or members thereof, provided that the purchase or sale of such paints shall not be conditioned upon the purchase or sale of petroleum products.

Rule 11.—Except in such cases as constitute exceptions to the prohibitions contained in Rules 7 and 8 of this Article, refiners, distributors, jobbers, or wholesalers shall not lend, lease, or otherwise furnish any equipment of any character, whatsoever, except trademarked pump globes and other usual advertising devices, to anyone purchasing or receiving petroleum products by tank car, tank barge, truck train, or pipe line or to anyone selling petroleum products for resale or consumption.

Rule 12.—When any pump, tank, or other device for the storage, display, consumption, handling, or sale of naphtha, gasoline, motor fuel, or lubricating oil, bears the name, trade mark, or trade name of any person, firm, association, or corporation engaged in the manufacture or sale of any such commodity, no other person, firm, association, or corporation shall deliver into or deliver for sale from such pump, tank, or other device, or any tank or other container connected therewith, any naphtha, gasoline, motor fuel, or lubricating oil, other than that manufactured, sold, or distributed by the person, firm, association, or corporation whose name, trade mark or trade name is so affixed. No person, firm, association, or corporation shall in any way knowingly be a party to the substitution of one grade or brand of naphtha, gasoline, motor fuel, or lubricating oil, for another.

Rule 13.—Refiners, distributors, jobbers, or wholesalers, shall not loan money to retailers or others engaged in the sale of petroleum products, or to consumers, for any purpose whatsoever and shall not extend any credit to any retailer or to anyone engaged in selling petroleum products to consumers except for merchandise sold for resale. Refiners, distributors, jobbers, or wholesalers shall not pay for or reimburse to any retailer or consumer, either directly or indirectly any property tax, privilege tax, license fee or tax, inspection fee or tax, chain-store tax, or any other charge, tax, or impost levied or assessed by any taxing authority upon any retailer or consumer in connection with the operation of any place or facility for the sale of petroleum products, nor advance money for the same.

Rule 14.—Refiners, distributors, jobbers, or wholesalers shall not pay rentals or otherwise pay for the privilege of displaying advertising on premises where naphtha, motor fuel, lubricating oil, grease, kerosene, or heating oil are sold.

Rule 15.—No refiner, distributor, jobber, wholesaler, or retailer or other person engaged in the sale of petroleum shall knowingly induce, attempt to induce, or assist a party to break a then existing written contract for the sale of petroleum products or a then existing lease of the premises used for the sale of petroleum products between that party and another.

No refiner, distributor, jobber, wholesaler, retailer, or other person engaged in the sale of petroleum products shall sell or deliver any naphtha, gasoline, motor fuel, lubricating oil, grease, kerosene, or

heating oil to anyone knowing that such sale or delivery will violate or prevent the performance of a then existing written contract between the person to whom the sale or delivery is made and another.

No contracts in violation of this code are protected under this rule. Nothing herein contained shall preclude the sale or delivery of any naphtha, gasoline, motor fuel, lubricating oil, grease, kerosene, or heating oil to any person who justifiably refuses further compliance with any existing written contract.

Rule 16.—Lotteries, prizes, wheels of fortune, or other games of chance shall not be used in connection with the sale of petroleum products.

Rule 17.—Except by permission of the Planning and Coordination Committee, refiners, distributors, jobbers, wholesalers, retailers, and others engaged in the sale of petroleum products shall not give away oil, premiums, trading stamps, free goods, or other things of value, or grant any special inducement in connection with the sale of petroleum products.

Rule 18.—Except by permission of the Planning and Coordination Committee, gasoline shall not be sold or delivered from tank wagons or trucks to motor vehicles except in emergency cases.

Rule 19.—Pending decision by the Federal Trade Commission as to whether the lease and agency, lease and license methods of marketing of petroleum products constitute an unfair trade practice:

(a) No new contract shall be written under either method,

(b) Any such contracts now in effect shall not be renewed for a period exceeding one year, and the cancellation privilege shall be on notice not exceeding thirty days,

(c) Provisions of Rules 7 and 8 shall apply in all instances to existing lease and agency and lease and license contracts, and to renewals, as above defined,

(d) Insofar as lease and agency and lease and license agreements are concerned, the provisions of Rule 15 shall not apply to soliciting the sale and purchase of petroleum products, and

(e) Should the Federal Trade Commission fail to render a final decision on the validity of lease and agency and lease and license agreements within 60 days of the effective date of this code, the President, or agency designated by him, may make a final decision prohibiting such marketing methods, or authorizing them without condition or upon such conditions as he or it may prescribe; or the President or agency designated by him may, in his or its discretion, temporarily prohibit the use of such marketing methods pending the decision of the Federal courts, or he or it may temporarily authorize such methods pending decision of the Commission and of the courts, either without condition or upon such conditions as he or it may prescribe.

Rule 20.—Refiners, distributors, jobbers, or wholesalers may own service or filling stations or sites for same and may fully equip such stations or sites and may lease, operate, or license such stations or grant a license to anyone to operate such stations for the distribution of petroleum products manufactured or sold by such refiner, distributor, jobber, or wholesaler, or such refiner, distributor, jobber, or wholesaler may employ anyone as agent of such refiner, distributor, jobber, or wholesaler for the sale of petroleum products thereat.

Rule 21.—No one shall make any delivery of naphtha, gasoline, motor fuel, kerosene, range oil, lubricating oil, or heating oil at any refinery, terminal, or bulk plant to a reseller into any wagon, truck, tank wagon, or tank truck owned or operated by or for such reseller. The term "reseller" as herein used shall not be construed to include any agent selling such commodities on a commission basis. Deliveries may be made in exchange for similar commodities received by the person making the deliveries from the person to or for whom the delivery is made.

Nothing in this rule contained shall apply to deliveries made to bona fide jobbers either in their own vehicles, or for their account, from refineries, terminals, or bulk plants.

Rule 22.—Refiners, distributors, jobbers, wholesalers, or retailers shall not render any burner service in connection with the sale of heating oils and fuel oils unless a fair and reasonable charge is made for such service, which in no event shall be less than $10.00 per year and an additional charge made for the replacement of any parts at not less than their reasonable cost. Nor shall any refinery, distributor, jobber, wholesaler, or retailer grant a commission of any kind to any person other than a regular employee of such refiner, distributor, jobber, wholesaler, or retailer in connection with such sales unless there is a contract between such refiner, distributor, jobber, wholesaler, or retailer and a dealer, distributor, or manufacturer of oil burners providing for the payment of a commission to the latter for the sale of heating oils and fuel oils to oil burner users where such sales are evidenced by signed contracts. This rule is not to be construed to prohibit advisory service.

Refiners, distributors, jobbers, wholesalers, or retailers shall not sell to consumers of heating oils and fuel oils for delivery by tank wagon or tank truck on a contractual basis for a period exceeding twelve months.

No refiners, distributors, jobbers, wholesalers, or retailers shall knowingly sell any heating oil or fuel oil to consumers in tank car lots unless said consumers have facilities for receiving and storing tank car lots.

Rule 23.—Refiners, distributors, jobbers, wholesalers, and retailers shall permit any duly authorized employee, agent, or representative of the Planning and Coordination Committee to make any inspection or examination of books, records, contracts, plants, or stocks of merchandise to determine if there has been any failure to comply with the provisions of this Code or any failure of the refiner, distributor, wholesaler, or retailer, or by any other person, firm, or corporation to pay any tax required to be paid because of the receipt, sale, or use of any naphtha, gasoline, motor fuel, lubricating oil, greases, kerosene, range oil, heating oil, or any other petroleum product.

Rule 24.—Evasion of taxes in the sale of petroleum products gives to evaders an undue and unlawful advantage over legitimate marketers and is unfair competition within the meaning of the National Industrial Recovery Act.

Rule 25.—The broadcasting or publishing, in any manner, of a claim, representation, or implication which leads to a false or incorrect conclusion in regard to the goods, prices, or service of the advertiser, or in regard to the goods, prices, or services of a competitor, or which lays false claims to a policy or continuing practice of generally under-

selling competitors, is an unfair and uneconomic practice and is prohibited.

Rule 26.—In all sales of trade-marked or branded petroleum products for resale, refiners, distributors, jobbers, or wholesalers may, by contract, require purchasers to sell at prices therein designated for such resale; and may further require that if such products are thereafter sold by such purchaser for resale, that the original purchaser shall incorporate a similar provision in the contract with its purchaser for resale.

Any purchaser who agrees to sell any refined petroleum products at the prices designated therefor by the refiner, distributor, jobber, or wholesaler from whom purchased shall make all sales thereof at prices not less than those so designated.

Rule 27.—The unauthorized use by any person, firm, or corporation of the trade mark, trade slogan, insignia, or emblem of any trade association in the petroleum industry, or the assertion or claim, by advertisement or otherwise, by any person, firm, or corporation that he or it is a member of any such association when in fact not a member thereof, shall be an unfair trade practice.

Rule 28.—The provisions of this Code shall not prevent an association, society, or corporation organized or incorporated on the cooperative plan under any law or any State, territory or District of Columbia or of the United States as defined in Rule 29 of Article 5 of this Code from paying patronage dividends to the members or stockholders of such an organization in accordance with the provisions of the law, the articles of association, articles of incorporation, and/or by the laws of such association, society, or corporation, and the payment of such patronage dividends by such cooperative organizations shall not be construed as a violation of this Code, nor shall the payment or distribution of such dividends be construed under this Code as an unfair method of competition; it being specifically understood that such dividends shall not be paid to nonmembers or nonstockholders.

Rule 29.—All Farm Cooperative Societies Association and/or Corporations organized under the laws of any state, territory, or District of Columbia or of the United States, membership in which is restricted to persons whose chief source of livelihood is farming or other cooperatives organized and existing on July 1, 1933, and which comply with paragraph 12, section 103, of the revenue act of 1932, and which distribute their patronage dividends to such members only, shall be exempted from certain provisions of the Article 5 as hereinbefore specified; provided, however, they shall be otherwise fully subject to the provisions of Article 5.

Rule 30.—This Code shall not apply to contracts actually made prior to the date on which this Code is formally approved. Upon the effective date of this Code it shall apply to all such contracts as soon as any cancellation or termination thereof can be legally accomplished.

This Code shall apply to all contracts made after the date on which this Code is formally approved, and shall apply to all renewals or extensions made after that date of contracts made prior thereto.

The provisions of this Code shall not apply to transactions between subsidiary or affiliated companies. Companies shall be considered to be affiliated when one owns the majority of the outstanding capital stock of the other, and when the majority of the outstanding capital stock of each is held by the same individual, corporation, or associa-

tion, or, in the case of cooperative associations as defined in Rule 29 of Article 5 of this Code, when the local associations collectively own the majority of the outstanding stock of the central cooperative association. The parent companies owning the majority of stock in other companies shall be responsible for the observance of such subsidiary or affiliated company of the provisions of the rules of this Code.

The provisions of this Code shall not apply in respect to sales made in the United States for export to foreign countries.

Rule 31.—A violation of any of the rules of this Code shall constitute an unfair method of competition.

In the event any rule of this Code, or part of any such rule, should be disapproved or held invalid, such action shall in no way affect any other rule or part thereof.

Article VI—Transportation

The transportation subcommittee of the Planning and Coordination Committee shall investigate transportation practices and rates, and shall from time to time recommend to the President such action as may be appropriate to be taken under the National Industrial Recovery Act, or otherwise.

Article VII—Organization

Section 1. The administrative machinery for the effectuation of this Code shall consist of:

(a) The Planning and Coordination Committee, representing the petroleum industry and the National Recovery Administration.

(b) A Federal Agency to be designated by the President.

Sec. 2. The Planning and Coordination Committee shall consist of fifteen members, three of whom (without vote) shall be representatives of the National Recovery Administration and appointed by the President and twelve of whom shall be representatives of the petroleum industry, and, for purposes of immediate organization, appointed by the President from nominations made by a group or groups within the industry in such manner as may be prescribed by the President.

Sec. 3. The Planning and Coordination Committee is set up to cooperate with the Administrator as a planning and fair-practice agency for the petroleum industry. Such agency may from time to time present to the Administrator recommendations which will tend to effectuate the operation of the provisions of this Code and the policy of the National Recovery Act and is charged in particular with endeavoring to promote the fullest possible cooperation with state regulatory bodies.

Sec. 4. The Planning and Coordination Committee shall have a Chairman from its own membership and the following working technical subcommittees:

(a) Statistical Committee.
(b) Production Committee.
(c) Refinery Committee.
(d) Marketing Committee.
(e) Accounting Committee.
(f) Labor Committee.
(g) Adjustment Committee.
(h) Transportation Committee.

Sec. 5. The Federal Agency designated by the President shall make such estimates of petroleum requirements and such recommendations, allocations, and inventories as may be required for the effectuation of this Code.

Sec. 6. In order to provide necessary data upon which to base its studies for the purposes of this Code, the Federal Agency designated by the President and the Planning and Coordination Committee are empowered to call upon the industry for the necessary statistical and other reports and any refusal to supply such reports is a violation of this Code.

APPENDICES

Appendix A

Schedule of Equipment Prices to be Used as a Basis of Purchase or Sale Between Oil Companies

BLIND GASOLINE PUMPS

	Net Lower Than
All makes of Blind Pumps, including Duplex and all sizes 1 to 5 gallons capacity	$20. 00

VISIBLE PUMPS

5-gallon dry or wet hose Visible, 10- or 15-gallon Dry Hose Visible. Dual Bowl Visible (all types), 5-gallon blind pumps with 5 or 10 Visible attachment, Remote Control Visible Air-lift Visible:	
All of the above	20. 00
10- and 15-gallon Visible Web Hose, all makes	40. 00
10- or 15-gallon Visible Web Hose, electric power operated	50. 00

ELECTRIC METER PUMPS

Electric Flow Meter Pumps, with or without air separator	45. 00
Electric Displacement Meter pumps, without air separator	70. 00
Electric Displacement Meter Pumps, with air separator	85. 00

On any of the above pumps furnished in Twin type the price shall be double that of the single unit.

GASOLINE BUGGIES OR WHEEL TANKS

Any capacity, identified by Underwriters Label	50. 00
Same as above, not identified by Underwriters	25. 00

SKID TANKS WITH PUMPS

Skid tanks used for gasoline, kerosene, or distillate, up to 550-gallon capacity, equipped with pump, any type	25. 00

COMBINATION GASOLINE OR KEROSENE UNDERGROUND TANKS WITH PUMPS

100- to 200-gallon capacity, with 1 gal. or rotary pump	25. 00

MISCELLANEOUS PUMP EQUIPMENT

Hydraulic Systems, Drop Cylinder Jobs, Remote Control Systems, and any other special type of equipment, including airport equipment and equipment used to serve marine trade, etc., shall be considered special equipment. Purchase or sale price shall be arrived at by joint appraisal on the premises.

UNDERGROUND TANKS

Underground Tanks shall be bought or sold at prices shown below, which include all installation costs, labor, materials, freight, etc., up

to and including the installation of the pump itself (value of pump not included) on the following basis:

280-gallon tank	$35.00
550-gallon tank	50.00
1,000-gallon tank	75.00
2,000-gallon tank	100.00

These prices are for tanks of any specification, galvanized or black steel as now installed.

Capacities of tanks shown above are normal sizes and may vary 10% more or less. For each additional pump installed on one tank add $10.00 for installation cost.

Where the original installation of the tank and piping involved the removal and replacing of concrete, an allowance of 25¢. per square foot, with a maximum allowance of 60 square feet for each tank and 60 square feet for pipe trench, shall be added to price of the respective size tank.

Where tanks are installed under unusual conditions due to ordinances or regulatory restriction which resulted in excessive costs, the purchase or sale will be based on the actual cost of such installation less 10% per annum depreciation on equipment and material used plus actual labor cost;

Odd-size tanks not covered by the above classification shall be bought and sold at a price interpolated between those specified.

Underground tanks, and any part of the underground installation in connection therewith, may be repaired or replaced by the owner thereof. If replaced, the new tank shall be of the same capacity as original and the original removed from the premises or made unfit for use.

AUTOMOBILE LIFTS, RACKS, AND PITS

Automobile lifts of plunger type will be bought or sold at the invoice price date of seller's purchase, plus freight, less 15% per annum depreciation from date of invoice, plus a flat installation charge of $40.00, plus an allowance for concrete, if any, installed by owner of lift, up to a maximum of 400 square feet, based on 20 cents per square foot.

Portable steel automobile lifts, grease and wash racks will be bought or sold on invoice price date of seller's purchase plus freight, less 25% for depreciation and obsolescence per annum from date of invoice. No allowance for installation cost.

Pits and nonportable racks will be bought or sold on a basis of joint appraisal on the premises at time of exchange.

COMPRESSORS

All air compressors will be bought or sold on a basis of invoice price date of seller's purchase, plus freight, less 25% per annum depreciation and obsolescence from date of invoice. No installation cost considered.

KEROSENE EQUIPMENT

Kerosene equipment shall be bought or sold at the following prices for the respective sizes and classes.

60- to 65-gallon square kerosene tank equipped with pump	$12.00
110- to 112-gallon square kerosene tank equipped with pump	15.00
150- to 165-gallon square kerosene tank equipped with pump	25.00
200- to 220-gallon square kerosene tank equipped with pump	30.00

ROUND PORTABLE KEROSENE TANKS

Equipped with pump.

60- to 120-gallon capacity	$6.00

RECTANGULAR KEROSENE TANKS

Equipped with pump.

60- to 65-gallon capacity	12.00

CELLAR KEROSENE OUTFITS

Equipped with stand pipe and pump.

60- to 120-gallon capacity installed	each	40.00
250- to 270-gallon capacity installed	each	70.00
50- to 120-gallon miscellaneous faucet tanks and tin pump tanks		2.00

LUBRICATING OIL EQUIPMENT

50-gallon round lubricating oil tank	3.00
60-gallon square lubricating oil tank	3.00
15-gallon rectangular lubricating oil tank	3.00
30-gallon rectangular lubricating oil tank	7.00
60-gallon rectangular lubricating oil tank	9.00
60-gallon 2-compartment lubricating oil tank	10.00
90-gallon 3-compartment lubricating oil tank	15.00

Any of the above lubricating-oil equipment, equipped with meter add $1.50 to the above price.

1-quart oil bottles	each	$0.10
Tray for 1-quart oil bottles		.25
1-quart barrel pumps		1.00

Miscellaneous lubricating equipment such as air systems, built-in installations, underground installations, miscellaneous portable equipment, etc., not specifically mentioned in the above lubricating-oil equipment shall be considered special and the purchase or sale price shall be arrived at by joint appraisal on the premises.

GREASE EQUIPMENT

25-lb. grease bucket or kit without motor	$3.00
Same as above with motor	7.00
100-lb. grease outfit without meter	3.00
Same as above with meter	7.00

No charge for dolly in connection with the 100-lb. grease outfit.

Miscellaneous grease equipment such as built-in installations, portable equipment, power guns, special portable guns, hand guns, grease gun boards, etc., not specifically mentioned in the above grease equipment shall be considered special and the purchase or sale price shall be arrived at by joint appraisal on the premises.

Where grease boards furnished by supplier carry trade mark advertising which cannot be readily effaced by any practical means, supplier shall remove from the premises.

MISCELLANEOUS EQUIPMENT

Air and water standards, flood lights, and lamp posts or any equipment not specifically mentioned herein will be bought or sold on a basis of joint appraisal on the premises at the time of exchange.

Sign posts will be considered as property of oil company and shall be removed.

All signs owned by oil company may be bought or sold by joint appraisal.

ARBITRATION

In case any dispute arises over prices and values of all the respective equipment herein mentioned which do not definitely state a price, the suppliers involved shall choose an arbitrator who shall be a disinterested representative from some other oil company in the immediate vicinity, to whom the suppliers shall present their case. The decision of the arbitrator chosen shall be final.

Appendix B

MAXIMUM CREDIT TERMS

Credit Terms

(1) Gasoline and Kerosene Sales:

In tank-car and barge shipments	One percent 10 days from date of shipment, net 30 days. One percent on sight draft payments.
In tank-wagon deliveries	Load-to-load, for net 15th proximo. No cash discount.
Service-station deliveries	Coupons or payments, net in thirty days.
Coupon books, in denominations of not less than ten dollars, may be sold at face value, without discount, for cash, or on credit payable net in thirty days. Coupon books issued by any company may be redeemed by any retail outlet where the trade-marked products of that company are sold.	
Truck-Train Deliveries from refineries and terminals or bulk plants to jobbers' bulk plants (3,500 gallons or over).	One percent 10 days from date of shipment, net 30 days. One percent on sight draft payments.

(2) Gas Oil and Fuel Oil Sales:

In tank-car or barge shipments, or deliveries to ships' burners.	One percent 10 days from date of shipment, net 30 days. One percent on sight draft payments.
Truck-Train Deliveries:	
From refineries and terminals or bulk plants to jobbers' bulk plants (3,500 gallons or over).	One percent 10 days from date of shipment, net 30. One percent on sight draft payments.
In Tank-Wagon Deliveries:	
To resellers	Load-to-load or net 15th proximo.
To consumers	Net 15th proximo.

(3) Lubricating-Oil and Grease Sales:

In tank-car and drum-car shipments:

- Unbranded oils and greases — One percent 10 days from date of shipment, net 30 days or 30-60-90-day trade acceptances.
- Branded oils and greases — One percent 10 days from date of shipment, net 30 days, or 30-60-90-day trade acceptance.

L.C.L. Shipments:

- All oils and greases — One percent 10 days or net 15th proximo.

Truck and tank-wagon deliveries:

- All oils and greases — One percent 10 days, net 15th proximo.

Service-Station Deliveries — Coupons or payments net in 30 days.

Approved Code No. 11

CODE OF FAIR COMPETITION

FOR THE

IRON AND STEEL INDUSTRY

As Approved on August 19, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval a Code of Fair Competition for the Iron and Steel Industry, and hearings having been held thereon and the administrator having rendered his report together with his recommendations and finding with respect thereto, and the administrator having found that the said code of fair competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

Now, therefore, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the administrator and do order that the said code of fair competition be, and it is hereby, approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:

Hugh S. Johnson,
Administrator.

The White House,
August 19, 1933.

AUGUST 19, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval, the Code of Fair Competition of the Iron and Steel Industry. The code has been approved by the Labor Advisory Board, the Consumers' Advisory Board and the Industrial Advisory Board.

An analysis of the provisions of the code has been made by the Administration; and a complete report is being formulated for transmission to you. I find that the code complies with the requirements of clauses (1) and (2), subsection (a) of Section 3 of the National Industrial Recovery Act.

I am, my dear Mr. President,

Very sincerely yours,

HUGH S. JOHNSON,
Administrator.

REPORT OF DEPUTY ADMINISTRATOR

The American Iron and Steel Institute, which presented the code July 15th, reported that signers of the code then represented 90% of the total pig-iron and steel-ingot capacity in the United States and that it expected total signatories representing 95% of such capacity.

Descriptive of the Industry

The industry as defined in the code includes all those producing in the United States pig iron, iron or steel ingots, and rolled or drawn iron or steel products. Purposely excluded from the scope of the code are other operations and products of iron and steel producers, such as mining of iron ore and coal, transportation, production of cement and other byproducts, castings, and the bulk of forgings. Included, however, are some iron and steel products, not properly or fully described by the words "rolled or drawn," and which are processed after rolling or drawing by the producing company, such as spikes, tieplates, wire fencing, nails and staples, tin plate, and other coated products.

The following statistics are from the Census of Manufactures, 1929, and 1931 Mimeographed Reports:

	1923	1929	1931
Iron and steel industry (blast furnaces, steel works, and rolling mills):			
Wage earners	424, 900	420, 800	278, 100
Total wages	$697, 000, 000	$733, 000, 000	$358, 000, 000
Wages per worker	$1, 640	$1, 742	$1, 287
Value of product	$4, 162, 000, 000	$4, 137, 000, 000	$1, 714, 000, 000
Ratio of wages to value added by manufacture percent	54. 0	45. 1	57. 4
All other manufacturing industries, wages per worker	$1, 234	$1, 293	$1, 102

It is significant that 1923 and not 1929 was the peak year for the industry in point of value of product, although the greatest production and wage payments were in 1929. Since then the industry has fully experienced the difficulties of the depression, its operating rate declining to 15% and lower during late 1932 and early 1933. The low rate of operations coupled with low prices resulted in substantial operating losses for practically all companies. The industry operated over 50% capacity in July of this year, however.

Attention is directed to the fact that many members of the code have been operating under its wage provisions since the middle of July, both as to minimum and higher rates.

It should also be remarked that this industry has been a leader in the "share-the-work" movement since 1929.

Summary and Discussion of Code Provisions

COLLECTIVE BARGAINING

The mandatory clauses of subsection (a) of Section 7, Title I, N.I.R.A., are stated without qualification. Section 2, Art. IV, of the original code and its companion Schedule relating to "Employee Representation Plans" were withdrawn at the hearing, prior to which these had been subjected to much criticism.

EMPLOYMENT—HOURS AND WAGES

A full study of the hour and wage provisions of the code is contained in the Report of the Division of Economic Research and Planning, their summary of which is given below:

The industry employed 421,000 in 1929, 210,000 in 1932, and 272,000 at the end of July 1933. The hours in the code should allow of a production without undue strain of about 3,580,000 tons per standard month, this being the half-way recovery point from the May 1933 level of 1,916,000 per standard month to the average of 4,516,000 tons for 1929. This will require 62,000,000 man-hours per month, or say, 65,000,000 to provide for seasonal peaks. This could be provided by 417,000 men on a 40-hour week.

Experience shows that, on the average, 10% of the nominal working time is lost through voluntary absences, breakdown, inability to schedule operations perfectly, and lack of sufficient business for particular products to keep the departments for those products busy all the time; that is, with a maximum work week of 40 hours the hours actually worked cannot average over 40 per week, 36 hours is the maximum *effective* work week, or 156 hours per month. 65,000,000 ÷ 156 = 417,000.

About 272,000 men were employed at the end of July and working, roughly, 43 hours a week. With a maximum 40-hour week and 36 hours effective, it is estimated that this number would be increased to about 325,000.

Reemployment, in this industry, with its subdivisions and specialization of labor, can be much larger than would at first appear from the average hours worked. This is because many men will be working considerably longer than the average, and many considerably shorter. As those working longer are brought down to the code hours, additional men have to be taken on. But these groups working shorter hours cannot in general double up and release men to the other groups; there are limits to a "share-the-work" movement in the steel industry.

The 8-hour day and 40-hour week will create a great many jobs in cases like the following:

(a) Mill working one 10-hour shift 6 days a week, total of 60 mill-hours per week. The only practicable readjustment would be two 8-hour shifts working 4 or 5 days a week, giving a total of 64 or 80 mill-hours. The number of jobs would be doubled.

(b) Mill working two 10-hour shifts 6 days a week, giving total of 120 mill-hours. The practical readjustment would be three 8-hour shifts working 5 days a week, giving a total of 120 mill-hours. The number of jobs would be increased 50%.

Wages are about half the value added by manufacture.

	1929
Value of steel products	$3, 366, 000, 000
Raw materials	1, 904, 000, 000
Value added, steel	1, 462, 000, 000
Value added, iron and steel	1, 623, 000, 000
Wages (including wages of blast-furnace workers)	733, 000, 000
Ratio to value added ... percent	45

Wage rates were much better than average manufacturing wage rates, in the period 1921–1930, but were barely up to the rates paid in those industries requiring skilled labor. Steel wages dropped further than others in 1931 and 1932, and fell definitely below skilled wage rates in other industries. Unskilled wage earners (laborers) averaged about 41.4¢ an hour in 1929. The code minimum rates average about 39.5¢ in the Pittsburgh and Great Lakes regions (average on weighted basis), 35¢ in the Eastern Region, and 26.5¢ in the Southern. Compared with 1929, these vary from a decrease of 16% in the East to an increase of 13% in the South. The Code minimum wages in the Pittsburgh, Great Lakes, and Middle West Regions will be 10% below the 1929 rate. In relation to early 1933, the code minima represent advances of from 22% (Pittsburgh) to anywhere from 35% to 80% (the South).

The proposed minimum wages vary from 25¢ per hour in the South to 40¢ in Pittsburgh. The necessity for the lower wage in the South lies in the longer freight hauls to principal interior markets, and also in a high mining cost in terms of labor. One man-hour in Alabama produces 0.533 ton of crude iron ore of 20.1% iron content, or 0.107 ton of iron, while one man-hour in Minnesota produces 1.132 tons of crude iron ore of 49.5% iron content, or 0.56 ton of iron. (Figures for 1932; special study by Bureau of Mines.) One man-hour produces 0.413 ton of coal in Alabama, 0.598 in Pennsylvania, 0.810 in Illinois, and 0.731 in West Virginia. In addition, the Alabama coal has to be washed, which reduces the net yield to 0.37 ton.

Another difficulty facing the South is imports. The South normally ships a large part of its output to the Atlantic, Gulf, and Pacific seaboard.

Both these difficulties are reflected in income account and balance sheets, which reveal a definitely poorer financial status than the Northern companies. One Southern company is in default on bond interest and sinking fund.

The decline in wage rates during the depression has been partially cushioned by the concurrent decline in living costs. The 1929 average common labor rate was 41.4¢ and the 1933 rate about 31¢ (estimated on basis of common labor entrance rates of July 1, 1932, which were 31.84, and U.S. Steel recent minimum of 33¢). Living costs early in 1933 were below 70 in terms of 1929 = 100, so that the 31¢-rate represented in actual purchasing power over 44¢ an hour (31 ÷ .70 = 44), or more than in 1929.

The code minima, which average about 39¢ an hour, represent about 52¢ an hour in 1929 purchasing power, taking the cost of living as 75% of 1929, to allow for increased costs.

While the hourly wages show up very well indeed on a real wage basis, the weekly wages do not. Employees worked about 54 hours a

week in 1929 and often less than 26 in 1932 and early 1933. The unskilled average weekly wage was, therefore, about $22.40 in 1929 ($0.414 × 54) and $8.05 in 1932 and early 1933 ($0.31 × 26). (Unskilled workers may have worked longer hours than the average and so have earned more than the above; the National Industrial Conference Board reports unskilled average weekly earnings of $11.97 in the first four months of 1933.)

	Hourly wages	Hours per week	Weekly earnings	Cost of living	Real wages	Money wages for 1929 purchasing power
1. 1929	$0.414	54	$22.40	100	$22.40	$22.40
2. Early 1933	.31	26	8.05	70	11.50	15.70
3. Early 1933	.31	----------	11.97	70	17.10	15.70
4. July 1933	.31	40	12.40	72	17.20	16.10
5. Code	.39	36	14.05	75	18.70	16.80
6. Code	.39	40	15.60	75	20.80	16.80

NOTE.—National Industrial Conference Board figure of $11.97 probably not comparable with others.

It will be seen that working for 31¢ an hour for 26 hours gives a weekly purchasing power of only $11.50 or but slightly more than half 1929. In July 1933 the average work week was above 40 hours. Average weekly money wages were about $12.40 (before the 15% wage increase on July 15) which represents $17.20 in 1929 purchasing power. The code rates for 36- and 40-hour weeks, respectively, will give $14.05 and $15.60 in money wages and $18.70 and $20.80 in 1929 purchasing power.

Child Labor

None of the members of the code shall employ in or about its plants in the Industry any person under 16 years of age.

Maximum Hours for all Employees

Not over 40 hours per week average in any 6 months' period.

Not over 48 hours, or more than 6 days, in any one week.

On and after November 1, 1933, if operating at 60% of capacity or more, not over 8 hours per day.

(Exemptions—Executives, those in supervisory and technical work and their staffs, and emergency work.)

The large number of different manufacturing processes, the dependence of each process upon various percentages of highly skilled workmen such as boss rollers and furnace men, and other craftsmen, and the physical hazards caused by untrained men all contribute to the real obstacles in the way of interchangeability of labor, reduction of working time, and absorption of unemployed workers in this industry. By systematic and consistent training methods, men will be provided for the highly skilled jobs. This will require some time, however, and meanwhile the provisions for averaging hours and for a 48-hour maximum week have been provided to take care of seasonal and peak labor loads. While the foregoing applies principally to the highly skilled workers, it is applicable in lesser degree to the much larger class of semiskilled workers.

Minimum Rates of Pay for Common Labor are as Follows for the Wage Districts Indicated

40¢ PER HOUR

Pittsburgh District
Youngstown Valley District
North Ohio River District
Cleveland District
Chicago District
Detroit-Toledo District
Colorado District

(The above including approximately 60 percent of the industry.)

39¢ PER HOUR

Utah District

38¢ PER HOUR

Buffalo District
Seattle District

37¢ PER HOUR

Johnstown District
Duluth District
San Francisco District
Canton-Massillon-Mansfield District
South Ohio River District
Indiana-Illinois-St. Louis District

35¢ PER HOUR

Eastern District (comprising approximately north of the State of Virginia and East of Altoona, Pennsylvania)
Kansas City District
Los Angeles District

27¢ PER HOUR

Birmingham District (Jefferson County, Alabama)

25¢ PER HOUR

Southern District (all southeastern and south-central United States, except Jefferson County, Alabama).

(Exceptions: Apprentices and Learners.)

All employees receiving on July 14th pay at a rate per hour in excess of the common-labor rates then in effect are to receive a rate of pay per hour which shall be at least 15% above that of July 14th, but not above similar rates in the same district paid by other members who have made the 15% increase.

Piecework to yield on the average not less than the minimum rate per hour for common labor.

While it is apparent from the foregoing summary by the Division of Economic Research and Planning that the industry as a whole through its wage increases has made a genuine contribution toward the objectives of National Industrial Recovery Act, nevertheless, it should be stated that the Bureau of Economic Research and Planning does not necessarily give approval to the continuation of the wage differentials in the code for the various districts but desires to study this subject further in the light of pertinent data not now available but which it will collect and examine during the 90-day period of observation.

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Exceptions from the hour and wage provisions will be subject to study and recommendations by the administrator and his representatives during the 90-day observation period.

PRODUCTION AND PRICE PROVISIONS

The production and price provisions of the code provide for a present limitation on the construction of new furnace capacity and possible future production control by the directors, both subject to the approval of the President of the United States; together with adherence to listed prices, subject to control by the directors, with notice of decisions of the directors to the President of the United States. Prices are to be listed for a considerable number of basing points and charged to include listed prices plus rail freight to the points of delivery.

While the members of the industry and the industry advisor report that the scheme of the code involves no substantial change from present practices, a number of protests have been made against alleged changes in basing points and against the price provisions of the code as a whole. Protests have also been made against the control of deductions for transportation costs cheaper than all-rail, against the control of quantity discounts, and against the operation of through rail rates on products fabricated in transit. The protestants have not satisfactorily established their objections to the operation of the code.

In view of the protests and the far-reaching effects of the provisions of the code, it seems wise to provide for a 90-day period of experimental observation of the operation of the code. This period will make it possible to insure that competitive conditions continue to exist in the markets for steel, that competitors and purchasers of steel receive adequate protection, and that the industry has adequate opportunities for reasonable stabilization of its business. For this purpose, the code as amended expressly provides that the operation of its provisions shall be subject to scrutiny by the administrator of the Recovery Act, and one or two representatives appointed by him. These representatives may advise the directors about the desirability of modifying practices provided for in the code; and they may further recommend to the President the exercise of his reserved power to cancel the code.

It is to be observed that in partial compensation for increased labor costs, the steel industry seems likely to derive substantial market advantages from the price-stabilization provisions of the code. While leaders in the industry indicate that they would gain no advantage by raising present prices, they evidently refer to published official base prices. Members of the industry have not, as is conceded, been able to secure these prices uniformly under the competitive conditions recently prevailing. On the other hand, it seems likely that these prices will be firmer, and result in substantial increases in profits, under the influence of provisions requiring publication of base prices and prohibiting concessions contained in the code. Further, the mere elimination of credit abuses should greatly help the industry. Stabilization of prices may have a favorable effect on employment and business generally. On the other hand, the operation of the market influences in question must be subjected to careful observation by the representatives of the Administration.

Reports and Statistics

As amended, the code provides for reports and statistics to be furnished the administrator on production, sales, conditions of employment, prices, and other information necessary for the purpose of the code (Art. V, Sec. 1; Art. IX, Sec. 5; Sched. E, Sec. 13; Sched. H, Sec. M).

Administration

The code is to be administered by the Board of Directors of the American Iron and Steel Institute. As finally submitted, recognizing that questions of public interest are or may be involved, provision is made for the administrator and one or two of his representatives to attend meetings of the directors, secure information, and make recommendations relating to the administration of the code and the effectuation of Title I, National Industrial Recovery Act (Art. VI, Sec. 7).

Findings

I have found that—

(a) The code complies with the pertinent provisions of Title I, National Industrial Recovery Act, including, without limitation, subsection (a) of Sec. 7, and subsection (b) of Sec. 10 thereof.

(b) The American Iron and Steel Institute is truly representative of the industry and imposes no inequitable restrictions upon admissions to membership.

(c) The code, as amended and finally submitted, imposes necessary conditions for the protection of consumers, competitors, and employees, will not permit monopolies or monopolistic practices, or eliminate or oppress small enterprises, and will not operate to discriminate against them.

The code has been approved by the Labor Advisory Board, the Industrial Advisory Board, and the Consumers' Advisory Board.

I have, therefore, recommended approval of the code, as amended and finally submitted for a period of 90 days, as provided in Sec. 2 of Art. XII thereof.

Respectfully submitted.

K. M. Simpson,
Deputy Administrator.

CODE OF FAIR COMPETITION

FOR THE

IRON AND STEEL INDUSTRY

Article I—Definitions

Wherever used in this code or in any schedule appertaining hereto the terms hereinafter in this Article and in Schedule E annexed hereto defined shall, unless the context shall otherwise clearly indicate, have the respective meanings hereinafter in this Article and in such Schedule E set forth. The definition of any such term in the singular shall apply to the use of such term in the plural and vice versa.

Section 1. The term "the United States" means and includes all of the territory of the United States of America on the North American continent.

Sec. 2. The term "the President" means the President of the United States of America.

Sec. 3. The term "products" means only pig iron, iron or steel ingots, and the rolled or drawn iron or steel products which are generally named in Schedule F to the code as at the time in effect and standard Tee rails of more than 60 pounds per yard, angle bars and rail joints, or any of such products.

Sec. 4. The term "the industry" means and includes the business of producing in the United States and selling products, or any of them.

Sec. 5. The term "member of the industry" means and includes any person, firm, association, or corporation operating a plant or plants in the United States for the production of products, or any of them.

Sec. 6. The term "the code" means and includes this code and all schedules annexed hereto as originally approved by the President and all amendments hereof and thereof made as hereinafter in Article XII provided.

Sec. 7. The term "member of the code" means any member of the industry who shall have become a member of the code as hereinafter in Section 3 of Article III provided.

Sec. 8. The term "the Institute" means American Iron and Steel Institute, a New York membership corporation.

Sec. 9. The term "the board of directors" means the board of directors (as from time to time constituted) of the institute.

Sec. 10. The term "the secretary" means the secretary of the institute at the time in office.

Sec. 11. The term "the treasurer" means the treasurer of the institute at the time in office.

Sec. 12. The term "unfair practice" means and includes any act described as an unfair practice in Schedule H annexed hereto.

Sec. 13. Wherever used in the code with reference to the industry or any member of the industry or any member of the code, unless the context shall otherwise clearly indicate.

(a) The term "plant" means only a plant for the production of one or more products in the industry;

(b) The term "prices" includes only prices for products produced in the industry;

(c) The term "wages" includes only wages for labor performed in the industry;

(d) The term "labor" means only labor performed in the industry;

(e) The term "hours of labor" or "hours of work" includes only hours of labor or hours of work in the industry; and

(f) The term "employee" means only an employee in the industry.

Sec. 14. The term "the National Industrial Recovery Act" means the National Industrial Recovery Act as approved by the President June 16, 1933.

Sec. 15. The term "the effective date of the code" means the date on which the code shall have been approved by the President pursuant to the National Industrial Recovery Act.

Sec. 16. The term "the administrator" means the administrator appointed by the President under the National Industrial Recovery Act and at the time in office.

Sec. 17. The term "the administration" means the agency established pursuant to the provisions of Section 2 of the National Industrial Recovery Act.

Article II—Purpose of the Code

Section 1. The code is adopted pursuant to Title I of the National Industrial Recovery Act.

Sec. 2. The purpose of the code is to effectuate the policy of Title I of the National Industrial Recovery Act insofar as it is applicable to the industry.

Article III—Membership in the Code

Section 1. It is of the essence of the code that all members of the industry which shall comply with the provisions of the code shall be entitled to participate in its benefits upon the terms and conditions set forth in the code.

Sec. 2. Any member of the industry is eligible for membership in the code.

Sec. 3. Any member of the industry desiring to become a member of the code may do so by signing and delivering to the secretary a letter substantially in the form set forth in Schedule A annexed hereto.

Sec. 4. The rules and regulatious in respect of meetings of members of the code are set forth in Schedule B annexed hereto.

Article IV—Hours of Labor, Rates of Pay, and Other Conditions of Employment

Section 1. Pursuant to subsection (a) of Section 7 of the National Industrial Recovery Act and so long as the code shall be in effect, the code shall be subject to the following conditions:

(1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

(2) That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

(3) That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

Sec. 2. Since the beginning of the present depression and the consequent reduction in the total number of hours of work available in the industry, its members have made every effort to distribute, and with a remarkable degree of success have distributed, the hours of work available in their plants so as to give employment to the maximum number of employees. It is the intention of the industry to continue that policy insofar as practicable, to the end that the policy of Title I of the National Industrial Recovery Act may be effectuated, and that work in the industry shall insofar as practicable be distributed so as to provide employment for the employees normally attached to the industry. The basic processes in the industry are of a continuous character and they cannot be changed in this respect without serious adverse effect upon production and employment. As demand for the products of the industry and, therefore, for labor shall increase, hours of labor for employees in the industry must necessarily increase; but, except in the case of executives, those employed in supervisory capacities and in technical work and their respective staffs and those employed in emergency work, insofar as practicable and so long as employees qualified for the work required shall be available in the respective localities where such work shall be required and having due regard for the varying demands of the consuming and processing industries for the respective products, none of the members of the code shall cause or permit any employee to work at an average of more than 40 hours per week in any six months' period or to work more than 48 hours or more than 6 days in any one week. On or after November 1, 1933, as soon as the members of the code shall be operating at 60% of capacity, they shall adjust the operations of their plants so that, except as to executives, those employed in supervisory capacities and in technical work and their respective staffs and those employed in emergency work, they will establish the 8-hour day for all their employees. For the purposes of this Section 2 the first six months' period for each employee in the employ of any member of the code at the effective date thereof shall begin with that date, and the first six months' period for any employee thereafter employed by any member of the code shall begin with the date of employment of such employee by such member. After the date of the employment by any member of the code of any employee such member shall not knowingly permit such employee who also shall have performed work for one or more other employers to work for such member such number of hours as would result in a violation of the code had all such work been performed for such member.

Sec. 3. None of the members of the code shall employ in or about its plants in the industry any person under 16 years of age.

Sec. 4. Throughout the history of the industry geographical wage differentials have existed, due in the main to differences in living costs and general economic conditions and the ability adequately to man the industries in the respective localities. The establishments in the

industry in the different localities have been developed under such differences in wages and, after a survey of the matters bearing on such differences in the various sections of the United States, for the purposes of this Article IV the wage districts described in Schedule C annexed hereto have been established.

Sec. 5. Until changed by amendment of the code as hereinafter in Article XII provided, the minimum rates of pay per hour which shall be paid by members of the code for common labor (not including that of apprentices and learners) in the industry in the respective wage districts described in such Schedule C shall be the rates set forth in Schedule D annexed hereto. None of the members of the code shall pay common laborers (not including apprentices and learners) in its employ in the industry in any such district any rate of pay less than the rate specified for such district in such Schedule D, and any violation of this provision of the code shall be deemed an unfair practice. Such rates of pay shall not, however, be understood to be the maximum rates of pay for their respective districts, but, until changed as aforesaid, none of the members of the code shall be required to pay its common laborers in the industry in any of such districts a rate of pay higher than the rate specified for such district in such Schedule D, except as such member shall have agreed to pay such higher rate in any agreement heretofore or hereafter made by such member with its employees. Until this provision shall have been changed by amendment as aforesaid, each member of the code will pay to each of its employees in the industry who on July 14, 1933, was receiving pay at a rate of pay per hour in excess of the rate of pay per hour then being paid by such member for common labor a rate of pay per hour which shall be at least 15% greater than that which such employee was then receiving; provided, however, that the foregoing provision shall not be so construed as to require any member of the code to make any increase in the rate of pay per hour to be paid by such member to any of its employees in any wage district that will result in a rate of pay per hour which shall be higher than the rate of pay per hour paid to employees doing substantially the same class or kind of labor in the same wage district by any other member of the code which shall have increased its rates of pay per hour in accordance with such provision. In the case of employees (not including apprentices and learners) performing work for which they are paid per piece of work performed, the minimum rate of pay which each member of the code shall pay for such work shall be sufficient to produce at the average rate of performance of such work at the time prevailing at the plant of such member where such work is performed the minimum rate of pay per hour provided in the code for common labor at such plant.

Article V—Production and New Capacity

Section 1. It is the consensus of opinion in the industry that it is not necessary, in order to effectuate the policy of Title I of the National Industrial Recovery Act, to make any specific provision in the code for controlling or regulating the volume of production in the industry or for allocating production or sales among its members. It is believed that the elimination of unfair practices in the industry will automatically eliminate any overproduction therein and any

alleged inequities in the distribution of production and sales among its members. Adequate provision shall be made under the code for the collection of statistics regarding production and of other data from which it may be determined from time to time whether over-production in the industry exists and whether in the circumstances any restriction of production is necessary in order to effectuate the policy of Title I. The board of directors shall furnish to the administrator summaries or compilations of such statistics and other data in reasonable detail. Should it at any time in the circumstances as they shall then exist appear to the board of directors that the policy of such Title I will not be effectuated in the industry because of the fact that through the code production therein is not controlled and regulated, then the board of directors is hereby empowered, subject to the approval of the President after such conference with or hearing of interested persons as he may prescribe, to make, modify, or rescind such rules and regulations for the purpose of controlling and regulating production in the industry, including the fixing of such liquidated damages for violations of such rules and regulations, as such board shall deem to be necessary or proper in order to effectuate the policy of such Title I. All such rules and regulations from time to time so made and in effect shall be binding upon each member of the code to which notice thereof shall have been given.

Sec. 2. It is also the consensus of opinion in the industry that, until such time as the demand for its products cannot adequately be met by the fullest possible use of existing capacities for producing pig iron and steel ingots, such capacities should not be increased. Accordingly, unless and until the code shall have been amended as hereinafter provided so as to permit it, none of the members of the code shall initiate the construction of any new blast furnace or open hearth or Bessemer steel capacity. The President may, however, suspend the operation of the provisions of this section.

Article VI—Administration of the Code

Section 1. The administration of the code shall be under the direction of the board of directors. The board of directors shall have all the powers and duties conferred upon it by the code and generally all such other powers and duties as shall be necessary or proper to enable it fully to administer the code and to effectuate its purpose.

Sec. 2. The secretary shall act as secretary under the code. Under the direction of the board of directors, he shall keep all books (except books of account) and records under the code and, except as such board shall otherwise provide, shall collect, file, and collate all statistics and other information required by the board of directors for the proper administration of the code.

Sec. 3. The treasurer shall act as treasurer under the code and, under the direction of the board of directors, he shall have custody of, and have charge of the disposition of, all funds collected under the code; and he shall keep proper books of account showing the collection and disposition thereof.

Sec. 4. The board of directors shall have power from time to time (a) to appoint and remove, and to fix the compensation of, all such other officers and employees and all such accountants, attorneys,

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and experts as the said board shall deem necessary or proper for the purpose of administering the code and (b) to fix the compensation of the Secretary and the treasurer for their services in acting under the code.

Sec. 5. The expenses of administering the code shall be borne by the members thereof. The board of directors may from time to time make such assessments on account of such expenses against the members of the code as it shall deem proper, and such assessments shall be payable as such board shall specify. The part of such expenses which shall be assessed against each member of the code shall bear the same relation to the total thereof as the number of votes which, pursuant to the provisions of the code, such member might cast at a meeting of the members thereof held at the time of any such assessment shall bear to the total number of votes that might be cast thereat by all the then members of the code. Failure of any member of the code to pay the amount of any assessment against such member for a period of thirty days after the date on which it became payable shall constitute a violation of the code.

Sec. 6. The board of directors may from time to time appoint such committees as it shall deem necessary or proper in order to effectuate the purpose of the code, and it may delegate to any such committee generally or in particular instances such of the powers and duties of the board of directors under the code as such board shall deem necessary or proper in order to effectuate such purpose. Any member of any such committee may be a member of the board of directors or an officer or a director of a member of the code or a person not having any official connection with any member of the code or with the institute, as the board of directors shall deem proper.

Sec. 7. The members of the code recognize that questions of public interest are or may be involved in its administration. Accordingly, representatives of the administration consisting of the administrator and one or two other persons appointed by him (who shall be persons not having or representing interests antagonistic to the interests of members of the industry) shall be given full opportunity at such times as shall be reasonably convenient to discuss with the board of directors or any committees thereof any matters relating to the administration of the code and to attend meetings of the board at which action on any such matters shall be undertaken and to make recommendations as to methods or measures of administering the code. Due notice of all such meetings of the board of directors shall be given to such representatives of the administration. The records of the board of directors relating in any way to the administration of the code shall be open to such representatives at all reasonable times. They shall be afforded by the board of directors complete access at all times to all records, statistical material, or other information furnished or readily available to the board of directors in connection with, or for the purposes of, the administration of the code. The board of directors, acting directly or through one or more committees appointed by it, shall give due consideration to all requests or recommendations made by such representatives of the administration and render every possible assistance to such representatives in obtaining full information concerning the operation and administration of the code, to the end that the President may be fully advised regarding

such operation and administration through reports that may be made to him from time to time by such representatives, and to the end that the President may be assured that the code and the administration thereof do not promote or permit monopolies or monopolistic practices, or eliminate or oppress small enterprises, or operate to discriminate against them and to provide adequate protection of consumers, competitors, employees, and others concerned and that they are in furtherance of the public interest and operate to effectuate the purposes of Title I of the National Industrial Recovery Act.

Article VII—Prices and Terms of Payment

None of the members of the code shall make any sale of any product at a price or on terms and conditions more favorable to the purchaser thereof than the price, terms, or conditions established by such member in accordance with the provisions of Schedule E annexed hereto and in effect at the time of such sale; nor, except as otherwise provided in such Schedule E, shall any member of the code make any contract of sale of any product at a price or on terms and conditions more favorable to the purchaser thereof than the price, terms, and conditions established as aforesaid and in effect at the time of the making of such contract of sale.

Article VIII—Unfair Practices

For all purposes of the code the acts described in Schedule H Annexed hereto shall constitute unfair practices. Such unfair practices and all other practices which shall be declared to be unfair practices by the board of directors as provided in paragraph M of such schedule H or by any amendment to the code adopted as hereinafter in Article XII provided and at the time in effect, shall be deemed to be unfair methods of competition in commerce within the meaning of the Federal Trade Commission Act, as amended, and the using or employing of any of them shall be deemed to be a violation of the code, and any member of the industry which shall directly or indirectly, through any officer, employee, agent, or representative, knowingly use or employ any of such unfair practices, shall be guilty of a violation of the code.

Article IX—Reports and Statistics

Section 1. The board of directors shall have power from time to time to require each member of the code to furnish to the Secretary for the use of the board of directors such information concerning the production, shipments, sales, and unfilled orders of such member and the hours of labor, rates of pay, and other conditions of employment at the plant or plants of such member and such other information as the board of directors shall deem necessary or proper in order to effectuate the purpose of the code and the policy of Title I of the National Industrial Recovery Act. The board of directors may require that any such information be furnished periodically at such times as it shall specify and may require that any or all information furnished be sworn to or otherwise certified or authenticated as it shall prescribe. Failure of any member of the code.

promptly to furnish to the secretary information required by the board of directors and substantially in the form prescribed by it, shall constitute a violation of the code. The board of directors shall not require any information regarding trade secrets or the names of the customers of any member of the code.

Sec. 2. Any or all information furnished to the secretary by any member of the code shall be subject to checking for the purpose of verification by an examination of the books and accounts and records of such member by any accountant or accountants or other person or persons designated by the board of directors, and shall be so checked for such purpose if the board of directors shall require it. The cost of such examination shall be treated as an expense of administering the code; provided, however, that, if upon such examination any such information shall be shown to have been incorrect in any material respect, such cost shall be paid by the member of the code which furnished such information.

Sec. 3. The board of directors shall require the members of the code from time to time to furnish such information as shall be necessary for the proper administration of the code.

Sec. 4. To the extent that the board of directors may deem that any information furnished to the secretary in accordance with the provisions of the code is of a confidential character in the interest of the member of the code which shall have furnished it and that the publication thereof is not essential in order to effectuate the policy of Title I of the National Industrial Recovery Act, such information shall be treated by the board of directors and by the other members of the code, if any knowledge of it shall have come to them, as strictly confidential; and no publication thereof to anyone or in any manner shall be made other than in combination with similar information furnished by other members of the code, in which case the publication shall be made only in such manner as will avoid the disclosing separately of such confidential information.

Sec. 5. Summaries or compilations in reasonable detail of all information which shall be furnished to the secretary pursuant to the provisions of this Article IX shall be made periodically and sent to the administrator.

Article X—Penalties and Damages

Section 1. Any violation of any provision of the code by any member of the industry shall constitute a violation of the code by such member.

Sec. 2. Recognizing that the violation by any member of the code of any provision of Article VII or of Schedule E of the code will disrupt the normal course of fair competition in the industry and cause serious damage to other members of the code and that it will be impossible fairly to assess the amount of such damage to any member of the code, it is hereby agreed by and among all members of the code that each member of the code which shall violate any such provision shall pay to the treasurer as an individual and not as treasurer of the institute, in trust, as and for liquidated damages the sum of $10 per ton of any products sold by such member in violation of any such provision.

SEC. 3. Except in cases for which liquidated damages are fixed in the code and in cases which shall give rise to actions in tort in favor of one or more members of the code for damages suffered by it or them, the board of directors shall have power from time to time to establish the amount of liquidated damages payable by any member of the code upon the commission by such member of any act constituting an unfair practice under the code and a list of the amounts so fixed shall from time to time be filed with the secretary. Upon the commission by any member of the code of any act constituting an unfair practice under the code and for which liquidated damages are not fixed in the code or which does not give rise to an action in tort in favor of one or more members of the code for damages suffered by it or them, such member shall become liable to pay to the treasurer as an individual and not as treasurer of the institute, in trust, liquidated damages in the amount at the time established by the board of directors for such unfair practice and specified in the list then on file with the secretary as aforesaid.

SEC. 4. All amounts so paid to or collected by the treasurer under this Article X or under Section 4 of Schedule E of the code shall be held and disposed of by him as part of the funds collected under the code, and each member of the code not guilty of the unfair practice in respect of which any such amount shall have been paid or collected shall be credited with its pro rata share of such amount on account of any and all assessments (other than damages for violation of any provision of the code) due or to become due from such member under the code, or, in the case of any excess, as shall be determined by the board of directors, such pro rata share to be computed on the same basis as the last previous assessment made against such member on account of the expenses of administering the code as hereinbefore in Section 5 of Article VI provided. All rights of any person who shall at any time be the treasurer in respect of any amounts which shall be payable to him because of the commission by any member of the code of any act constituting an unfair practice under the code, whether payable under the provisions of this Article X or under any other provision of the code, shall pass to and become vested in his successor in office upon the appointment of such successor.

SEC. 5. Each member of the code by becoming such member agrees with every other member thereof that the code constitutes a valid and binding contract by and among all members of the code, subject, however, to the provisions of Section 6 of Article XI, and that, in addition to all penalties and liabilities imposed by statute, any violation of any provision of the code by any member thereof shall constitute a breach of such contract and shall subject the member guilty of such violation to liability for liquidated damages pursuant to the provisions of the code. Each member of the code by becoming such member thereby assigns, transfers, and delivers to the treasurer as an individual and not as treasurer of the institute, in trust, all rights and causes of action whatsoever which shall thereafter accrue to such member under the code, for such liquidated damages, by reason of any violation of the code by any other member thereof, and thereby designates and appoints the treasurer as such individual the true and lawful attorney in fact of such member to demand, sue for, collect, and receipt for any and all amounts which shall be owing to such member in respect of any such right or cause of action, and to

compromise, settle, satisfy, and discharge any such right or cause of action, all in the name of such member or in the name of the treasurer individually, as he shall elect.

SEC. 6. Anything in the code to the contrary notwithstanding, the board of directors by the affirmative vote of two thirds of the whole board may waive any liability for liquidated damages imposed by or pursuant to any provision of the code for any violation of any provision thereof, if in its discretion it shall decide that such violation was innocently made and that the collection of such damages will not to any material extent tend to effectuate the policy of Title I of the National Industrial Recovery Act.

ARTICLE XI—GENERAL PROVISIONS

SECTION 1. Any notice, demand, or request required or permitted to be given to or made upon any member of the code shall be sufficiently given if mailed postage prepaid addressed to such member at the address of such member on file with the secretary. A waiver in writing signed by any member of the code of any such notice, demand, or request and delivered to the secretary shall be deemed to be the equivalent of a notice, demand, or request duly given or made, whether or not such waiver was signed and delivered before the time when such notice, demand, or request was required or permitted to be given or made.

SEC. 2. Nothing contained in the code shall be deemed to constitute the members of the code partners for any purpose. None of the members of the code shall be liable in any manner to anyone for any act of any other member of the code or for any act of the board of directors, the treasurer or the secretary, or any committee, officer, or employee appointed under the code. None of the members of the board of directors or of any committee appointed under the code, nor the treasurer, nor the secretary, nor any officer or employee appointed under the code, shall be liable to anyone for any action or omission to act under the code, except for his willful misfeasance or nonfeasance. Nothing contained in the code shall be deemed to confer upon anyone other than a member of the code any right, claim, or demand whatsoever not expressly provided by statute against any member of the code or against any member of the board of directors or of any committee appointed under the code or against the treasurer or the secretary or any officer or employee appointed under the code.

SEC. 3. As soon as members of the industry which would, if then members of the code, have the right to cast at least 75% of all the votes that might be cast at a meeting of the members of the code, if all members of the industry were then members of the code and present at such meeting, shall sign and deliver to the secretary letters substantially in the form set forth in Schedule A annexed hereto, the board of directors shall submit the code to the President pursuant to the provisions of Title I of the National Industrial Recovery Act and, upon the approval of the code by the President pursuant to the provisions of such Title I, it shall constitute a binding contract by and among the members of the code and the provisions thereof shall be the standards of fair competition for the industry; subject, however,

to amendment or termination as hereinafter in Article XII provided, and subject also to the provisions of Section 6 of this Article XI.

Sec. 4. To the extent required or made possible by or under the provision of Title I of the National Industrial Recovery Act the provisions of the code shall apply to and be binding upon every member of the industry whether or not such member shall be a member of the code. No member of the industry which shall not also be a member of the code shall be entitled to vote at any meeting of members of the code or to any other right, power, or privilege provided in the code for the members thereof.

Sec. 5. The board of directors shall have power from time to time to interpret and construe the provisions of the code, including, but without any limitation upon the foregoing, the power to determine what are products within the meaning of that term as it is used in the code. Any interpretation or construction placed upon the code by the board of directors shall be final and conclusive upon all members of the code.

Sec. 6. The members of the code recognize that, pursuant to subsection (b) of Section 10 of the National Industrial Recovery Act, the President may from time to time cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act.

Article XII—Amendments—Termination

Section 1. The code may be amended at any time in the manner in this Section 1 provided. The changing of any schedule hereto or the addition hereto of any new schedule shall constitute an amendment of the code. All amendments shall be proposed by the board of directors by vote of the majority of the members thereof at the time in office. Each amendment so proposed shall be submitted to a meeting of the members of the code which shall be called for such purpose upon notice given in accordance with the provisions of Section 1 of Schedule B and Section 1 of Article XI of the code. If at such meeting members of the code having the right to cast at least 75% of all the votes that might be cast at such meeting, if all the members of the code were present thereat, shall vote in favor of the adoption of such amendment, such amendment shall be submitted by the board of directors to the President for approval, if approval thereof by him shall then be required by law. Every such amendment shall take effect as a part of the code upon the adoption thereof by the members of the code as above provided and the approval thereof by the President, if approval thereof by him shall be required as aforesaid.

Sec. 2. The code shall continue in effect for a period of ninety (90) days after the effective date thereof, in order to afford to the President an opportunity to determine upon the recommendations of the representatives of the administration, for which provision has heretofore been made in Article VI, whether its provisions will effectuate the purposes of Title I of the National Industrial Recovery Act, as further defined in said Article VI, subject, however, to amendment at any time as hereinbefore provided, and also subject to the reserved power of the President to cancel or modify his approval thereof. The code shall continue in effect after the expiration of said period of ninety (90) days in the absence of the exercise of such

reserved power on the part of the President, or in the absence of the exercise by members of the code of the power which they hereby reserve to terminate the code at any time after the expiration of said period of ninety (90) days by the same action by them as is above provided for the amendment thereof. When so terminated all obligations and liabilities under the code shall cease except those for unpaid assessments theretofore made in accordance with the provisions of the code and those for liquidated damages theretofore accrued under any provision of the code.

AUGUST 17, 1933.

Approved Code No. 11.
Registry No. 1116/02.

SCHEDULE A—FORM OF LETTER OF ASSENT TO THE CODE

To the Secretary of American Iron and Steel Institute, Empire State Building, New York, N.Y.

DEAR SIR: The undersigned, desiring to become a member of the code of fair competition of the Iron and Steel Industry, a copy of which is annexed hereto marked Annex A, hereby assents to all of the provisions of said code (hereinafter referred to as the code), and, effective as of the date on which the code shall have been approved by the President of the United States of America as therein provided, or as of the date on which this letter shall have been delivered, if delivery thereof shall have been made subsequent to the date of which the code shall have been approved by said President as aforesaid, by the signing and delivery of this letter becomes a member of the code and effective as aforesaid hereby agrees with every person, firm, association, and corporation who shall then be or thereafter become a member of the code that the code shall constitute a valid and binding contract between the undersigned and all such other members.

Effective as aforesaid, pursuant to Section 5 of Article X of said code, the undersigned (a) hereby assigns, transfers and delivers to the treasurer under the code, as an individual and not as treasurer of American Iron and Steel Institute, in trust, all rights and causes of action whatsoever hereafter accruing to the undersigned under the code for liquidated damages by reason of any violation thereof by anyone, and (b) hereby designates and appoints said treasurer as such individual the true and lawful attorney in fact of the undersigned, to demand, sue for, collect, and receipt for any and all amounts which shall be owing to the undersigned in respect of any such right or cause of action, and to compromise, settle, satisfy, and discharge any such right or cause of action, all in the name of the undersigned or in the name of said treasurer, as said treasurer shall elect.

For all purposes of Section 1 of Article XI of the code the address of the undersigned, until it shall file with the Secretary of American Iron and Steel Institute written notice of a change of such address, shall be as set forth at the foot of this letter.

Very truly yours,

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Schedule B—The Rules and Regulations in Respect of Meetings of Members of the Code

Section 1. A meeting of members of the code may be called and held at any time by order of the board of directors, or by members of the code having the right to cast at least 50% of all the votes that might be cast at such meetings if all the members of the code were present thereat, on not less than three days' notice to each of such members stating the time and place of such meeting and the purposes thereof.

Sec. 2. At each meeting of the members of the code each member thereof shall have as many votes as shall equal the quotient obtained by dividing by 500,000 the aggregate amount in dollars of the invoiced value of the products delivered by such member for consumption within the United States during the preceding calendar year. Fractions in such quotient shall be disregarded; provided, however, that each member of the code shall have at least one vote. All questions as to the number of votes which each member of the code shall be entitled to cast at any meeting of the members thereof shall be determined by the board of directors. Any person or firm who shall be a member of the code may, and any association or corporation which shall be a member of the code shall, vote at meetings of the members of the code by proxy in writing duly executed by such member and filed with the secretary. Any such proxy may be for a specified meeting or be a general proxy for any or all meetings that may be held until such proxy shall have been revoked by an instrument in writing duly executed by the member of the code which gave such proxy and filed with the Secretary.

Sec. 3. At each meeting of the members of the code, members thereof having the right to cast at least 75% of all the votes that might be cast at such meeting if all the members of the code were present thereat, shall constitute a quorum for the transaction of business at such meeting.

Schedule C—Description of Wage Districts

1. *Eastern District.*—Comprises that part of the United States which is north of the State of Virginia and east of a line drawn north and south through the most easterly point of Altoona, Pennsylvania; that part of the State of Maryland which is west of such line; and the Counties of Monongalia, Marion, and Harrison in the State of West Virginia.

2. *Johnstown District.*—Comprises Cambria County and the City of Altoona in the State of Pennsylvania.

3. *Pittsburgh District.*—Comprises the Counties of Westmoreland, Fayette, Greene, Washington, Allegheny, Beaver, Butler, Armstrong, and Jefferson, and that part of the County of Clearfield which is west of a line drawn north and south through the most easterly point of Altoona, all in the State of Pennsylvania.

4. *Youngstown Valley District.*—Comprises the Counties of Lawrence, Mercer, and Venango in the State of Pennsylvania and the Counties of Trumbull, Mahoning, and Columbiana in the State of Ohio.

5. *North Ohio River District.*—Comprises the cities along the Ohio River north of the City of Parkersburg, West Virginia, and the Counties of Belmont and Jefferson in the State of Ohio, and the Counties of Marshall, Ohio, Brook, and Hancock in the State of West Virginia.

6. *Canton, Massillon, and Mansfield District.*—Comprises the Counties of Stark, Tuscarawas, Summit, and Richland in the State of Ohio.

7. *Cleveland District.*—Comprises the Counties of Ashtabula, Lake, Cuyahoga, and Lorain in the State of Ohio.

8. *Buffalo District.*—Comprises that part of the State of New York west of a line drawn north and south through the most easterly point of Altoona, Pennsylvania, and Erie County in that State.

9. *Detroit-Toledo District.*—Comprises the Counties of Seneca and Lucas in the State of Ohio and the Counties of Monroe, Lenawee, Jackson, Wayne, Oakland, Macomb, and Washtenaw in the State of Michigan.

10. *South Ohio River District.*—Comprises the State of Kentucky, the City of Parkersburg, W.Va., the cities along the Ohio River south of said City, the Counties of Guernsey, Muskingum, Jackson, and Butler in the State of Ohio, and the County of Wood in the State of West Virginia.

11. *Indiana-Illinois-St. Louis District.*—Comprises all the State of Indiana, except the County of Lake; all the State of Illinois, except the Counties of Lake and Du Page and the Chicago Switching District; the City of St. Louis and the County of St. Louis in the State of Missouri; and the County of Rock in the State of Wisconsin.

12. *Chicago District.*—Comprises the Chicago Switching District; the Counties of Lake and Du Page in the State of Illinois; the County of Lake in the State of Indiana; and the Counties of Kenosha, Racine, and Milwaukee in the State of Wisconsin.

13. *Southern District.*—Comprises all that part of the United States south of the States of Maryland, West Virginia, Kentucky, and Missouri, and the States of Texas and Oklahoma, but does not include the County of Jefferson in the State of Alabama.

14. *Birmingham District.*—Comprises the County of Jefferson in the State of Alabama.

15. *Kansas City District.*—Comprises the County of Jackson in the State of Missouri.

16. *Duluth District.*—Comprises the County of St. Louis in the State of Minnesota.

17. *Colorado District.*—Comprises the State of Colorado.

18. *Utah District.*—Comprises the State of Utah.

19. *Seattle District.*—Comprises the County of King in the State of Washington and the County of Multnomah in the State of Oregon.

20. *San Francisco District.*—Comprises the Counties of San Mateo, Alameda, Sacramento, and Contra Costa in the State of California.

21. *Los Angeles District.*—Comprises the County of Los Angeles in the State of California.

Schedule D—Minimum Rates of Pay for Common Labor

		Per hour
1.	Eastern District	$0.35
2.	Johnstown District	.37
3.	Pittsburgh District	.40
4.	Youngstown Valley District	.40
5.	North Ohio River District	.40
6.	Canton, Massillon, and Mansfield District	.37
7.	Cleveland District	.40
8.	Buffalo District	.38
9.	Detroit-Toledo District	.40
10.	South Ohio River District	.37
11.	Indiana-Illinois-St. Louis District	.37
12.	Chicago District	.40
13.	Southern District	.25
14.	Birmingham District	.27
15.	Kansas City District	.35
16.	Duluth District	.37
17.	Colorado District	.40
18.	Utah District	.39
19.	Seattle District	.38
20.	San Francisco District	.37
21.	Los Angeles District	.35

Schedule E—Concerning Prices and Terms of Payment

Section 1. Wherever used in the Code the terms hereinafter in this Section 1 defined shall, unless the context shall otherwise clearly indicate, have the respective meanings hereinafter in this Section 1 set forth. The definition of any such term in the singular shall apply to the use of such term in the plural and vice versa.

(a) Until Schedule F of this Code shall have been amended as in Article XII of the Code provided, the term "basing point" for any product means one of the places listed in such Schedule F as a basing point for such product. Thereafter the term shall mean one of the places listed in such Schedule F as at the time in effect as a basing point for such product.

(b) The term "base price" of any product means the price for such product f.o.b. a basing point, before any extras in respect of such product shall be added or any discounts for early payment or deductions shall be allowed or made.

(c) The term "period of free credit" means the period of time between the date of a shipment of a product to the purchaser of such product and the date from and after which such purchaser shall be required to pay interest on the purchase price of such product or any part thereof which shall not have been paid prior to the expiration of such period.

(d) The term "date of invoice" means the date of the invoice of any product.

(e) The term "discount for early payment" means the amount of the deduction allowed for the payment of an invoice of products before the expiration of the period of free credit in respect thereof.

(f) The term "an affiliated group" means one or more corporations connected through stock ownership with a common parent corporation, if (1) at least 75% of the stock of each of such corporations (except such common parent corporation) is owned directly by one or more of the other corporations, and (2) such common parent corporation owns directly at least 75% of the stock of at least one of the other corporations. The term "an affiliated company of a member of the Code" means (1) a corporation which is one of an affiliated group that also includes such member of the Code, or (2), in case the member of the Code is a person, firm, or association, a corporation at least 75% of the stock of which is owned by such member. For the purposes of this paragraph (f) the term "stock" does not include nonvoting stock which is limited and preferred as to dividends.

Sec. 2. Each member of the Code shall, within ten days after the effective date of the Code, file with the Secretary a list showing the base prices for all its products, and from and after the expiration of such ten days such member shall at all times maintain on file with the Secretary a list showing the base prices for all its products and shall not make any change in such base prices except as provided in this Schedule E. Each such list shall state the date upon which it shall become effective, which date shall be not less than ten days after the date of filing such list with the Secretary; provided, however, that the first list of base prices filed by any member of the Code as above provided shall take effect on the date of filing thereof. None of the base prices shown in any list filed by any member of the Code as herein provided shall be changed except by the filing by such member with the Secretary of a new list of its base prices, which shall become effective on the effective date therein specified which shall not be less than ten days after the date on which such new price list shall have been so filed. In the case of pipe of sizes or kinds which are sold on a list and discount basis, for the purposes of this Section 2 the list of base prices shall consist of a price list and one or more basing discount lists, from which the base prices of such pipe shall be determined; provided, however, that in the case of oil country tubular goods there shall be filed in lieu of a list of base prices a price list and one or more basing discount lists from which the delivered prices of such goods shall be determined.

Sec. 3. Except as hereinafter otherwise provided in respect of standard Tee rails of more than 60 pounds per yard, angle bars, and rail joints, the base price for any product shown in any list of base prices filed by a member of the Code in accordance with the provisions of the foregoing Section 2 shall be as follows:

(a) If such member shall operate a plant for the production of such product which is located at a basing point for such product, f.o.b. such basing point, or (b) if such member shall operate a plant for the production of such product which is not located at a basing point for such product, f.o.b. the basing point for such product nearest in terms of all-rail freight rates to such plant, or (c) if any Gulf or Pacific Coast port shall be listed as a basing point in Schedule F of the Code as at the time in effect, f.o.b. cars dock such port. Except as otherwise provided in this Schedule E, each member of the Code shall file with the Secretary and maintain on file with him a list showing the base price for each of its products for each basing point for such product at which a plant of such member for the manufacture of such product, shall be located and for each basing point for such product which shall be nearest in terms of all-rail freight rates to any plant of such member for the manufacture of such product not located at a basing point for such product; and if any Gulf or Pacific Coast port shall be listed in such Schedule F as a basing point for a product, such member may show in such list its base price for such product at such basing point. All base prices shown in the list so filed shall constitute the published base prices of such member for the products and for the basing points shown in such list. Except as aforesaid, none of the members of the Code shall file any list of base prices showing any price for any of its products other than the base price for such product f.o.b. the basing point or basing points for such products as hereinbefore provided. The published base price of each such member for any product (except standard Tee rails of more than 60 pounds per yard, angle bars, and rail joints) for any basing point for such product other than that or those shown in the list of base prices so filed by such member shall be deemed to be the lowest base price for such product at such other basing point which shall be shown in the list of base prices filed by any other member of the Code and then in effect. All base prices for standard Tee rails of more than 60 pounds per yard and all base prices for angle bars and rail joints shall be f.o.b. mill of the producer thereof, or, in the case of rails, angle bars, and rail joints carried by water from any Atlantic Coast or Gulf port to any Gulf or Pacific Coast port, c.i.f. the port of destination. Lists of prices filed with the Secretary pursuant to the foregoing Section 2 and to this Section 3 shall be open to inspection at all reasonable times by anyone.

Sec. 4. Except as otherwise provided in this Schedule E of the Code, all prices quoted and billed by any member of the Code for any product (except standard Tee rails of more than 60 pounds per yard, angle bars and rail joints and oil country tubular goods, which shall be quoted and billed as hereinafter provided) sold by such member from and after ten days after the effective date of the Code shall be delivered prices, which (disregarding the extras, if any, required by, and the deductions, if any, that may be made pursuant to, the provisions of the Code) shall be not less than the sum of (a) the published base price of such member for such product effective at the time of the sale thereof and (b) the all-rail published tariff freight charges from the basing point on which such base price is based to the place of delivery to the purchaser thereof or, (1) if such place of delivery shall be at such basing point, the published tariff switching charges to such place of delivery from the plant of any member of the Code for the production of such product at such basing point nearest in terms of such switching charges to such place of delivery; or, (2) if such place of delivery shall be at a Gulf or Pacific Coast port that is listed in Schedule F as a basing point, the published tariff switching charges to such place of delivery from the dock for discharging products nearest in terms of such switching charges to such place of delivery; provided, however, that (a) in any case in which such product shall be delivered by other than all-rail transportation, the member of the Code selling such product may allow to the purchaser a reduction in the delivered price otherwise chargeable under this Section 4 at a rate which shall have been previously approved by the Board of Directors and filed with the Secretary; and (b) in the case of plates, shapes, or bars intended for fabrication for an identified structure, for the purpose of establishing the delivered price thereof, the place of delivery shall be deemed to be the freight station at or nearest to the place at which such structure is to be erected, and not the shop of the fabricator; and (c) subject as hereinafter in this Section 4 provided, if any list of prices filed with the Secretary by any member of the Code pursuant to this Schedule E and at the time in effect shall show a specified rate of deduction from the price of any product to be allowed by such member on any sale of such product to any jobber for resale, such member may, from and after the date on which such list shall have become effective, allow to any jobber to whom such member shall sell such product for resale a deduction from such price to such jobber for such product at a rate not greater

than the rate so shown in such list; and provided, further, that the Board of Directors by the affirmative vote of three fourths of the whole Board may permit any member of the Code in special instances or members of the Code generally to sell or contract for the sale of any product produced by such member or members at a base price which shall be less than the then published base price of such member or members for such product at the respective basing points therefor of such members, if by such vote such Board shall determine that the making of such sale or contract of sale at such less base price is in the interest of the Industry or of any other branch of industry and will not tend to defeat the policy of Title I of the National Industrial Recovery Act by making possible the using or employing of an unfair practice. The Board of Directors shall prescribe such rules and regulations as it shall deem proper by which the question of whether or not any purchaser or prospective purchaser of any product for resale is a jobber shall be determined, and in granting any permission as aforesaid, the Board of Directors shall prescribe such rules and regulations in respect thereof as in its judgment shall be necessary in order to insure to the members of the Code that action in accordance with any such permission shall not result in an unfair practice; and thereafter such Board may by like vote rescind any permission so granted or modify, cancel, or add to any rules and regulations so prescribed. The Secretary shall send to each member of the Code a copy of all such rules and regulations prescribed by such Board with respect to the determination of the question of whether a purchaser or prospective purchaser for resale is a jobber and he shall give notice in writing of all action so taken by the Board of Directors to each member of the Code which at the time shall be engaged in producing the kind of product in respect of which any such permission was granted. Before any member of the Code shall allow any such deduction to any jobber or sell for resale to any purchaser who shall not be a jobber any product pursuant to any permission so granted to such member, such member shall secure from such jobber or such other purchaser an agreement substantially in a form theretofore approved by the Board of Directors and filed with the Secretary whereby such jobber or other purchaser shall agree with such member (a) that such jobber or other purchaser will not, without the approval of the Board of Directors, sell such product to any third party at a price which at the time of the sale thereof shall be less than the price at which such member might at that time sell such product to such third party, and (b) that, if such jobber or such other purchaser shall violate any such agreement, he shall pay to the Treasurer as an individual and not as treasurer of the Institute, in trust, as and for liquidated damages the sum of $10 per ton of any product sold by such jobber or such other purchaser in violation thereof. Except as aforesaid, all prices quoted and billed by any member of the Code for standard Tee rails of more than 60 pounds per yard, angle bars, and rail joints sold by it from and after ten days after the effective date of the Code (disregarding extras and deductions as aforesaid) shall be not less than the published base price of such member for such rails, angle bars, and rail joints effective at the time of the sale thereof f.o.b. mill of the producer, or, in the case of rails, angle bars, or rail joints carried by water from any Atlantic Coast or Gulf port to any Gulf or Pacific Coast port, c.i.f. the port of destination. Except as aforesaid, all prices quoted and billed by any member of the Code for oil country tubular goods sold by it from and after ten days after the effective date of the Code (disregarding extras and deductions as aforesaid) shall be not less than the delivered price for such goods determined by deducting from the published list price of such member for such goods effective at the time of the sale thereof the published basing discounts applicable to such goods effective at such time. In case at the effective date of the Code any valid, firm contract to which a member of the Code shall be a party shall exist for a definite quantity of any product or for all or a substantial part of the requirements of the purchaser thereof (a) at a fixed price, or (b) at a price that can be definitely determined in accordance with the provisions of such contract, or (c) at the market price for such product at the date when a definite quantity thereof shall be specified under such contract and such contract covered a sale of 20% or more of the total quantity of such product produced and sold in the United States in the calendar year 1932, it is recognized that such contract will tend to establish the market price for such product during the remainder of its life and that, if the other members of the Code which produce and sell such product shall by the foregoing provisions of this Schedule E be prevented from selling such product during the remainder of the life of such contract at as favorable a price and on as favorable terms and conditions as those provided for in such contract, then unfair competition as between the member of the Code which shall be a party to such contract and the other members thereof and also as be-

tween the other party to such contract and its competitors may result. Accordingly, anything herein to the contrary notwithstanding, during the remainder of the life of such contract any member of the Code may sell such product at a price and on terms and conditions as favorable as (but not more favirable than) the price, terms, and conditions provided for in such contract.

Sec. 5. The Board of Directors shall have power on its own initiative, or on the complaint of any member of the Code, to investigate any base price for any product at any basing point shown in any list filed with the Secretary by any member of the Code, and for the purpose of the investigation thereof to require such member to furnish such information concerning the cost of manufacturing such product as the Board of Directors shall deem necessary or proper for such purpose. If the Board of Directors after such investigation shall determine that such base price is an unfair base price for such product at such basing point, having regard to the cost of manufacturing such product, and that the maintenance of such unfair base price may result in unfair competition in the Industry, the Board of Directors may require the member of the Code that filed the list in which such unfair base price is shown to file a new list showing a fair base price for such product at such basing point, which fair base price shall become effective immediately upon the filing of such list. If such member of the Code shall not within ten days after notice to it of such determination by the Board of Directors file a new list showing such fair base price for such product at such basing point the Board of Directors shall have power to fix a fair base price for such product at such basing point, which fair base price, however, shall not be more than the base price of any other member of the Code at that time effective for such product at such basing point and in respect of which the Board of Directors shall not theretofore have begun an investigation or a complaint shall not have been made by any member of the Code. When the decision of such Board fixing such fair base price shall have been filed with the Secretary and the Secretary shall have given notice thereof to such member, such fair base price shall be the base price of such member for such product at such basing point, until it shall have been changed as in the Code provided. A notice of all decisions of the Board of Directors under this Section 5, together with the reasons therefor, shall be filed with the President.

Sec. 6. The Board of Directors by the affirmative vote of a majority of the whole Board may establish maximum rates of discount and maximum periods of free credit, other than those specified in Schedule G of the Code, which may be allowed by any member of the Code with respect to the sale of any product or products to jobbers for resale as permitted by the provisions of Section 4 of this Schedule E. The Secretary shall give notice in writing of any action taken by the Board of Directors in accordance with the provisions of this Section 6 to each member of the Code which at the time shall be engaged in producing the kind of product in the sale of which any such other rates or periods shall have been established by such action. Except as aforesaid and except as elsewhere in this Schedule E of the code otherwise provided, the maximum rates of discount for early payment and the maximum periods of free credit which may be allowed by any member of the Code shall be the rates and periods specified in said Schedule G. Except as aforesaid, all invoices for products sold by any member of the Code after the effective date of the Code shall bear interest from and after the expiration of the period of free credit at a rate which shall be not less than the then current rate established by the Board of Directors and filed with the Secretary. Nothing in the Code contained shall prevent any member of the Code from allowing credit to any purchaser or allowing any purchaser to delay payment in respect of any invoice for a longer period than the maximum period of free credit specified in such Schedule G or such other maximum period as shall be established in accordance with the provisions of this Section 6; but, if any member of the Code shall allow credit to any purchaser or allow any purchaser to delay payment in respect of any invoice for a period longer than such maximum period of free credit, then such member shall charge and collect interest on the amount in respect of which credit shall be so allowed or the payment of which shall have been so delayed at a rate not less than the current rate established and filed as aforesaid.

Sec. 7. Except as in this Schdule E of the Code otherwise provided, any extras added to, and any deductions made from, the base price for any product sold by any member of the Code in determining its quoted or billed price for such product shall be uniform for all members of the Code. The rates of such extras and of such deductions shall be those approved from time to time by the Board of Directors as being in accordance with the trade practice customary in the Industry at the effective date of the Code and as meeting the requirements of the

Code. Lists showing such rates shall be filed with the Secretary and shall be open to inspection at all reasonable times by anyone. In case any member of the Code shall sell any product to which any such rate of extra or deduction shall apply, except as aforesaid, such member shall add an extra at a rate which shall not be less than the rate of extra applicable to such product theretofore approved by the Board of Directors as aforesaid and at the time in effect and none of the members of the Code shall make any deduction at a rate that shall be more favorable to the purchaser of such product than the rate of deduction applicable to such product theretofore approved by the Board of Directors as aforesaid and at the time in effect; provided, however, that nothing in the Code contained shall be so construed as to prevent any member of the Code from selling or contracting to sell any product for use by the purchaser thereof in the manufacture of articles for shipment in export trade within the meaning of the term "export trade" as it is used in the Export Trade Act under an agreement by such member of the Code with such purchaser that, when such articles shall have been shipped in such export trade, such member of the Code shall make an allowance at a rate approved by the Board of Directors and a statement of the approval of which shall theretofore have been filed with the Secretary, which rate in the opinion of such Board shall be sufficient to enable such member of the Code or such purchaser to meet foreign competition in the sale and delivery of such product or such articles, as the case may be.

Sec. 8. The practice of shipping products on consignment may result in unfair competition and it is the intention of the Industry to eliminate such practice as soon as possible after the effective date of the Code. Accordingly, except to the extent necessary to carry out arrangements existing on the effective date of the Code and which shall have been reported to the Board of Directors, from and after such date none of the members of the Code shall deliver products, other than pipe, on consignment except to an affiliated company of such member. All arrangements for the delivery by any member of the Code of products on consignment (other than consignments to an affiliated company of such member and other than consignments of pipe) existing on the effective date of the Code shall be terminated on or before June 30, 1934, and all stock held on consignment on that date shall either be sold to the consignee or possession thereof shall be taken by the consignor. The Board of Directors shall investigate problems presented in the elimination of consigned stocks of pipe and shall recommend to the members of the Code which shall be parties to then existing arrangements with respect to shipments of pipe on consignment (other than consignments from a member of the Code to an affiliated company) such action in respect thereof as such Board shall deem proper and designed to accomplish the termination of all such arrangements (other than as aforesaid) at as early a date as possible.

Sec. 9. For all purposes of this Schedule E, a delivery of any product made pursuant to a contract of sale shall be regarded as a sale thereof made at the time of the making of such contract. Except in the case of a product required by a purchaser for a specified definite contract of such purchaser with a third party at a fixed price, none of the members of the Code shall make any contract of sale of any product by the terms of which the shipment of such product is not required to be completed before the end of the calendar quarter year ending not more than four months after the date of the making of such contract.

Sec. 10. Nothing in the Code contained, however, shall be so construed as to prevent the performance by any member of the Code of a valid, firm contract existing and to which it is a party at the effective date of the Code for a definite quantity of any product or for all or a substantial part of the requirements of the purchaser thereof (a) at a fixed price, or (b) at a price that can be definitely determined in accordance with the provisions of such contract, or (c) at the market price for such product at the date when a definite quantity thereof shall be specified under such contract. If any member of the Code shall at the effective date thereof be a party to any contract for the sale of any product by such member which by its terms is to continue after December 31, 1933, and by its terms the price to be paid for such product by the other party to such contract is related to the market price thereof at the date when a definite quantity thereof may be specified under such contract and may be less than such market price, then such member shall within thirty days after the effective date of the Code file a copy of such contract with the Secretary in order that the Board of Directors may consider it and take such action in respect thereof consistent with the rights and obligations of the parties to such contract as such Board shall deem proper.

Sec. 11. A sale made by any member of the Code indirectly through any affiliated company of such member shall be deemed to be a sale made by such member.

Sec. 12. Nothing in the Code contained shall be deemed to apply to or affect the sale of any product for direct shipment in export trade by any member of the Code within the meaning of the term "export trade" as it is used in the Export Trade Act or, unless and to the extent that the Board of Directors shall otherwise determine, the sale of any product by any such member for direct shipment to the Philippines, Hawaii, or Puerto Rico or other insular possessions of the United States of America.

Sec. 13. If and to the extent requested by the Administrator, all decisions of, permissions, and approvals given by and rules and regulations made by, the Board of Directors pursuant to any provisions of this Schedule E shall be reported to him.

Schedule F—List of Basing Points

The places hereinafter in this Schedule F listed are the basing points for the respective products named.

Axles—Rolled or forged:
- Pittsburgh, Pa.
- Chicago, Ill.
- Birmingham, Ala.

Bale Ties:
- Pittsburgh, Pa.
- Cleveland, Ohio
- Chicago, Ill.
- Birmingham, Ala.
- Duluth, Minn.
- Gulf Ports [1]
- Pacific Coast Ports [2]

Bars—Alloy steel, hot rolled:
- Pittsburgh, Pa.
- Buffalo, N.Y.
- Chicago, Ill.
- Canton, Ohio
- Massillon, Ohio
- Bethlehem, Pa.

Bars—Cold finished, carbon, and alloy:
- Pittsburgh, Pa.
- Buffalo, N.Y.
- Cleveland, Ohio
- Chicago, Ill.
- Gary, Ind.

Bars—Concrete reinforcing:
- Pittsburgh, Pa.
- Buffalo, N.Y.
- Cleveland, Ohio
- Chicago, Ill.
- Gary, Ind.
- Birmingham, Ala.
- Youngstown, Ohio
- Gulf Ports
- Pacific Coast Ports

Bars—Iron:
- Pittsburgh, Pa.
- Troy, N.Y.
- Jersey City, N.J.
- Dover, N.J.
- Philadelphia, Pa.
- Columbia, Pa.
- Lebanon, Pa.
- Reading, Pa.
- Danville, Pa.
- Burnham, Pa.
- Creighton, Pa.
- Richmond, Va.
- Louisville, Ky.
- Terre Haute, Ind.

Bars—Merchant steel:
- Pittsburgh, Pa.
- Buffalo, N.Y.
- Cleveland, Ohio
- Chicago, Ill.
- Gary, Ind.
- Birmingham, Ala.
- Gulf Ports
- Pacific Coast Ports [2]

Bars—Tool steel:
- Pittsburgh, Pa.
- Syracuse, N.Y.
- Bethlehem, Pa.

Girder rails:
- Lorain, Ohio
- Steelton, Pa.

Ingots, blooms, billets, and slabs—Alloy:
- Pittsburgh, Pa.
- Buffalo, N.Y.
- Chicago, Ill.
- Canton, Ohio
- Massillon, Ohio
- Bethlehem, Pa.

Ingots, blooms, billets, and slabs—Carbon:
- Pittsburgh, Pa.
- Buffalo, N.Y.
- Cleveland, Ohio
- Chicago, Ill.
- Gary, Ind.
- Birmingham, Ala.
- Youngstown, Ohio

Light rails—60 lbs. or less per yard:
- Pittsburgh, Pa.
- Chicago, Ill.
- Birmingham, Ala.

Mechanical tubing:
- Pittsburgh, Pa.
- Canton, Ohio
- Shelby, Ohio
- Detroit, Mich.
- Milwaukee, Wis.

Pig iron—Foundry, malleable, open-hearth basic, and Bessemer:
- Buffalo, N.Y.
- Cleveland, Ohio
- Chicago, Ill.
- Birmingham, Ala.
- Youngstown, Ohio

[1] Except as otherwise shown in this Schedule F, the Gulf Ports are Mobile, Ala., New Orleans, La., and Orange, Port Arthur, Beaumont, Baytown, Galveston, and Houston, Tex.

[2] The Pacific Coast ports are San Pedro (includes Wilmington) and San Francisco (includes Oakland) Calif.; Portland, Oreg.; and Seattle (includes Tacoma), Washington; and San Diego, Calif.; for Plates and Structural Shapes only.

Pig iron—Continued.
- Neville Island, Pa.
- Sharpsville, Pa.
- Erie, Pa.
- Bethlehem, Pa.
- Swedeland, Pa.
- Birdsboro, Pa.
- Hamilton, Ohio
- Jackson, Ohio
- Toledo, Ohio
- Granite City, Ill.
- Detroit, Mich.
- Duluth, Minn. (except open-hearth basic)
- Provo, Utah
- Everett, Mass.
- Sparrows Point, Md.

Pig iron—Low phosphorus:
- Birdsboro, Pa.
- Steelton, Pa.
- Standish, N.Y.
- Johnson City, Tenn.

Pipe—Rigid electrical conduit:
- Pittsburgh, Pa.
- Evanston, Ill.

Pipe—Standard, line pipe, and oil country tubular products:
- Pittsburgh, Pa.
- Gary, Ind.
- Lorain, Ohio

Plates:
- Pittsburgh, Pa.
- Chicago, Ill.
- Gary, Ind.
- Birmingham, Ala.
- Coatesville, Pa.
- Sparrows Point, Md.
- Gulf Ports
- Pacific Coast Ports

Railroad tie plates:
- Pittsburgh, Pa.
- Buffalo, N.Y.
- Chicago, Ill.
- Birmingham, Ala.
- St. Louis, Mo.
- Kansas City, Mo.
- Minnequa, Colo.
- Weirton, W.Va.
- Portsmouth, Ohio
- Steelton, Pa.
- Pacific Coast Ports

Railraod track spikes:
- Pittsburgh, Pa.
- Buffalo, N.Y.
- Cleveland, Ohio
- Chicago, Ill.
- Birmingham, Ala.
- Younsgtown, Ohio
- Portsmouth, Ohio
- Weirton, W.Va.
- St. Louis, Mo.
- Kansas City, Mo.
- Minnequa, Colo.
- Philadelphia, Pa.
- Lebanon, Pa.
- Columbia, Pa.
- Richmond, Va.

Railroad track spikes—Continued.
- Jersey City, N.J.
- Pacific Coast Ports

Sheet bars:
- Pittsburgh, Pa.
- Buffalo, N.Y.
- Cleveland, Ohio
- Chicago, Ill.
- Youngstown, Ohio
- Canton, Ohio
- Sparrows Point, Md.

Sheets:
- Pittsburgh, Pa.
- Gary, Ind.
- Birmingham, Ala.
- Pacific Coast Ports

Skelp:
- Pittsburgh, Pa.
- Buffalo, N.Y.
- Chicago, Ill.
- Youngstown, Ohio
- Coatesville, Pa.
- Sparrows Point, Md.

Steel sheet piling:
- Pittsburgh, Pa.
- Buffalo, N.Y.
- Chicago, Ill.
- Gulf Ports
- Pacific Coast Ports

Strip steel—Cold-rolled:
- Pittsburgh, Pa.
- Cleveland, Ohio
- Worcester, Mass.

Strip steel—Hot-rolled:
- Pittsburgh, Pa.
- Chicago, Ill.

Structural shapes:
- Pittsburgh, Pa.
- Buffalo, N.Y.
- Chicago, Ill.
- Birmingham, Ala.(standard shapes only)
- Bethlehem, Pa.
- Gulf Ports
- Pacific Coast Ports

Tin plate, tin mill black plate and terne plate:
- Pittsburgh, Pa.
- Gary, Ind.
- Pacific Coast Ports

Tubes—Boiler:
- Pittsburgh, Pa.

Tube rounds:
- Pittsburgh, Pa.
- Buffalo, N.Y.
- Cleveland, Ohio
- Chicago, Ill.
- Birmingham, Ala.

Wheels—Car, rolled steel:
- Pittsburgh, Pa.
- Chicago, Ill.

Wire—Drawn, except as hereinafter specified:
- Pittsburgh, Pa.
- Cleveland, Ohio
- Chicago, Ill.
- Birmingham, Ala.

Wire—Continued.
- Anderson, Ind.
- Duluth, Minn.
- Worcester, Mass.
- Gulf Ports
- New Orleans, La.
- Galveston, Tex.
- Houston, Tex.
- Pacific Coast Ports

Wire nails and staples, barbed wire, and wire fencing:
- Pittsburgh, Pa.
- Cleveland, Ohio
- Chicago, Ill.
- Birmingham, Ala.
- Anderson, Ind.
- Duluth, Minn.
- Gulf Ports
- Pacific Coast Ports

Wire, rods:
- Pittsburgh, Pa.
- Cleveland, Ohio
- Chicago, Ill.
- Birmingham, Ala.

Wire—Spring:
- Pittsburgh, Pa.
- Cleveland, Ohio
- Chicago, Ill.
- Worcester, Mass.
- Pacific Coast Ports

Wire—Telephone:
- Pittsburgh, Pa.
- Cleveland, Ohio
- Waukegan, Ill.
- Muncie, Ind.
- Trenton, N.J.
- Worcester, Mass.
- Sparrows Point, Md.

Schedule G—Maximum Rates of Discount for Early Payment and Maximum periods of Free Credit

MAXIMUM RATES OF DISCOUNT FOR EARLY PAYMENT

In the case of products shipped from plants located east of the Mississippi River to Pacific Coast Ports and which shall be invoiced from such plants—½ of 1%, if the invoice of such products shall be paid within 25 days from the date of such invoice; in all other cases—½ of 1%, if the invoice of such products shall be paid within 10 days from the date of such invoice; provided, however, in the latter cases, that any member of the Code may allow such discount of ½ of 1% for payment within 10 days on the basis of settlements three times in each month, as follows:

(1) On invoices for products dated from the 1st to the 10th, inclusive, in any month, such discount may be allowed on payment of such invoices on or before the 20th of such month;

(2) On invoices for products dated from the 11th to the 20th, inclusive, in any month, such discount may be allowed on payment of such invoices on or before the 30th of each month; and

(3) On invoices for products dated from the 21st to the end of any month, such discount may be allowed on payment of such invoices on or before the 10th of the next following month.

Any discount allowed in accordance with the provisions of this Schedule G shall apply only to the invoiced value of the products specified therein and not to any part of the transportation charges on such products.

MAXIMUM PERIODS OF FREE CREDIT

In the case of products shipped from plants located east of the Mississippi River to Pacific Coast ports and which shall be invoiced from such plants—45 days; in all other cases—30 days.

Schedule H—List of Unfair Practices

For all purposes of the Code the following described acts shall constitute unfair practices:

A. Making or promising to any purchaser or prospective purchaser of any product, or to any officer, employee, agent or representative of any such purchaser or prospective purchaser, any bribe, gratuity, gift or other payment or remuneration, directly or indirectly.

B. Procuring, otherwise than with the consent of any member of the Code, any information concerning the business of such member which is properly regarded by it as a trade secret or confidential within its organization, other than information relating to a violation of any provision of the Code.

C. Imitating or simulating any design, style, mark, or brand used by any other member of the Code.

D. Using or substituting any material superior in quality to that specified by the purchaser of any product or using or substituting any material or any method of manufacture not in accord with any applicable law, rule, or regulation of any governmental authority.

E. Cancelling, in whole or in part, or permitting the cancellation in whole or in part of any contract of sale of any product, except for a fair consideration, or paying or allowing to any purchaser in connection with the sale of any product any rebate, commission, credit, discount, adjustment, or similar concession other than as is permitted by the Code and specified in the contract of sale.

F. Disseminating, publishing, or circulating any false or misleading information relative to any product or price for any product of any member of the Code, or the credit standing or ability of any member thereof to perform any work or manufacture or produce any product, or to the conditions of employment among the employees of any member thereof.

G. Inducing or attempting to induce by any means any party to a contract with a member of the Code to violate such contract.

H. Aiding or abetting any person, firm, association, or corporation in any unfair practice.

I. Making or giving to any purchaser of any product any guaranty or protection in any form against decline in the market price of such product.

J. Stating in the invoice of any product as the date thereof a date later than the date of the shipment of such product, or including in any invoice any product shipped on a date earlier than the date of such invoice.

K. Making any sale or contract of sale of any product under any description which does not fully describe such product in terms customarily used in the Industry.

L. Rendering to any purchaser of any product in or in connection with the sale of such product any service, unless fair compensation for such service shall be paid by such purchaser.

M. Any violation of any other provision of the Code, whether or not therein expressed to be such, or using or employing any practice not hereinabove in this Schedule H described which the Board of Directors by the affirmative vote of three fourths of the whole Board shall have declared to be a practice that would tend to defeat the policy of Title I of the National Industrial Recovery Act and, therefore, an unfair practice, and of which determination by such Board the Secretary shall have given notice to the members of the Code and to the President.

O

Approved Code No. 12

CODE OF FAIR COMPETITION

FOR THE

PHOTOGRAPHIC MANUFACTURING INDUSTRY

As Approved on August 19, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Photographic Manufacturing Industry, and hearings having been held thereon, and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act, and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

Now, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved, subject to the following condition:

(1) To effectuate further the policies of the Act, a Photographic Manufacturing Industry Committee be created to cooperate with the Administrator as a Planning and Fair Practice Agency for the Photographic Manufacturing Industry, which Committee shall consist of seven representatives of the Photographic Manufacturing Industry elected by a fair method of selection, to be approved by the Administrator, and three members without vote appointed by the Administrator.

FRANKLIN D. ROOSEVELT.

Approval recommended:
HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
August 19, 1933.

29853——296-133——34

NATIONAL RECOVERY ADMINISTRATION

Introduction

To the President:

This is a report of the hearing on the Code of Fair Competition for the Photographic Manufacturing Industry in the United States, conducted in Washington on August 4th, 1933, in accordance with the provisions of the National Industrial Recovery Act.

In the conduct of the hearing every person who had filed a request for an appearance was freely heard in public and all statutory and regulatory requirements were fully fulfilled.

The Code which is attached was presented by duly qualified and authorized representatives of the industry, and complies with the statutory requirements, as representing fully eighty percent of the Photographic Manufacturing Industry in the United States.

Economic and Statistical Analysis

Commodities produced by the Photographic Manufacturing Industry had, in 1929, an aggregate value of $102,827,386, ranking 119th in value of products when compared to other industries for that year. In 1931 the aggregate value was $79,506,499, representing a decrease of 22.7 percent. This industry produces photographic materials and apparatus including all types of cameras, sensitized material, projectors, films, plates, and other pertinent equipment, but this Code does not include professional motion-picture cameras and projectors, nor chemicals because of their distinctly different applications and uses. A large proportion of the total business volume of this industry is represented by comparatively few companies. Because of the obscurity of data on separate types of commodities manufactured by the industry, the only information available is for commodities manufactured by the industry as a whole. Materials used by the photographic apparatus and materials industry, in the production of its products, can be traced back to almost every raw-material source. This industry is economically related to many another industry by virtue of the diversity of its consumption of other finished commodities.

The peak year for the photographic apparatus industry was 1929. In this year the average purchasing power of the wage earner was $30.42 per week. This is considerably above the $25.28 average for all industry in the same year.

In 1931 the average purchasing power dropped but 22 percent, or to an average of $23.71, as compared with a drop of 16.2 percent for all industry.

The number of employees in this industry in 1929 was 16,360 persons. Employment from 1929 to 1931 declined 18.2 percent.

There is no specific information available at the present time to show the number of employees in this industry or the hours they are actually employed. However, the following table for 1931 classifies, according to hours per week, the number of employees and establishments and the percentage of distribution.

Hours of labor per week by number of establishments and number of wage earners, 1931

Hours	Number of establishments	Number workers employed	Percent of total employed
Hours not reported	2	4	----------
44 hours or less	44	941	8.9
45 to 48 hours, inclusive	46	9,413	88.7
Over 48 hours	18	251	2.4
Total	110	10,609	100.0

This Code specifically provides thirty-five cents ($0.35) per hour or fourteen dollars ($14.00) per week for 40 hours of labor, except that learners may be paid not less than 80 percent of this minimum wage during a period limited to 60 days and that the total amount paid to such learners shall not exceed in any calendar month 5 percent of the total wages paid by the employer.

There is a provision in this Code for 144 hours per year in excess of the maximum, limited by a requirement that the average hours worked per week shall not exceed 40 hours when averaged over a period of three months. This is due to definite seasonal demand and a perplexing problem peculiar to this industry because of the perishable nature of the sensitized products, and a necessity for pursuance to completion of attendant processes, when once begun.

It is estimated that on the basis of 1931 figures, the 40-hour week would place no additional burden on the ultimate consumer. If wages were maintained on the basis of 1929 figures the price to the consumer would increase 7.8 percent on a 40-hour basis, whereas a 36.7-hour basis would increase this price 9.3 percent.

In order to further effectuate the policies of the Act, it is recommended that the Administrator appoint a Photographic Manufacturing Industry Committee to cooperate with the Administrator as a planning and fair practice agency for this Industry; and that this committee consist of seven representatives of the Photographic Industry elected by fair method with the approval of the Administrator and of three members appointed by the Administrator, as follows: One of recognized experience and technical knowledge from a recognized institution of learning; one to represent the Administrator; and one of recognized ability in the Photographic Manufacturing Industry but without direct personal interest therein.

It is believed that this hearing, which has brought together all diversified branches of the Photographic Manufacturing Industry, is an excellent example of cooperative spirit and evidences a sincere desire on the part of this Industry to manifest the attitude anticipated in the National Recovery Act.

It is further believed that actual facts obtained through the analysis of statistics and reports as provided in this Code will form a basis, in the future, for any revisions required to provide for the needs of this Industry.

FINDINGS

The Administrator finds that—

(a) The Code as recommended complies in all respects with the pertinent provisions of Title I of the Act, including, without limitation, subsection (a) of Section 7 and subsection (b) of Section 10 thereof; and that

(b) The applicant group imposes no inequitable restrictions on admission to membership therein and is truly representative of the Photographic Manufacturing Industry; and that

(c) The Code as recommended is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

It is recommended, therefore, that this Code be immediately adopted.

Respectfully submitted.

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

PHOTOGRAPHIC MANUFACTURING INDUSTRY

To effectuate the policy of Title I of the National Industrial Recovery Act, during the period of the emergency, by reducing and relieving unemployment, improving the standards of labor, eliminating competitive practices destructive of the interests of the public, employees and employers and otherwise stabilizing the Photographic Manufacturing Industry and by increasing the consumption of industrial and agricultural products by increasing purchasing power, and in other respects, the following provisions are established as a Code of Fair Competition for the Photographic Manufacturing Industry:

I

Definitions.—A. The term "Photographic Manufacturing Industry" as used herein is defined to mean the manufacture of any of the following photographic products:

(a) Cameras, exclusive of professional motion-picture cameras using film having a width of 35 mm. or greater.

(b) Motion-picture projectors, exclusive of professional motion-picture projectors using film having a width of 35 mm. or greater.

(c) Amateur and professional photographic film, plates, and paper.

(d) Photographic accessories, equipment, and supplies, except photographic mounts and photographic chemicals.

B. The term "employees" as used herein shall include all persons employed in the conduct of such operations, excepting those persons who serve in executive, administrative, supervisory, sales, special accounting, and/or technical capacities.

C. The term "employers" shall include partnerships, associations, trusts, including trustees in bankruptcy and receivers, corporations, and all persons who employ labor in the conduct of any branch of the Photographic Manufacturing Industry as defined above.

D. The term "effective date", as used herein, is defined to be the tenth day after the approval by the President of the United States of this Code or any part thereof or addition thereto.

II

On and after the effective date the minimum wage that shall be paid any employee in the Photographic Manufacturing Industry shall be at the rate of thirty-five cents ($0.35) an hour, or fourteen dollars ($14.00) per week for forty (40) hours of labor except that learners may be paid not less than eighty percent (80%) of such minimum wage during a period limited to sixty (60) days; that the total amount paid to such learners shall not exceed in any calendar month five percent (5%) of the total wages paid to all employees of

such employer during such month; and provided further, that the provisions of this paragraph shall not apply to apprentice machinists and apprentice toolmakers who are now under contract with their employer under forms approved by the National Metal Trades Association or any branch of such association.

III

On and after the effective date the maximum hours of labor for employees shall be forty (40) hours per week, subject to the following limitations and exceptions:

A. That the average hours worked per week by any individual employee shall not exceed the maximum established when figured over a period of three (3) months.

B. That the maximum hours established shall not apply in cases of emergency or in those departments or divisions of the Photographic Manufacturing Industry in which seasonal or peak demand places an unusual and temporary burden for production upon such departments or divisions, except that in all such cases no employee shall be permitted to work more than an aggregate of one hundred forty-four (144) hours per year in excess of the maximum limitations above provided.

C. That the maximum hours established shall not apply to employees engaged in research and experimental capacities or to emulsion makers engaged in secret processes, or to designing and tooling engineers.

D. That the maximum hours established shall not apply to repair shop crews, outside crews, and cleaners, but further provided that all such employees shall be paid at the rate of time and one half for all hours per week over forty.

IV

On and after the effective date employers shall not employ or have in their employ any person under the age of sixteen (16) years.

V

As required by Section 7 (a) of Title I of the National Industrial Recovery Act the following provisions are conditions of the Code:

"(1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities of the purpose of collective bargaining or other mutual aid or protection;

"(2) That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

"(3) That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President."

VI

With a view to keeping the President of the United States and the Administrator informed as to the observance or nonobservance of this code, and as to whether the Photographic Manufacturing Industry is taking appropriate steps to effectuate in all respects the declared policy of the National Industrial Recovery Act, each employer shall prepare and file with the Code Committee of the Photographic Manufacturing Industry, composed of seven members, hereinafter appointed, and at such times and in such manner as may be prescribed, statistics covering number of employees, wage rates, employee earnings, hours of work, and such other data or information as the Code Committee of the Photographic Manufacturing Industry may from time to time require for the use of the Administrator.

Except as otherwise provided in the National Industrial Recovery Act all statistics, data, and information filed in accordance with the provisions of Article VI shall be confidential, and the statistics, data, and information of one employer shall not be revealed to any other employer except that for the purpose of administering or enforcing the provisions of this Code, the Code Committee of the Photographic Manufacturing Industry shall have access to any and all statistics, data, and information that may be furnished in accordance with the provisions of this code.

If formal complaint shall be made to the Code Committee that any of the provisions of this Code have been violated by any employer in the Photographic Manufacturing Industry, the Code Committee shall promptly investigate the facts and to that end may cause such examination to be made as may be deemed necessary in the circumstances, the result of such examination to be reported, if required, to the National Industrial Recovery Administration.

VII

If any employer in the Photographic Manufacturing Industry is also an employer of labor in any other industry the provisions of this Code shall apply to and affect only that part of the business of such employer which is included in the Photographic Industry.

VIII

This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of Clause 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval of this Code.

IX

Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions to this Code or addi-

tional conditions will be submitted for the approval of the President to prevent unfair competition in prices and other unfair destructive and competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act, provided, however, that no modification or amendment of this Code shall be made by the members of the Code without the consent in writing of members employing at the time at least two thirds in number of the employees subject to the provisions of this Code.

X

All of the provisions of this Code, unless revised, modified, or repealed as hereinabove provided, shall remain in full force and effect until the expiration date of Title I of the National Industrial Recovery Act.

XI

M. B. Folsom is hereby appointed Secretary of the Code Committee. His duties shall be to accept and file applications for membership in the Code, to keep records of all proceedings relating to this Code, and to conduct correspondence with members of the Code relating to all matters arising under the Code. In case of his resignation or death or inability for any reason to act, his successor shall be selected by the then members of the Code.

XII

L. Dudley Field, E. H. Gates, Sherman Hall, Thomas J. Hargrave, J. H. McNabb, Gilbert E. Mosher, and Richard Salzgeber are hereby appointed the seven members of the Code Committee. Any member of the Code Committee may act either in person or by proxy. In case of the resignation, death, or incapacity to act of any member of the Code Committee, his successor shall be selected by the then members of the Code.

By L. Dudley Field.
E. H. Gates.
Sherman Hall.
Thomas J. Hargrave.
J. H. McNabb.
Gilbert E. Mosher.
Richard Salzgeber.

I, M. B. Folsom, Secretary of the Code Committee of the Photographic Manufacturing Industry, do hereby certify that the foregoing is a true copy of the Code of Fair Competition for the Photographic Manufacturing Industry submitted to the Administrator under the National Industrial Recovery Act on July 27, 1933, as amended by authority of the Code Committee of the Photographic Manufacturing Industry.

[seal]

(s) M. B. Folsom,
M. B. Folsom,
Secretary of the Code Committee.

Dated August 11, 1933.

Approved Code No. 12.
Registry No. 1649-1-01.

O

Approved Code No. 13

CODE OF FAIR COMPETITION

FOR THE

FISHING TACKLE INDUSTRY

As Approved on August 19, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Fishing Tackle Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies with the pertinent provisions of Title I of said Act:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved, subject to the following condition:

(1) The Associated Fishing Tackle Manufacturers shall, as soon as practicable, amend the By-Laws of said Association by repealing that provision which requires a vote of a majority of the Executive Committee or of the members for election to membership in the Association.

FRANKLIN D. ROOSEVELT.

Approval recommended:
HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
August 19, 1933.

29907——296-134——34

CODE OF FAIR COMPETITION

FOR THE

FISHING TACKLE INDUSTRY

For the purpose of increasing employment, establishing fair and adequate wages, effecting necessary reduction of hours of labor, improving standards of labor, and eliminating unfair trade practices, to the end of rehabilitating the fishing tackle industry, and enabling it to do its part towards establishing that balance of industry which is necessary to the restoration and maintenance of the highest degree of public welfare, the following is established as the Code of Fair Competition for the fishing tackle industry.

Article I—Definitions

Section 1. The term "Fishing Tackle Industry" as used herein shall include the manufacture of wood fishing rods; metal fishing rods; fishing reels; fishing lines; flies; snelled hooks; gut and wire leaders; baits, including all wood, metal, composition, and preserved lures; fishing hooks; floats, furnished lines and sinkers; sundries, including creels, tackle boxes, minnow buckets, bait boxes, fly books and boxes, rod cases, reel cases, and tackle containers of all kinds; landing nets, dip nets, minnow seines and nets, nets for crabs and other live baits; gaffs and gaff hooks; rod mountings and parts; swivels and snaps and all other accessories such as scalers, disgorgers, stringers, fish knives, and any other article of fishing tackle not specifically mentioned herein.

Sec. 2. The term "manufacturer" as used herein shall include all natural persons, partnerships, associations, corporations, and trusts, including trustees in bankruptcy and receivers, engaged in the conduct of any branch of the Fishing Tackle Industry.

Article II—Standards of Labor and Employment

Section 1. To effectively apply to the Fishing Tackle Industry the letter and spirit of Section 7 (a) of the National Industrial Recovery Act, it is a stipulation of this Code that:

(a) Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from all interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives, or in self-organization, or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(b) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

(c) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President of the United States.

Sec. 2. On and after the effective date no manufacturer shall employ any minor under the age of 16 years, provided, however, that where a State law provides a higher minimum age no manufacturer shall employ within that State any person below the age specified by such State law.

Sec. 3. All manufacturers within the Industry shall comply with the following conditions pertaining to maximum hours of labor and rates of pay:

(a) On and after the effective date no manufacturer shall operate upon a schedule of hours of labor for his employees—except office, supervisory staff, and sales force—in excess of forty (40) hours per week and eight (8) hours per day; the maximum hours of labor for office employees shall not exceed forty (40) hours a week averaged over each period of six (6) months based upon the usual fiscal year of any manufacturer.

(b) On and after the effective date the minimum rate of wages shall be not less than thirty-five cents (35¢) per hour, provided, however, that where a State law provides a higher minimum wage no person employed within that State shall be paid a wage below that required by such State law. Home workers and workers whose remuneration is dependent upon quantity and/or quality of production shall in no case receive less than the above specified hourly rate of pay.

(c) The amount of difference existing on July 15, 1933, between wage rates paid various classes of employees receiving more than the established minimum wage shall not be decreased; and in no event shall any employee be paid a less wage for a work week of forty (40) hours than such employee was receiving for the same class of work for the longer week prevailing prior to the effective date of this Code.

Article III—Trade Practices

Fair and constructive competition is to be encouraged at all times, but, in order that the Fishing Tackle Industry may be rehabilitated, unfair and destructive competition, wastes, and excesses must be eliminated. Each manufacturer shall comply with the following trade practices and violation of any of them shall be deemed an act of unfair competition within the meaning of the Federal Trade Commission Act:

Section 1. *Sales below cost of production and distribution.*—In order to prevent destructive price cutting in the Industry, no manufacturer shall sell or offer for sale any product at a price less than its "reasonable cost of production and distribution," except as provided in Sections 2 and 3 of this Article. The Fishing Tackle Industry Code Committee provided for in Article IV hereinafter, shall, subject to the approval of the Administrator, set up as soon as practicable a standard method of cost accounting for the Industry. Said Committee shall, subject to the approval of the Administrator, define "reasonable cost of production and distribution" for the purposes

of this Code and determine upon a basis to be uniform among the manufacturers of this Industry the character of the items to be included within such "reasonable cost of production and distribution."

Sec. 2. *Sales to Other Manufacturers.*—In order to better distribute employment and to prevent overproduction capacity, nothing in this Code shall prevent one manufacturer from selling his product to another bona fide fishing tackle manufacturer at prices mutually agreed upon, providing such sales are made at prices not less than "factory costs," and further providing that the purchasing manufacturer complies with the provisions of this Code when reselling said merchandise. All such sales or agreements for such sales between manufacturers shall be reported within the first ten days of the month following to the executive officer of the Fishing Tackle Industry Code Committee. Said Committee shall, subject to the approval of the Administrator, define "factory costs" for the purposes of this Code.

Sec. 3. *Close Out Merchandise.*—Mill ends, dropped lines or surplus stocks which must be converted into cash, may be sold at such prices as are necessary, provided such merchandise shall not be sold at a price less than the direct cost of labor and raw materials. The total of all such sales, with the lowest unit price indicated, shall be reported within the first ten days of the month following to the executive officer of the Fishing Tackle Industry Code Committee.

Sec. 4. *Refusing to Sell Other Products or Items.*—No manufacturer shall refuse to sell one class of product or item to a customer except on condition the purchaser will also purchase other products or items made or sold by the same manufacturer; or sell such other products at reduced prices or on special terms or under special conditions given to induce the buyer to purchase such other different classes of articles. Each manufacturer shall sell each different line of merchandise independently, and shall not cut the price on one with the provision that other lines be purchased, or require a purchaser to purchase one class of merchandise as a consideration for being allowed to purchase another.

Sec. 5. *Terms.*—Terms to customers buying at jobber prices shall be 2% ten days E.O.M., 60 days net from date of invoice; no dating; no sales or shipments on consignments; and any interest allowed for anticipated payment of invoices shall not exceed the rate of six percent (6%) per annum.

Sec. 6. *Advertising Ethics.*—No manufacturer shall use false or misleading statements or illustrations in catalogs or any form of advertisement.

Article IV—Administration

Section 1. To effectuate further the policies of the Act, a Fishing Tackle Industry Code Committee is hereby designated to cooperate with the Administrator as a planning and fair-practice agency for the Fishing Tackle Industry. This Committee shall consist of five representatives of the Industry elected by a fair method of selection, to be approved by the Administrator, and three members without a vote appointed by the President of the United States.

Such agency may, with the approval of a majority of the members of the Associated Fishing Tackle Manufacturers, present to the Administrator recommendations based on conditions in the Industry as they may develop from time to time which will tend to effectuate the operation of the provisions of this Code and the policy of the National Industrial Recovery Act. Such recommendations shall, upon approval by the Administrator, become operative as a part of this Code.

Sec. 2. Such agency is also set up to cooperate with the Administrator in making investigations as to the functioning and observance of any provisions of this Code, at its own instance or on complaint by any person affected, and to report the same to the Administrator.

Sec. 3. Such agency is also set up for the purpose of investigating and informing the Administrator on behalf of the Fishing Tackle Industry as to the importation of competitive articles into the United States in substantial quantities or in increasing ration to domestic production on such terms or under such conditions as to render ineffective or seriously to endanger the maintenance of this Code, and as an agency for making complaint to the President on behalf of the Fishing Tackle Industry, under the provisions of the National Industrial Recovery Act, with respect thereto.

Sec. 4. The Secretary-Treasurer of The Associated Fishing Tackle Manufacturers shall be the executive officer of the Fishing Tackle Industry Code Committee.

Sec. 5. In order to provide data necessary for the administration of this Code, all manufacturers shall furnish to the office of the Secretary-Treasurer of The Associated Fishing Tackle Manufacturers such information or reports as may be required, subject to the approval of the Administrator, by the Fishing Tackle Industry Code Committee. Such information as may be submitted to the Secretary-Treasurer by one manufacturer shall not be revealed to any other manufacturer except as may be required by the Fishing Tackle Industry Code Committee to effectuate the purposes of this Code.

Sec. 6. Any manufacturer may participate in any activities of The Associated Fishing Tackle Manufacturers, by assuming a proper pro rata share of the cost and responsibility of administering this Code, either by becoming a member of The Associated Fishing Tackle Manufacturers or by paying to it an amount equal to the dues from time to time provided to be paid by a member in like situation.

Article V—General

Section 1. This Code shall be in effect beginning ten days after its approval by the President of the United States.

Sec. 2. Any contract in effect on the effective date of this Code shall be reported to the executive officer of the Fishing Tackle Industry Code Committee and said Code Committee shall act as an agency to assist in effecting appropriate adjustments of such contracts, by arbitral proceedings or otherwise, to reflect any increased costs due to the application of the provisions of this Code.

Sec. 3. In the event of the elimination of any provision of this Code for any cause whatsoever, the remaining provisions shall nevertheless continue in full force and effect until modified or eliminated or until the expiration of the National Industrial Recovery Act.

Sec. 4. It is expressly understood and agreed that no provision of this Code shall be interpreted or applied as in any way:

(a) Tending to promote monopolies or the establishment of exorbitant prices by the industry;

(b) Permitting or encouraging unfair competition;

(c) Tending to eliminate or oppress small enterprises or to discriminate against small enterprises.

Sec. 5. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of Clause 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation, issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

Sec. 6. Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in the circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions to this Code or additional codes will be submitted for the approval of the President to prevent unfair competition in price and other unfair and destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions thereof.

Approved Code No. 13.
Registry No. 1657/1/03.

Approved Code No. 14

CODE OF FAIR COMPETITION

FOR THE

RAYON AND SYNTHETIC YARN PRODUCING INDUSTRY

As Approved on August 26, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Rayon and Synthetic Yarn Producing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of title I of said act and that the requirements of clauses (1) and (2) of subsection (a) of section 3 of the said act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do approve the report and adopt the findings of the Administrator and do order that said Code of Fair Competition be, and it is hereby, approved on the condition, compliance with which is hereby required, that reports shall be furnished from time to time to the Administrator by each employer of the industry setting forth information on wages, hours of labor, and such other matters in such form, manner, and detail as he may require.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
August 26, 1933.

29846——296-135——34

To the President:

INTRODUCTION

This is a report of the Hearing on the Code of Fair Competition for the Rayon and Synthetic Yarn Producing Industry conducted in the Caucus Room of the Senate Office Building in Washington, D.C., on July 27, 1933, in accordance with the provisions of the National Industrial Recovery Act.

GENERAL CHARACTERISTICS OF THE INDUSTRY

The proponents of the code represented:

(a) That the Rayon and Synthetic Yarn Producing Industry in the United States is composed of eighteen different companies, the total production of which is approximately 224,900,000 pounds per year.

(b) That there are four processes used in the manufacture of rayon and synthetic yarn at the present time. These processes are:

First—Viscose, 14 companies, 175,500,000 lb. per year.

Second—Cellulose Acetate, 5 companies, 45,400,000 lb. per year.

Third—Nitro-cellulose, 1 company, 8,000,000 lb. per year.

Fourth—Cupra-ammonium, 2 companies, 6,000,000 lb. per year.

(c) That all four of these processes are alike in that they start from the same raw materials, either purified cotton or wood pulp, and by chemical reactions make solutions which are afterwards spun into threads, the only differences being the chemicals used in the preparation of the solutions.

(d) That all the yarns made by all four of the above processes are sold to the same classes of customers, in the great majority of cases interchangeably. This is not true in all cases, but does apply as a general rule. For example, the largest outlet for rayon and synthetic yarns is in the weaving industry and this industry uses yarns made by all four processes.

(e) That the differences between the yarns are minor ones, such as differences in dyeing, differences in degree of lustre, differences in melting point, etc.

From a review of the records it appears that this industry, in contrast to most other manufacturing industries, has shown a remarkable resistance to the forces of the depression. Estimated yearly output has shown an increase in each year since the industry became commercially important, until the year of 1932 when a recess of 9 percent was reported. However, it is estimated that the production for the year of 1933 may exceed all previous records.

The remarkable growth in the consumption of rayon since the war is explained in no small degree by the trend of prices. The average price in the peak year of 1919 was approximately $4.77 per pound (150 denier grade A), since which time prices have been reduced until the record low price of $0.55 per pound for the same grade was reached in April of 1933. Since that time prices have been increased to $0.65 per pound, which is approximately 47.5 percent below the average 1929 level.

The industry now employs approximately 41,000 persons, and in contrast to most other industries the number of wage earners in the industry in June of 1933 exceeded the average number employed in the industry in the year of 1929, and it is estimated that, after giving effect to the maximum hours in the code, the number of employees will exceed by more than ten percent the greatest number previously employed in the industry.

No accurate statistics are available as to the average hours of work per week in the industry, but study of the available data indicates an average employment week of 44.8 hours in the year of 1930 with a minimum of 37.4 in July of 1932 and 45.3 per week in June of 1933—the code provides for a maximum of 40 hours per week.

The average wages paid in the industry have been somewhat lower than the average wages for all manufacturing industry—$1,000 per annum in 1931 as compared to $1,102 for all manufacturing industry. As the Division of Research and Planning points out, this may be attributed to (a) a larger proportion of female employees (about 30 percent compared with 13 percent for all industries) and (b) a lesser degree of skill required than is generally true in other branches of industry.

On the other hand wages in this industry have suffered much less during the depression than those of other industries. Average weekly earnings of workers vary between a high of $21.87 in November 1929 and a low of $15.62 in July 1932—however, records show such average to have reached $16.27 in May 1933. A calculation on the basis of 1929 purchasing power of the dollar indicates that the aforesaid average wage in May, of 1933 had an actual " real wage " of $23.55, or, in other words, the real earnings of labor in the rayon industry have increased during the depression.

CONCLUSIONS

The proponents of the code. in their application for approval stated that they represented approximately 80% of the number of companies engaged in the industry and approximately 90% of the production of rayon and synthetic yarn.

In the report of the Deputy Administrator, which I hereby approve, it appears that:

(1) The code establishes maximum hours and minimum wages for all employees in the industry, except those serving in executive, administrative, supervisory, outside sales and/or technical capacities.

(2) The provision of the code relating to maximum hours of labor will bring about the employment of from 3,500 to 4,500 additional employees.

(3) The minimum wage of $13.00 will directly affect more than 6,000 employees and will result in a substantial increase in the wage rate paid to all employees. Moreover, that the minimum wage expressed in terms of " real wage " adjusted to the cost of living index for the month of June of 72.8 percent (U.S. Department of Commerce Report of August) will exceed the minimum prevailing in the industry in the year of 1929.

(4) No employer in the industry will employ any minor under the age of 16 years, or provide a wage for apprentices of less than 85% of the minimum wage established by the code.

I find that—

(a) The code complies in all respects with the pertinent provisions of title I of the act, including, without limitation, sub-section (a) of section 7, and subsection (b) of section 10 thereof; and that

(b) The code is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of title I of the National Industrial Recovery Act.

Accordingly, I hereby recommend the approval of the Code of Fair Competition for the Rayon and Synthetic Yarn Producing Industry.

Respectfully submitted.

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

RAYON AND SYNTHETIC YARN PRODUCING INDUSTRY

To effectuate the policy of title I of the National Industrial Recovery Act, during the period of the emergency, by reducing and relieving unemployment and improving the standards of labor, the following provisions are established as a code for the rayon and/or synthetic yarn producing industry:

I. This code is based upon the fact that an inherent characteristic of the manufacture of synthetic yarns is that production must of necessity be continuous—the chemical and textile departments being in balance; thus any limitation of the hours of machinery cannot economically apply to the rayon and synthetic yarn producing industry and still have the industry survive.

II. The term "rayon and synthetic yarn producing industry", as used herein is defined to mean the manufacture of rayon and/or synthetic yarns from cellulose put up and packaged in forms suitable for the various consuming and fabricating branches of the textile industry.

III. The term "effective date" as used herein is defined to be the fourteenth day after this code shall have been approved by the President.

IV. The term "employees" as used herein shall include all persons employed in the conduct of the rayon and synthetic yarn producing industry. The term "employers" as used herein shall include all natural persons, partnerships, associations, corporations, and trusts, including trustees in bankruptcy and receivers, who employ labor in the conduct of any branch of the rayon and synthetic yarn producing industry.

V. On and after the effective date, employers in the rayon and synthetic yarn producing industry shall operate on the following schedule of hours of labor and wages:

(a) The maximum hours of labor of all employees—except those serving in executive, administrative, supervisory, outside sales and/or technical capacities—shall be forty per week, subject to the flexible provision that the average hours worked per week by any individual employee not exempt from this provision shall not exceed the maximum established when figured over a period of four weeks. In cases of emergency the maximum hours as applied to maintenance and repair crews may be extended for the time of the emergency only, in which latter event a record shall be made of the circumstances and reported to the agency hereinafter provided for in Article VIII.

(b) Inasmuch as some manufacturers of this industry have already made some adjustments in hours and wages, and have recently raised

rates of pay, and inasmuch as this code now proposes in clause (a) next preceding to establish a uniform practice of 40 hours maximum employment for employees. no employee—except those exempted in clause (a) next preceding—shall after the effective date receive for the said 40-hour period of work less compensation than was received or would have been received by said employee for 48 hours of labor, as of 1 May 1933; and on and after the effective date, the minimum wage which shall be paid by employers in the rayon and synthetic yarn producing industry to any employee—except those exempted in clause (a) next preceding—whether the wage is based upon productive effort or efficiency or hourly rates, shall be at the rate of $13.00 per week for 40 hours of labor—except apprentices during a period limited to six weeks shall be paid at the rate of 85% of the minimum wage specified herein.

VI. No employer in the rayon and synthetic yarn producing industry shall employ any minor under the age of sixteen years.

VII. Employers shall comply with the requirements of section 7 (a) of title I of the National Industrial Recovery Act as follows:

1. Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

2. No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

3. Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

VIII. The industry shall set up within itself an agency to cooperate with the Administrator in the administration and enforcement of this code.

IX. The President may from time to time cancel or modify any order, approval, license, rule, or regulation issued under title I of the National Industrial Recovery Act.

Approved Code No. 14.
Registry No. 259/01.

Approved Code No. 15

CODE OF FAIR COMPETITION

FOR THE

MEN'S CLOTHING INDUSTRY

As Approved on August 26, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Men's Clothing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
August 26, 1933.

29845——296-136——34

August 23, 1933.

The President,
The White House.

My Dear Mr. President: I have the honor to submit and recommend for your approval, the Code of Fair Competition for the Men's Clothing Industry. The Code has been approved by the Labor Advisory Board, the Consumers' Advisory Board, and the Industrial Advisory Board.

An analysis of the provisions of the Code has been made by the Administration and a complete report is being transmitted to you. I find that the Code complies with the requirements of clauses 1 and 2, subsection (a) of Section 3 of the National Industrial Recovery Act.

I am, my dear Mr. President,
Very sincerely yours,

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

MEN'S CLOTHING INDUSTRY

To effectuate the policy of Title I of the National Industrial Recovery Act, during the period of the emergency, by reducing and relieving unemployment, improving the standards of labor, eliminating competitive practices destructive of the interests of the public, employees, and employers, relieving the disastrous effects of overcapacity, and otherwise rehabilitating the Clothing Industry and by increasing the consumption of industrial and agricultural products by increasing purchasing power, and in other respects, the following provisions are established as a code of fair competition for the Clothing Industry:

I—Definitions

The term " Clothing Industry " as used herein is defined to mean the manufacture of men's, boys', and children's clothing, uniforms, single knee pants, single pants, and men's summer clothing (exclusive of cotton wash suits).

The term " effective date " as used herein is defined to be the eleventh day of September 1933.

The term " persons " shall include, but without limitation, natural persons, partnerships, associations, and corporations.

II

On and after the effective date, the minimum wage paid by employers in the Clothing Industry to any of their manufacturing employees shall be at the rate of forty cents (40¢) per hour when employed in the northern section of the Industry, and at the rate of thirty-seven cents (37¢) per hour when employed in the southern section of the Industry; and to any nonmanufacturing employee the minimum weekly wage paid shall be fourteen dollars ($14.00) in the northern section and thirteen dollars ($13.00) in the southern section. " Southern section " shall include Alabama, Arkansas, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, and Texas.

The minimum wage paid by employers to employees working on single knee pants shall be at the rate of thirty-seven cents (37¢) per hour.

(a) On and after the effective date, the minimum wage which shall be paid to cutters shall be at the rate of One Dollar ($1.00) per hour, and the minimum wage which shall be paid to off-pressers shall be at the rate of seventy-five cents (75¢) per hour.

(b) The existing amounts by which wages in the higher-paid classes, up to classes of employees receiving Thirty Dollars ($30.00) per week, exceed wages in the lowest-paid substantial classes shall be maintained.

(c) Any increase of the minimum wage made effective between the date of the filing of this Code, to wit, July 14, 1933, and the effective date, shall be disregarded and shall have no effect in connection with determining the wages to be paid in the higher-price classes as provided for in Section II (b) above.

(d) The Men's Clothing Code Authority may appoint a committee to supervise the execution of the foregoing provisions.

(e) The provisions for the minimum wage established in this Code shall constitute a guaranteed minimum rate of pay in connection with both a time rate or a piecework basis of compensation.

(f) No increases in the amount of production or work shall be required of employees for the purpose of avoiding the benefits to employees prescribed by this Code in respect of wages and hours of employment.

All requirements in respect of such increases shall be reported to the Men's Clothing Code Authority.

III

Three (3) months after the effective date a manufacturer shall not be permitted to have work done or labor performed on any garment or part thereof in the home of a worker. All work done for a manufacturer on a garment or part thereof shall be done in what is commonly known as an inside shop or in a contracting shop.

IV

On and after the effective date, the hours of employment for employees in the Clothing Industry, except repair shop crews, engineers, electricians, firemen, office and supervisory staff, stock clerks, shipping clerks, truck drivers, porters and watchmen, and except employees engaged in bona fide managerial or executive capacities shall not exceed thirty-six (36) hours per week nor eight (8) hours per day. Employers shall not operate productive machinery in the Clothing Industry more than one shift of thirty-six (36) hours per week. It is intended that the foregoing provisions for maximum hours shall establish the maximum hours of labor per week of every employee, other than those employees excepted therein, so that under no circumstances will an employee be employed or be permitted to work for any one or more employers in the Industry an aggregate in excess of the prescribed number of hours in any single week.

Repair shop crews, engineers, electricians, firemen, office and supervisory staff, stock clerks, shipping clerks, truck drivers, porters, and watchmen shall not work in excess of an average of forty (40) hours per week during any year beginning with the effective date.

It is intended that employees' wages shall not be reduced by reason of the reduction of the prescribed number of hours of employment.

Tailoring to the Trade and manufacturers of uniforms shall be permitted overtime at regular rates during peak seasons, the number of hours and the number of weeks to be determined by The Men's Clothing Code Authority.

V

All garments manufactured or distributed shall bear an N.R.A. label, which shall remain attached to such garments. Such labels

shall bear a registration number specially assigned to each manufacturer in the Industry. The privilege of using such labels shall be granted and such labels shall be issued to any manufacturer from time to time engaged in the Clothing Industry upon application therefor to the Code Authority, accompanied by a statement of compliance with the standards of operation prescribed by this Code. The privilege of using such labels and the issuance thereof may be withdrawn and cease or may be suspended in respect of any such manufacturer whose operations, after appropriate hearing by The Men's Clothing Code Authority and review by the Administrator, shall be found to be in substantial violation of such standards. Manufacturers shall be entitled to obtain and use such labels if they comply with the provisions of this Code.

The Men's Clothing Code Authority may establish appropriate machinery for the issuance of such labels in accordance with the foregoing provisions.

VI

On and after the effective date, employers in the Clothing Industry shall not employ any minor under the age of sixteen (16) years.

VII

Safe, healthful, and otherwise satisfactory working conditions shall be provided for all employees, which conditions shall as a minimum comply with the highest standards respecting sanitation, cleanliness, light, and safety specified in the Factory Laws of any State in which the manufacturer operates.

VIII

With a view of keeping the President informed as to the observance or nonobservance of this code of fair competition, and as to whether the Clothing Industry is taking appropriate steps to effectuate the declared policy of the National Industrial Recovery Act, each person engaged in the Clothing Industry will furnish every four weeks duly certified reports showing in substance:

(a) Pay-roll data, showing by sex and occupation, number of people employed, number of hours worked, and the rates of wages paid.

(b) Production data showing the number and type of garments cut and made up, in such form as may hereafter be provided by the Men's Clothing Code Authority.

The Men's Clothing Code Authority as hereinafter provided is constituted the agency to collect and receive such reports.

IX

Where the costs of executing contracts already entered into in the Clothing Industry are increased as a result of the enactment of the National Industrial Recovery Act and by the provisions of this Code, it is equitable and promotive of the purposes of the Act that appropriate adjustments of such contracts to reflect such increased costs be arrived at by arbitral proceedings or otherwise and the Men's Clothing Code Authority, as hereinafter provided, is designated to assist in effecting such adjustments.

X

On and after the effective date, it shall be unfair competition for any manufacturer in the Clothing Industry, either directly or indirectly, to sell its manufactured product at a price below its cost as determined without any subterfuge in accordance with sound accounting practice. Cost shall include the cost of piece goods consumed, trimmings, cutting, and making; and a percentage on the selling price to cover all overhead.

There shall be excepted, however, from the provisions of this Section, seasonal clearances of merchandise, and the following dates are fixed for such seasonal sales:

Wool Suits, Spring Season	On and after May 15th.
Wool Suits, Fall Season	On and after November 15th.
Summer Clothing	On and after June 15th.
Overcoats	On and after December 15th.

Dropped lines or surplus stocks, sometimes designated as "closeouts", or inventories which must be converted into cash to meet immediate needs, may be sold on dates prior to those mentioned in the preceding clause, at such prices as are necessary to move the merchandise into buyers' hands. However, all such stocks must first be reported to the Men's Clothing Code Authority.

XI

On and after the effective date, no contractor shall be permitted to contract for the manufacture of any garment or part thereof at a price below its cost as determined without any subterfuge in accordance with sound accounting practice, the cost to include a percentage on the contract price to cover general overhead.

XII

The following rules of fair trade practices are hereby established for the clothing industry:

(a) The sale of garments on consignment is prohibited as an unfair method of competition. The term "consignment" as herein used shall include the delivery by a manufacturer to any distributor, as agent, purchaser, or otherwise, under any agreement or understanding, expressed or implied, pursuant to which the seller retains any lien upon or title to or interest in the goods delivered, or pursuant to which the distributor may at his option return any of the goods or claim any credits with respect thereto. This prohibition shall not apply to contracts entered into prior to July 14, 1933, the term of which expires within one year from the date of the enactment of the National Industrial Recovery Act.

(b) A manufacturer or a contractor shall not make garments from fabrics, trimmings, and/or other materials owned or supplied by a retail distributor or the agent, representative, or corporate subsidiary or affiliate of such retail distributor; nor shall he manufacture garments from fabrics, trimmings, and/or other materials, the purchase of which is made upon the credit of or the payment for which is guaranteed by such retail distributor or the agent, representative, or corporate subsidiary or affiliate of such retail distributor. This sec-

tion shall not prohibit the operations of retail distributors owning and operating their own plants, shops, or factories who distribute products manufactured therein directly to consumers.

XIII

A board known as The Men's Clothing Code Authority shall be established, and for the purpose of effecting membership therein representative of the entire industry, such Board shall be constituted as follows:

Ten (10) members representative of members of The Clothing Manufacturers Association of the United States of America, and

Five (5) members representative of employers in the Clothing Industry who are not members of The Clothing Manufacturers Association of the United States of America, shall be appointed by this Association.

Two (2) members representative of other employers may be chosen by the foregoing members.

Five (5) members representative of labor shall be appointed by the Administrator on nomination by the Labor Advisory Board.

One (1) member may be appointed by the Administrator.

Subject to the approval of the Administrator, The Men's Clothing Code Authority shall have responsibility for the administration and the enforcement of the provisions of this Code, the standards of operation set forth therein, and all appropriate rules and regulations made pursuant thereto.

In connection with such responsibility The Men's Clothing Code Authority shall have the following authorities and powers.

(a) Authority and power to examine all books of accounts and records of employers in the Clothing Industry so far as practicable for the purpose of ascertaining their respective observance or non-observance of the provisions of this Code and the standards of operation set forth therein.

(b) Authority and power to cooperate, so far as possible, with the Administrator in making investigations as to the functioning and observance of the provisions of this Code and the standards of operation set forth therein, at its own instance or on complaint by any person affected, and to report its findings to the Administrator.

(c) Authority and power to investigate and inform the Administrator, on behalf of the Clothing Industry, as to importation of competitive articles into the United States of America in substantial quantities or increasing ratio to domestic production, on such terms and under such conditions as to render ineffective or seriously to endanger the maintenance of this Code, and to make complaint, on behalf of the Clothing Industry, under the provisions of the National Industrial Recovery Act with respect thereto.

(d) Authority and power to consider and to make recommendations to the Administrator and to the President of the United States in respect of the following matters:

(1) Recommendations as to the requirement by the Administrator of such other and further reports from persons engaged in the Clothing Industry of statistical information and the keeping of uniform accounts as may be required to secure the proper observance of the Code and promote the proper balancing of production, distribution

and consumption, and the stabilization of the industry and employment.

(2) Recommendations for the setting up of a Service Bureau for engineering, accounting, credit, or any other purposes that may aid in the conditions of this emergency and the requirements of this Code.

(3) Recommendations for the making of rules by the Administrator as to practices by persons engaged in the Clothing Industry as to methods and conditions of trading, the naming and reporting of prices which may be appropriate to avoid discrimination, to promote the stabilization of the Industry, to prevent and eliminate unfair and destructive prices and practices.

(4) Recommendations for regulating the disposal of distress merchandise in a way that will secure the protection of the owners thereof and at the same time promote sound and stable conditions in the Industry.

(5) Recommendations as to the making available to the suppliers of credit to those engaged in the Industry, all information regarding terms of and actual functioning of any or all of the provisions of the Code, the conditions of the Industry and regarding the operations of any and all persons engaged in the Industry and covered by this Code, to the end that during the period of the emergency, available credit may be adapted to the needs of the Clothing Industry, considered as a whole, and to the needs of the small as well as of the large units.

(6) Recommendations for dealing with any inequalities that may otherwise arise that may endanger the stability of the Industry and/or production and employment.

Such recommendations, when approved by the President of the United States, shall have the same force and effect as any other provision of this Code.

(e) Authority and power to appoint such officers, agents, and other employees as may reasonably be required for the effective discharge of its functions.

Except for the purposes provided in Section VIII of this Code and except so far as may be necessary or appropriate for the enforcement of the provisions of this Code and the standards of operation set forth therein, the data in respect of employers in the Clothing Industry reported to or secured by The Men's Clothing Code Authority shall be treated as confidential and shall not be published or otherwise disseminated throughout the Industry, except as individually undisclosed portions of aggregate compilations.

None of the powers or authorities vested by this Code in the Men's Clothing Code Authority shall be utilized or availed of for any purpose other than the supervision and enforcement of the provisions of this Code or the standards of operation set forth therein, and for purposes of advice and information and recommendation substantially as provided for in this Code.

None of the powers or authorities vested by this Code in The Men's Clothing Code Authority in respect of the operations of employers in the Clothing Industry shall be made effective in such manner as to preclude an appropriate review thereof by the Administrator.

The expense of maintaining The Men's Clothing Code Authority shall be borne by employers in the Clothing Industry in such reasonable proportions and amounts and in such manner as may properly be allocated by the Administrator, upon the recommendation of The Men's Clothing Code Authority.

XIV

Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

XV

This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of Clause 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation, issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

XVI

The Men's Clothing Code Authority shall designate the National Association of Uniform Manufacturers to aid the Administrator in the administration of this Code in respect of the manufacture and distribution of uniform apparel and shall make recommendations to the Administrator in respect of the trade practices desirable for this branch in the industry.

XVII

Such of the provisions of this Code are not required to be included therein by the National Industrial Recovery Act, may with the approval of the President, be modified or eliminated as changes in circumstances or experience may indicate.

Approved Code No. 15.
Registry No. 216-1-06.

O

Approved Code No. 16

CODE OF FAIR COMPETITION

FOR THE

HOSIERY INDUSTRY

As Approved on August 26, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Hosiery Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of the said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:

Hugh S. Johnson,
Administrator.

The White House,
August 26, 1933.

29844——296-137——34

AUGUST 25, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval, the Code of Fair Competition for the Hosiery Industry. The Code has been approved by the Labor Advisory Board, the Consumers' Advisory Board and the Industrial Advisory Board.

An Analysis of the provisions of the Code has been made by the Administration and a complete report is being transmitted to you. I find that the Code complies with the requirements of clauses 1 and 2, subsection (a) of Section 3 of the National Industrial Recovery Act.

Sincerely,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

HOSIERY INDUSTRY

Article I—Purpose

To effectuate the policy of Title I of the National Industrial Recovery Act, the following provisions are submitted as a Code of Fair Competition for the Hosiery Industry, and upon acceptance by the President, shall be the standard of Fair Competition for this industry.

Article II—Definitions

1. The term "Hosiery Industry", as used herein, includes the manufacturing, finishing, repairing, selling, and/or distributing by manufacturers at wholesale or retail, or distributing by wholesalers and selling agents, of hosiery, and other related branches, as may from time to time be included under the provisions of this Code.
2. The term "productive operations" is meant to embrace those operations in the plant which have to do with the manufacturing and packing of hosiery, to the point where it is ready for storage or shipment.
3. The term "Association" shall be understood to mean the National Association of Hosiery Manufacturers.
4. The term "person" shall include natural persons, partnerships, associations, and corporations.
5. The term "Code Authority" shall refer to the Hosiery Code Authority as described in Article IX of this Code.
6. The term "productive equipment" when used in this Code shall refer to knitting machines.
7. The term "Sub-standard employee" shall mean one whose established capacity to produce is substantially below the minimum acceptable performance for the class of work he is doing.

Article III—Date Code Goes Into Effect

This Code shall go into effect the second Monday following the date on which it shall be approved by the President.

Article IV—Hours of Work

1. On and after the date on which this Code goes into effect, no person in the Hosiery Industry shall employ any employee in productive operations on a schedule of hours of labor which shall exceed forty (40) hours per week.
2. It is understood that the above limitation on hours of work shall not apply to office employees, supervisors, foremen, engineers, firemen, electricians, repairshop men, dyers, shipping force, watchmen,

cleaners, outside workers, sales force, and those engaged in emergency maintenance or repair work.

3. On and after September 4, 1933, the maximum number of hours for office employees in the Hosiery Industry shall not exceed an average of forty (40) hours per week over each period of six months.

4. On or before January 1, 1934, the Code Authority shall prepare and submit to the Administrator suggestions for a schedule of maximum hours and minimum wages to apply to those employees excepted under Section 2 of this Article.

5. It is interpreted that the provisions for maximum hours establish a maximum of hours of labor per week for every employee covered, so that under no circumstances will such an employee be employed or permitted to work for one or more employers in the Industry in the aggregate in excess of the prescribed number of hours in a single week.

6. The productive operations of a plant shall not exceed two shifts of forty (40) hours each per week. The work week for productive operations, except dyeing, shall not exceed five (5) days of eight (8) hours each. These days shall be Monday to Friday, inclusive, except in those states where the state laws operate to prevent the operation of two forty (40) hour shifts within the mentioned five (5) days. In such states, the employer may operate one shift on Saturday, not to exceed four (4) hours, it being definitely understood that his total machine hours shall not exceed eighty (80) hours per week.

7. For a period of six (6) months following the date on which this Code goes into effect, full-fashioned hosiery plants whose footing equipment on July 24, 1933, was being operated on a two-shift basis may continue to operate such equipment on a two-shift basis, but the length of each of these shifts shall not exceed thirty-five (35) hours per week. The rates paid to knitters, knitting-helpers, and toppers working on these thirty-five (35) hour shifts, shall be such as to provide them earnings equal to those which they would receive if working on forty (40) hour shifts. Full-fashioned hosiery mills whose footing equipment on July 24, 1933, was being operated on a one-shift basis shall not, during said six (6) months, operate such equipment more than one shift of forty (40) hours per week. Not later than thirty (30) days before the expiration of the mentioned six (6) months, the Code Authority shall submit, for the Administrator's approval, a recommendation for determining a more permanent policy respecting footer operation designed to effect a reasonable balance between production and demand.

8. Manufacturers of woolen hosiery may operate their knitting equipment not to exceed three (3) shifts of forty (40) hours each until December 31, 1933, after which time their knitting operations shall be limited to two (2) shifts of forty (40) hours each. This exception applies only to the manufacture of hosiery which contains at least twenty percent (20%) of wool.

Article V—Wages

On and after the date on which this Code becomes effective, the minimum wage, on the basis of forty (40) hours' labor per week, to be paid by all employers in the Hosiery Industry shall be at the following rates:

1. FULL-FASHIONED MANUFACTURE

Classification of workers	Minimum weekly rate	
	North	South
Class 1: Leggers, footers:		
36 gauge and below	$18.50	$16.75
39 gauge	20.00	18.00
42 gauge	21.50	19.50
45 gauge	23.50	21.25
48 gauge	25.50	23.00
51 gauge and above	27.50	24.75
Class 2: Boarders	17.00	15.50
Class 3: Toppers, loopers, seamers, skein winders, menders, pairers, finished inspectors, helpers on knitting (over six months' training), pairer-folders	15.00	13.50
Class 4: Stampers, boxers, gray examiners, folders, cone-winders, other productive workers, learners (including machine helpers), for the second 3 months of their training	13.00	12.00
Class 5: Learners (including machine helpers), for the first 3 months of their training	8.00	8.00

2. SEAMLESS MANUFACTURE

Classification of workers	Minimum weekly rate	
	North	South
Class 1: Machine fixers	$18.00	$16.25
Class 2: Knitters (above 240 needle), loopers (above 240 needle), boarders	14.00	12.75
Class 3: Knitters (240 needle and below), loopers (240 needle and below), seamers, toppers, menders, pairers, welters, trimmers, stampers, folders, boxers, inspectors, winders, knitters (ribbed top), shipping help, machine fixer helpers, other productive workers	13.00	12.00
Class 4: Learners (first 3 months' training)	8.00	8.00

3. It is interpreted that the provisions for a minimum wage in this Code establish a guaranteed minimum rate of pay per hour of employment regardless of whether the employee's compensation is based on a time rate or upon a piecework performance. This is to avoid frustration of the purpose of the Code by changing from hour to piecework rules.

4. The territory constituting " South " embraces the States of Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

5. The learner's first three (3) months' training provided for under Class 5 of Section 1 and Class 4 of Section 2 of this article is the aggregate of his or her first three (3) months' training within the industry, whether continuous or not, and whether employed by or permitted to work for one or more employers.

6. The practice or requiring or permitting a knitter to pay part or all of the wages of a knitter-helper is prohibited. The full wages of all employees shall be paid by the employer.

7. The amount of production of work required of any employee shall not be increased over that required for the same class of work prior to July 15, 1933, for the purpose of avoiding the benefits to employees prescribed by this Code with respect to wages and hours of employment.

8. The minimum wages of substandard employees shall not be more than twenty percent (20%) below those of regular employees

in the same class of work. The total number of substandard employees shall not at any time exceed five percent (5%) of all the productive employees of the plant. They shall be registered with the Code Authority in such manner as it may specify.

9. On and after the date on which the Code goes into effect, the minimum wages paid by employers in the Hosiery Industry to all employees not specified in Sections 1 and 2 of this Article, except cleaners, outside workers and substandard workers, shall be at the rate of twelve dollars ($12.00) per week in the South and at the rate of thirteen dollars ($13.00) in the North for forty (40) hours of labor.

Article VI—Conditions of Work

1. All productive operations shall be carried on on the premises of a plant, this being understood to specifically prohibit the farming out of work to be done in private homes or elsewhere than in a plant. Exceptions, in the cases of individual workers, may be granted where the proofs show that the worker can only work at home, and requires such work as a means of livelihood. Permits for exceptions shall be procurable from the Code Authority which will prescribe the manner and conditions under which they shall be considered.

2. On and after the date on which this Code shall be in effect, no person in the Hosiery Industry shall employ any minor under the age of sixteen (16) years.

3. (a) All full fashioned footing machines shall be operated on a single-machine basis, i.e., one knitter, or one knitter and one knitting-helper, to one machine.

(b) Under no condition is a knitter to operate more than two full fashioned legging machines. When operating two such legging machines, he shall be assisted by two knitting-helpers.

(c) The Code Authority shall collect information on the extent of double-machine full fashioned legging operations as of July 15th and as of September 15th, and make such recommendations to the Administrator as it may see fit. Pending such recommendations, full fashioned legging machines operating on a single-machine basis shall continue on such basis.

Article VII—Reports and Data

For the purpose of judging the observance of the Code, of gauging the extent to which the objectives of the National Industrial Recovery Act are being attained, and of being able to intelligently make any necessary amendments or additions to the Code, each person engaged in the manufacture of hosiery shall furnish the National Association of Hosiery Manufacturers properly certified reports of such character and in such form as the Association may prescribe. Among such reports to be required are the following:

1. *Advance basic report*, covering recent shipment or production figures in the terms of styles commonly accepted in the trade, hours of work, plant operation hours, wages and equipment, etc.

2. *Weekly shipment report.*

3. *Monthly production, production and selling costs, shipments, stocks on hand, change in equipment, wages and hours of labor report.*

Article VIII—Fair Trade Practice

To assure fair competition in the Industry and proper practices in the merchandising of hosiery, the following fair trade practice provisions are made a part of the Code and binding on all hosiery manufacturers:

1. *Contracts.*—(a) Written orders, as well as oral orders based on practice established between the buyer and the seller concerned, shall be performed on the terms specified.

(b) The practice of permitting the listing of a style by a customer without a definite quantity contract is unfair trade practice.

(c) The Association shall develop uniform conditions of sale for the use of the industry.

2. *Price guarantees.*—To guarantee prices against decline is an unfair trade practice.

3. *Bonuses, rebates, discounts, et cetera.*—To allow commissions bonuses, rebates, refunds, credits, unearned discounts, or subsidies of any kind, to a purchaser, whether in the form of money, services, payment of any part of the wages of a customer's employee, advertising or otherwise, or the return of merchandise except for mill imperfections, or giving of premiums, when not extended to all purchasers under like terms and conditions, is an unfair trade practice.

Hosiery manufacturers selling merchandise under their own brands shall have the right to enter arrangements for cooperative advertising of such brands. Such manufacturers may also offer exchange merchandise services, returns for credit excepted, provided that such practices are part of their regular and customary merchandising-methods, and provided that these privileges are open to all customers of such manufacturers. The manufacturer's share of cooperative advertising referred to above shall not exceed fifty (50) percent of the amount actually spent.

4. *Selling below cost, et cetera.*—(a) The selling of merchandise below cost, except as provided under subsection C of this section and section 8 of this article, is unfair trade practice.

(b) The billing of customers' sample requirements at less than regular stock prices is unfair trade practice.

(c) All closeouts of discontinued styles and/or sizes and/or broken assortments, if sold below cost, shall be stamped "Discontinued" on each hose with an indelible transfer ordered only through the Association.

(d) Each manufacturer in the Industry shall determine costs in a manner approved by the Code Authority.

5. *Shipments on consignment.*—To ship hosiery on consignment or on memorandum is unfair trade practice.

6. *Commercial bribery.*—The giving of gratuities or bribes, for the purpose of obtaining commercial advantages or preference, whether in the form of money, goods, or privileges, is unfair trade practice.

7. *Return of merchandise for refinishing.*—To allow a customer to return merchandise for refinishing or redyeing without charging actual costs therefor is unfair trade practice.

8. *Sale of merchandise other than first quality.*—(a) The sale of irregulars or seconds in the packing of firsts, with the intent or effect of deceiving the purchaser or the ultimate consumer, is unfair trade practice.

(b) All full-fashioned hosiery, and all seamless hosiery other than bundle goods, which is not first quality, shall be stamped or transferred either "Irregulars" or "Seconds" on the toe or sole of each hose, except that goods of a lower classification commonly known as thirds must be stamped or transferred "Thirds."

(c) All stamping of this nature must be indelible. The words "Irregulars", "Seconds", or "Thirds", must be in full-face type letters of not less than three sixteenths of an inch in height.

9. *Sale of mill runs.*—To sell hosiery commonly known as "Mill Runs" containing hose which according to proper inspection as generally practiced by the industry would be classified as "Irregulars" or "Seconds", with the intent or effect of deceiving the ultimate consumer, is unfair trade practice.

10. *Substitution.*—To ship or deliver hosiery which does not conform in quality and value to the samples submitted or representations made prior to securing the order, without the knowledge or consent of the purchaser to such substitutions, is unfair trade practice.

11. *Misbranding and improper marking.*—To sell hosiery marked or branded falsely with the effect of misleading or deceiving purchasers or the ultimate consumer with respect to price, quantity, quality, gauge, grade, substance, or value of the merchandise is unfair trade practice.

12. *Misrepresentation of materials.*—(a) If any definite section or sections of the hose be made of a material entirely different from that of the bulk or body of the stocking, when such material gives the appearance of silk, the hose must be stamped with the names of both materials.

(b) No material or content shall be stamped on any hose unless it represents at least five percent (5%) of the hose by weight. When two or more contents exist, if any content is stamped on the hose, all contents constituting five percent (5%) or more of the weight of the hose shall be stamped and in the order of major content.

13. *Imitation of competitor's marks.*—The imitation of the trade marks, trade names, slogans, or other marks of identification of competitors, having the tendency to mislead or deceive the ultimate consumer, is an unfair trade practice.

14. *Observance of Code.* The failure to observe any rule in this Article of the Code, even if it does not contain the words "unfair trade practices", is a violation of the Code.

15. *Arbitration.*—All disputes pertaining to the interpretation of the Fair Trade provisions described in this Article of the Code shall be submitted to such forms of arbitration as may be set up by the Association.

Article IX—Coordination and Administration

1. A Hosiery Code Authority shall be established for the purpose of administering this Code and for all other purposes hereinafter set forth. The Code Authority shall be constituted as follows:

(a) Eight (8) members, representative of employers, shall be appointed by the Board of Directors of the Association.

(b) Two (2) members, representative of labor, shall be appointed by the Administrator, on nomination of the Labor Advisory Board.

(c) Two (2) members shall be appointed by the Administrator.

2. For the purpose of assuring to the Code Authority the advice and suggestions of the major branches of the Industry, the Association shall provide for the selection in each major branch of the Industry of an Advisory Committee. Such Advisory Committee shall make such recommendations to the Code Authority as they may deem necessary and advisable with reference to their particular branch of the Industry. They may also submit recommendations affecting the whole Industry. Such recommendations, when approved by the Code Authority, and by the Administrator, shall become a part of this Code and shall have full force and effect as provisions thereof.

3. It shall be the duty of the Code Authority to:

(a) Issue and distribute to all persons in the Industry, from time to time, such posters or notices as, in its judgment, shall be displayed in the plants of the Industry for the purpose of bringing to the attention of all employees, provisions of the Code which affect them, and interpretations thereof by the Code Authority. The Code Authority may specify the manner in which such notices or posters shall be displayed. Failure to comply with such instructions shall be an infraction of the Code.

(b) Review all questions or disputes arising under this Code. It shall have the power, subject to the approval of the Administrator, to dispose of such issues directly or by such means or media as it may designate or set up for the purpose.

(c) Report to the Administrator all violations or infractions of the Code which have been submitted to it in writing. The Code Authority may submit with such reports its recommendations as to appropriate action thereon.

(d) Investigate the importation of competitive articles into the United States on such terms or under such conditions as to render ineffective or seriously endanger the maintenance of this Code, and act as the agency for making complaint to the President on behalf of the Hosiery Industry.

(e) Submit to the Administrator from time to time such recommendations as, in its judgment, will have the effect of improving the Code, or of improving the results secured thereunder, any of which recommendations, when approved by the Administrator, shall have force and effect as provisions of this Code. Every recommendation shall be made only after a proper canvass of the opinion of the Industry. In submitting any recommendation to the Administrator, the aggregate number of mills as well as the aggregate productive capacity, favoring or opposing the recommendation, shall be indicated. Such recommendations shall, among others, be of the following character:

(1) Recommendations for changes in those provisions of the Code which relate to hours of work, plant hours, minimum wages and working conditions, as may seem desirable in the light of experience under the Code.

(2) Recommendations for changes and additions in those provisions of the Code which relate to fair trade practices.

(3) Recommendations (a) for the requirement by the Administrator of registration by persons engaged in the Hosiery Industry of their productive equipment, (b) for the requirement by the Administrator that prior to the installation of additional productive equipment (except for the replacement of existing equipment of equal capacity or to establish balance in existing equipment) by persons engaged or engaging in the Hosiery Industry, such persons shall secure certificates that such installation will be in accord with the objectives of the Act.

(4) Recommendations for the acquisition and disposal of surplus used equipment, or the scrapping of fully depreciated obsolete equipment, and as an aid to maintaining proper balance between productive capacity and expectable demand.

(5) Recommendations as to requirements by the Administrator of uniform methods of cost accounting to assure against unfair competition and a demoralization of the market through selling below cost (other than distress merchandise), and otherwise to assure compliance with the provisions of the Code.

4. The cost of the administration needed to secure proper observance of this Code and any additions thereto, the compilation of statistical data, and such other activities as may be necessary shall be apportioned pro rata, so far as is practicable, to all persons in the Industry whether or not they are members of the National Association of Hosiery Manufacturers.

Article X—Adjustment of Prior Contracts

Where the costs of executing contracts entered into in the Industry prior to June 16, 1933, are increased by the application of the provisions of this Code to the Industry, it is equitable and promotive of the purposes of this Code that appropriate adjustments of such contracts to reflect such increased costs be arrived at. Further, if the fulfillment of orders is delayed or prolonged as the result of the operations of this Code, appropriate additional time shall be allowed for the completion of such orders. The Association is constituted an agency to assist in effecting such adjustments.

Article XI—Rights of Employees

National Industrial Recovery Act, Section 7, subsection a, "(1) Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; (2) No employee and no one seeking employment shall be required as a

condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and (3) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President."

ARTICLE XII—MONOPOLY AND DISCRIMINATION

No provision of this Code shall be interpreted or applied in any manner which shall—

1. Promote monopolies.
2. Permit or encourage unfair competition.
3. Eliminate, oppress, or discriminate against small enterprises.

ARTICLE XIII—AMENDMENTS AND ADDITIONS TO CODE

1. This Code takes into consideration the provisions of Section 10, Subsection b, of the National Industrial Recovery Act, by which "The President may from time to time cancel or modify any order, approval, license, rule, or regulation issued under this title; and each agreement, code of fair competition, or license approved, prescribed, or issued under this title shall contain an express provision to that effect."

2. It is anticipated that experience under the Code will suggest or demand modifications of or additions thereto, to better accomplish the objectives sought by the National Industrial Recovery Act. Any proposed changes or addition will be submitted for the approval of the President.

Approved Code No. 16.
Registry No. 241/02.

Approved Code No. 17

CODE OF FAIR COMPETITION

FOR THE

AUTOMOBILE MANUFACTURING INDUSTRY

As Approved on August 26, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Automobile Manufacturing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

Now, therefore, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations and findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:

Hugh S. Johnson,
Administrator.

The White House,
August 26, 1933.

29854——296-138——34

August 25, 1933.

The President,

The White House.

My Dear Mr. President: I have the honor to submit and recommend for your approval, the Code of Fair Competition for the Automobile Manufacturing Industry. The code has been approved by the Industrial Advisory Board, the Labor Advisory Board, and the Consumers' Advisory Board.

An analysis of the provisions of the code has been made by the Administration and a complete report is being transmitted to you. I find that the code complies with the requirements of clauses 1 and 2 subsection (a) of section 3 of the National Industrial Recovery Act.

I am, my dear Mr. President,

Very sincerely yours,

Hugh S. Johnson,

Administrator.

CODE OF FAIR COMPETITION

FOR THE

AUTOMOBILE MANUFACTURING INDUSTRY

The following provisions are established as a code of fair competition for the Automobile Manufacturing Industry:

I—Definitions

The term "motor vehicles" as used herein means automobiles, including passenger cars, trucks, truck tractors, busses, taxicabs, hearses, ambulances, and other commercial vehicles, for use on the highway, excluding motorcycles, fire apparatus, and tractors other than truck tractors.

The term "Industry" as used herein includes the manufacturing and assembling within the United States of motor vehicles and bodies therefor, and of component and repair parts and accessories by manufacturers or assemblers of motor vehicles.

The term "employees" as used herein means all persons employed in the conduct of such operations.

The term "employers" as used herein means all individuals, partnerships, associations, trusts, and corporations in the Industry by whom such employees are employed.

The term "Chamber" as used herein means National Automobile Chamber of Commerce, a trade association having its office at No. 366 Madison Avenue, New York City.

The term "effective date" as used herein means the tenth day after this code shall have been approved by the President of the United States.

The term "expiration date" as used herein means December 31, 1933, or the earliest date prior thereto on which the President shall by proclamation or the Congress shall by Joint Resolution declare that the emergency recognized by Section 1 of the National Industrial Recovery Act has ended.

The term "city" as used herein includes the immediate trade area of such city (which in the case of Detroit shall be deemed to include Pontiac and Flint).

II—Wages

On and after the effective date, and to and until the expiration date:

The minimum wages of factory employees covered hereby shall be at the following hourly rates regardless of whether the employee is compensated on the basis of time rate or piece rate or otherwise:

	Cents
---- in cities having 500,000 population or over	43
---- in cities having 250,000 and less than 500,000 population	41½
---- in cities or towns having less than 250,000 population	40

Provided, however, that apprentices and learners and females not doing the same work as adult males shall be paid not less than 87½ percent of said minimums, but the number of such apprentices and learners and females not doing the same work as adult males employed by any employer shall not exceed 5 percent of the total number of factory employees of such employer including subsidiary and affiliated companies.

Equitable adjustment in all pay schedules of factory employees above the minimums shall be made on or before September 15, 1933, by any employers who have not heretofore made such adjustments, and the first monthly reports of wages required to be filed under this code shall contain all wage increases made since May 1, 1933.

The minimum wages of office and salaried employees covered hereby shall not be less than the following weekly rates:

____ in cities having 500,000 population or over, at the rate of $15 per week.
____ in cities having 250,000 and less than 500,000 population, at the rate of $14.50 per week.
____ in cities or towns having less than 250,000 population, at the rate of $14 per week.

III—Hours

There are substantial fluctuations in the rate of factory production throughout each year, due mainly to the concentration of a large part of the annual demand for cars within a few months, and also to the slowing down of employment in connection with changes in models and other causes beyond the industry's control.

To lessen the effect on employment of these conditions, it has been the policy of the industry to adjust working hours, in order to retain the greatest number of employees and so far as practicable adjust the manufacturing schedules of component parts to allow a more uniform schedule of hours. The industry will continue this policy.

The progressive falling off of retail sales during the years of depression, resulting in the necessity of repeated adjustments downward in production schedules, had its important influence in causing an abnormal fluctuation in employment schedules.

Before the presentation of this code the industry had gone far in spreading available work to relieve unemployment, and under this code it proposes to spread the work as far as practicable in its judgment, consistent with the policy of giving each employee a reasonable amount of work in each year.

For this purpose it is made a provision of this code that employers shall so operate their plants that the average employment of all factory employees (with exceptions stated below) shall not exceed thirty-five hours per week for the period from the effective date to the expiration date, and the hours of each individual employee shall so far as practicable conform with this average and shall in no case exceed the same by more than three percent.

In order to give to employees such average of thirty-five hours per week, it will be necessary at times to operate for substantially longer hours, but no employee shall be employed for more than six days or 48 hours in any one week, and all such peaks shall be absorbed in such average.

In order that production and employment for the main body of employees may be maintained with as few interruptions as possible,

it is necessary, and it is a part of this code, that the supervisory staff and employees engaged in the preparation, care, and maintenance of plant machinery and facilities of and for production, shall be exempt from the weekly limitations above provided, but the hours of employment of any such exempted employee engaged in the preparation, care, and maintenance of factories and machinery of and for production shall not exceed 42 hours per week averaged on an annual basis.

Office and other salaried employees, covered hereby, receiving less than $35 per week shall not work more than 48 hours in any one week and not more than an average of 40 hours per week for the period from the effective date to the expiration date. Employees receiving more than $35 per week and executives and managerial and supervisory staffs are not subject to any hourly limitations.

The industry recognizes the serious problem of major fluctuations in production due to concentrated seasonal customer demand and changes in the rate of production caused by changes in models, which changes are necessary. The Chamber pledges itself to make a further study of this problem in an effort to develop any further practical measures which can be taken to provide more stable and continuous employment and to reduce to a minimum the portion of employees temporarily employed and to submit a report thereon to the Administrator by December 1, 1933.

IV—Child Labor

Employers in the industry shall not employ any person under the age of 16 years. The Chamber states that child labor has at no time ever been a factor in the Automobile Industry.

V—Reports and Statistics

Each employer engaged in the industry will furnish to the Chamber as hereinbelow provided, approximately every four weeks. duly certified reports in such form as may hereafter be provided showing actual hours worked by the various occupational groups of employees and wages paid.

VI—Administration

For the purpose of supplying the President and the Administrator with requisite data as to the observance and effectiveness of this code and the administration thereof, the Chamber is hereby designated—

(a) To collect from the members of the industry all data and statistics called for by this code, or required by the President, or reasonably pertinent to the effectuation of title I of the National Industrial Recovery Act, and compile the same, and disseminate among the members of the industry summaries thereof, all in such form and manner as the Chamber shall reasonably prescribe subject to approval by the Administrator.

(b) To represent the industry in conference with the Administrator with respect to the application of this code and of said act and any regulations issued thereunder; provided, however, that as regards all matters mentioned in this paragraph (b), the Chamber

shall have no power to bind the industry or any subdivision thereof. The President or the Administrator may designate a representative to participate in such conferences, who shall have access to all data and statistics collected by the Chamber as above provided. The Chamber or its authorized committee or agent shall hold itself in readiness to assist and keep the Administrator fully advised, and to meet with the Administrator's representative from time to time as requested to consider and study any suggestions or proposals presented upon behalf of the Administrator or any member of the industry regarding the operation, observance, or administration of this code.

(c) The duties of the Chamber above referred to shall be exercised by the Chamber by its Board of Directors, which may delegate any of said duties to such agents and committees as it may appoint whose personnel, duties, and powers may be changed.

VII

Employers in this industry shall comply with the following requirements of section 7 (a) of title I of the National Industrial Recovery Act.

Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; (2) no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and (3) employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

Without in any way attempting to qualify or modify, by interpretation, the foregoing requirements of the National Industrial Recovery Act, employers in this industry may exercise their right to select, retain, or advance employees on the basis of individual merit, without regard to their membership or nonmembership in any organization.

VIII

As required by section 10 (b) of title I of the National Industrial Recovery Act, the following provision is contained in this code: The President may from time to time cancel or modify any order, approval, license, rule, or regulation issued under said Title.

IX

By presenting this code, the Chamber and others assenting hereto do not thereby consent to any modification thereof and they reserve the right to object individually or jointly to any such modifications.

X

Such provisions of this code as are not required to be included therein by the National Industrial Recovery Act may, upon the application of the industry or a subdivision thereof and with the approval of the President, be modified or eliminated. It is contemplated that from time to time supplementary provisions to this code or additional codes may be submitted in behalf of the industry or various subdivisions thereof for the approval of the President.

Approved Code No. 17.
Registry No. 1403-1-04.

Approved Code No. 18

CODE OF FAIR COMPETITION

FOR THE

CAST IRON SOIL PIPE INDUSTRY

As Approved on September 7, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Cast Iron Soil Pipe Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do approve the report and recommendations and adopt the findings of the Administrator and do order that the said Code of Fair Competition be, and it is hereby, approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
September 7, 1933.

29912——296-000——34

NATIONAL RECOVERY ADMINISTRATION,
Washington, D.C., September 7, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval the Code of Fair Competition for the Cast Iron Soil Pipe Industry. The Code has been approved by the Labor Advisory Board, the Consumers Advisory Board, the Industrial Advisory Board, and the Legal Division.

An analysis of the provisions of the Code has been made by the Administration and a complete report is being transmitted to you. I find that the Code complies with the requirements of clauses 1 and 2, subsection (a) of Section 3 of the National Industrial Recovery Act.

Very sincerely yours,

HUGH S. JOHNSON, *Administrator.*

CODE OF FAIR COMPETITION

FOR THE

CAST IRON SOIL PIPE INDUSTRY

To effectuate the policy of Title I of the National Industrial Recovery Act, during the period of emergency, by reducing and relieving unemployment, improving standards of labor, eliminating competitive practices destructive to the interests of the public; rehabilitating the Cast Iron Soil Pipe Industry, and by increasing the consumption of industrial and agricultural production by increasing purchasing power, and in other respects, the following provisions are established as a Code of Fair Competition for the Cast Iron Soil Pipe Industry:

1. (a) The term " association " as used herein means the Cast Iron Soil Pipe Association.

(b) The term " cast-iron soil pipe " as used herein means pipe used for carrying soil and liquid waste matter from plumbing fixtures of buildings into the main sewer system, also for ventilating purposes in connection with plumbing systems within buildings, and for carrying other liquids where not under pressure. It is manufactured in lengths of five (5) feet only, and in diameter ranging from 2 inches to 15 inches, with a wall thickness of $\frac{1}{8}$ inch to $\frac{7}{16}$ inch. Soil pipe is manufactured from pig iron and scrap iron by casting horizontally in green sand molds and green sand cores—by the hand-ramming stripping-plate methods. Its process of manufacture and use is not comparable with cast-iron pressure pipe, which is manufactured in lengths of six (6) to eighteen (18) feet by the " pit cast " and " centrifugal " methods, and ranges in diameter from two (2) to ninety-six (96) inches, and is used for carrying liquids and gas under pressure.

(c) The terms " fittings and plumbers' cast-iron specialties " as used herein means cast-iron soil-pipe fittings and cast-iron service, valve, roadway and meter boxes, and other cast-iron specialties used in connection with plumbing systems within and outside of buildings, but not including plumbing fixtures and valves.

(d) For the purpose of this Code the wholesaler of plumbing supplies is defined but without limitation as an individual, partnership, corporation, or other entity, who has a substantial investment in his business, who buys in bulk quantities, maintains a warehouse, and a sufficiently complete stock of plumbing supplies to meet all normal requirements, whose major business is selling to contractors, retailers, or others who purchase for reselling and who maintain complete office, sales, and delivery service, and who does not perform directly or indirectly the functions of a contractor.

(e) For the purpose of this Code a plumber is defined as one who repairs or installs plumbing equipment of every character, who purchases plumbing supplies for installation or for resale as personal property.

(f) For the purpose of this Code a "Direct-to-you" or "Mail Order House" is defined as an individual, partnership, corporation, or other entity who has a substantial investment in his business, who buys in bulk quantities, who maintains a warehouse and a sufficiently complete stock of plumbing fixtures to meet all normal requirements, whose major business is selling to the consumer.

(g) Wherever the word "industry" appears in this Code it means the Cast Iron Soil Pipe Industry.

2. This Code shall be in effect commencing the first Monday following its approval by the President.

3. (a) On and after the effective date, the minimum wages that shall be paid by employers in the Cast Iron Soil Pipe Industry to any of their employees, except learners during a three months' apprenticeship, shall be at the rate of thirty-two (32) cents per hour for common labor when employed in the South and at the rate of forty (40) cents per hour for common labor when employed in the Eastern, Western, and Pacific Coast sections of the United States.

(b) For the purpose of this Code the South comprises the territory South of the Ohio and Potomac Rivers and East of the Mississippi River.

(c) For the purpose of the Code the Eastern, Western, and Pacific Coast sections comprise the balance of the United States.

4. (a) On and after the effective date twenty-seven (27) hours will be the maximum hours of labor per week, except as hereinbelow provided.

(b) The maximum hours for clerks, bookkeepers, and stenographers shall be forty hours per week, not exceeding eight hours in any one day.

(c) Executive officers and their supervisory staffs are excluded from any of the provisions relating to maximum hours, as provided in this Section 4.

5. On and after the effective date employers in the Cast Iron Soil Pipe Industry shall not employ any minor under the age of sixteen years, provided that no person under the age of eighteen years shall be employed in any foundry operation that might be termed hazardous, and provided further that where a State law specifies a higher minimum age no person below the age so specified shall be employed within that State.

6. On and after the effective date members of the Cast Iron Soil Pipe Industry shall not operate productive equipment in said industry for more than twenty-seven hours per week or a schedule of hours greater than is provided in the Code for Labor.

7. With a view to keeping the President of the United States and the Administrator informed as to the observance or nonobservance of this Code of Fair Competition, and as to whether the Cast Iron Soil Pipe Industry is taking appropriate steps to effectuate the declared policy of the National Industrial Recovery Act, every person engaged in the Cast Iron Soil Pipe Industry will furnish

duly certified reports in substance as follows, and in such form as may hereinafter be provided:

(a) Monthly report of the number of people employed, showing increase or decrease, the number of man hours worked per day, classification and rates of pay, together with any changes occurring during the month.

(b) Monthly report of production of cast-iron soil pipe and fittings and plumbers' cast-iron specialties.

(c) Monthly report of shipments of cast-iron soil pipe and fittings and plumbers' cast-iron specialties.

(d) Monthly report of total inventory of finished goods.

(e) Monthly report of unfilled orders.

(f) Monthly report of delinquent accounts.

The Cast-Iron Soil Pipe Association, or successor associations, the applicant herein, is hereby constituted the agency to collect and receive such reports. It is understood, however, that the individual reports of each manufacturer shall be kept confidential and shall not be disclosed to any other member of the industry.

8. To effectuate the policy of Title I of the National Industrial Recovery Act and subject to the approval of the Administrator, the method of selling cast-iron soil pipe, fittings, and plumbers' cast-iron specialties shall conform to the specimen uniform sales contracts for the various classes of purchasers—wholesalers, plumbers, "Direct-to-You" or "Mail Order House", and municipal and Federal governments.

9. To further effectuate the policies of the National Industrial Recovery Act, the Cast Iron Soil Pipe Association, the applicant herein, or such successor association as may hereafter be constituted by the action of the Cast-Iron Soil Pipe Manufacturers, and three persons without vote, appointed by the President of the United States, shall constitute an agency to cooperate with the Administrator as a planning and fair practice agency for the Cast-Iron Soil Pipe Industry. Such persons appointed by the President shall at all times have access to all records of the Association. Such agency may from time to time present to the Administrator recommendations based on conditions in the industry as they may develop from time to time which will tend to effectuate the operation of the provisions of this Code and the policies of the National Industrial Recovery Act, and in particular along the following lines:

(a) Recommendations as to the requirements by the Administrator of such further reports from persons engaged in the Cast-Iron Soil Pipe Industry, of statistical information and keeping of uniform accounts as may be required to secure the proper observance of the Code and promote the proper balancing of production and consumption, and the stabilization of the industry and employment.

(b) Recommendations for dealing with any inequalities that may otherwise arise to endanger the stability of the industry and of production and employment. Such recommendations, when approved by the President of the United States, shall have the same force and effect as any other provisions of this Code. Such agency is also set up to cooperate with the Administrator in making investigations as to the functioning and observance of any of the provisions of this

Code, at its own instance or on complaint of any person affected, and to report the same to the Administrator.

10. If formal complaint is made to the Cast-Iron Soil Pipe Association that the provisions of this Code have been violated by any employer the Planning and Fair Practice Agency provided for in section 9 shall investigate the facts and to that end may cause such examination or audit to be made as may be necessary.

11. For all purposes of the Code the acts described as follows shall constitute unfair methods of competition:

(a) Selling or offering to sell any products of the Cast-Iron Soil-Pipe Industry with intent to deceive purchasers or prospective purchasers as to the quantity, quality, size, grade, weight, or substance of such product.

(b) The acceptance of orders for large quantities of pipe, fittings, or plumbers' cast-iron specialties by manufacturers except for a specific building operation and then making small deliveries at quantity prices for the purpose and with the effect of discriminating between purchasers.

(c) Withholding from or inserting in the invoice facts which make the invoice a false record, wholly or in part, of the transaction represented on the face thereof, and of the payment or allowance of secret rebates, refunds, credits, unearned discounts, whether in the form of money or otherwise; or the extension to certain purchasers of services or privileges not extended to all purchasers under like conditions.

(d) To sell any product below the reasonable cost of such product. For this purpose cost is defined as the cost of direct labor plus the cost of material plus an adequate amount of overhead, including an amount for the use of any plant facilities employed as determined by cost-accounting methods recognized in the industry (and approved by the agency established in paragraph 9, supra).

(e) Quoting a total or lump-sum price on any schedule of pipe, fittings, and plumbers' cast-iron specialties which does not show unit prices generally conceals confidential preferentials and results in most instances in fraud in the substitution of products of inferior quality, grade, weight, style, or size, which is detrimental to the interest of the public and the industry, and any addition or deduction on any other basis than the unit price shown is price discrimination.

(f) The sale of pipe, fittings, and plumbers' cast-iron specialties to dealers of one class at a price identical with the price established for dealers of another class.

12. Beginning with the effective date of this Code no member of the industry shall make or enter into any agreement or contract the effect of which will amount to the sale and/or delivery of pipe and fittings on consignment.

13. Each manufacturer shall, within seven (7) days after the effective date of the Code, file with the Association a list showing the list price and basic discounts for cast-iron soil pipe and fittings; and from and after the expiration of such seven (7) days such members shall at all times maintain on file with the Association a list showing the list prices and basic discounts for all their pipe and fittings and

shall not make any change in such list prices and/or basic discounts except as herein provided. Each such list shall state the date upon which it shall become effective, which date shall be not less than ten (10) days after the date of filing such list with the Association. None of the list prices and/or basic discounts shown in any list filed by any member of the Code as herein provided shall be changed except by the filing by such member with the Association of a new list of its list prices and/or basic discounts which shall become effective on the effective date therein specified, which shall not be less than ten (10) days after the date on which such new list prices and/or basic discounts shall have been so filed. Departure from the prices so published as herein provided shall constitute an unfair practice. List prices filed with the Association pursuant to this section shall be communicated promptly to all members at exactly the same time and in like manner.

14. Membership in the Association shall be extended to manufacturers of cast-iron soil pipe, fittings, and plumbers' cast-iron specialties—to any person, partnership, corporation, or other entity in the Cast-Iron Soil Pipe Industry who accepts his share of the cost and responsibility therefor and agrees to abide by the rules therefor; provided, however, that there shall be no inequitable restrictions placed upon membership in the association.

15. (a) This Code and all provisions thereof are expressly made subject to the right of the President, in accordance with the provision of Clause 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation, issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

(b) Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in the circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions to this Code or additional codes will be submitted for the approval of the President to prevent unfair competition in price and other unfair and destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions thereof.

16. Employers in the Cast Iron Soil Pipe Industry shall comply with the requirements of Section 7 (a) of the National Industrial Recovery Act, as follows:

"That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor or their agents in the designation of such representative or self-organization, or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; that no employee and no one seeking employment shall be required as a condition of employment to join any union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and that employers shall comply with the maximum hours of labor,

minimum rates of pay, and other conditions of employment approved or prescribed by the President."

Alabama Pipe Company,
Anniston Soil Pipe Company,
Anniston Foundry Company,
Bessemer Soil Pipe Works,
Buffalo Pipe & Foundry Corporation,
Central Foundry Company,
Charlotte Pipe & Foundry Company,
Crown Pipe & Foundry Company,
Eastern Foundry Company,
East Penn Foundry Company,
Essex Foundry Company,
Goslin-Birmingham Mfg. Company,
Hajoca Corporation,
Interstate Foundry Company,
Jakes Foundry Company,
J. D. Johnson Company,
Kilby Pipe Company,
Medina Foundry Company,
Medina Iron & Brass Company,
National Foundry Co. of N. Y.,
Pacific States Cast Iron Pipe Company,
Rudistill Foundry Company,
Reading Foundry & Sup. Company,
Somerville Iron Works,
Southern Pipe & Foundry Company,
Salem Brass & Iron Mfg. Company,
Stringer Bros. Company,
Sanitary Pipe Company,
Southern Pipe & Foundry Co., Inc.,
Sanitary Company of America
Wetter Pipe Company,
Walworth Alabama Company,
A. Weiskittel & Son Company,
Harry C. Weiskittel Company.

Approved Code No. 18
Registry No. 1128/01

Approved Code No. 19

CODE OF FAIR COMPETITION

FOR THE

WALL PAPER MANUFACTURING INDUSTRY

As Approved on September 7, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Wall Paper Manufacturing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of sub-section (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 18, 1933, and otherwise, do adopt and approve the report, recommendations and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved, subject to the following condition:

(1) To effectuate further the policies of the Act, a Wall Paper Manufacturing Industry Committee be created to cooperate with the Administrator as a Planning and Fair Practice Agency for the Wall Paper Manufacturing Industry, which Committee shall consist of five representatives of the Wall Paper Manufacturing Industry elected by a fair method of selection, to be approved by the Administrator, and three members without vote appointed by the Administrator.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
September 7, 1933.

August 22, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: This is a report of the hearing on the Code of Fair Competition for the Wall Paper Manufacturing Industry in the United States, conducted in Washington on August 7th and 8th, 1933, in accordance with the provisions of the National Industrial Recovery Act.

PROVISIONS OF THIS CODE AS TO WAGES AND HOURS

SEC. II. On and after the effective date the minimum wage that shall be paid by any employer in the Wall Paper Manufacturing Industry shall be at the rate of thirty-five cents (35¢) per hour, or fourteen dollars ($14.00) per week for 40 hours of labor for males, and at the rate of thirty-two and one half cents (32½¢) per hour or thirteen dollars ($13.00) per week for 40 hours of labor for females.

SEC. III. The limit of hours of labor for all employees excepting outside salesmen, emergency repair crews, superintendents and their supervisory staff, shall be 40 hours in each week, but further provided that all such employees paid on an hourly basis shall be paid at the rate of time and a half for all hours per week over 40.

ECONOMIC EFFECT OF THE CODE

The Wall Paper Manufacturing Industry is one of the relatively small manufacturing industries in the United States. In 1929 there were 56 manufacturing plants which employed approximately 4,700 workers; in 1931 there were 50 manufacturers employing approximately 3,734 workers; in 1933 there are only 36 manufacturers with a corresponding decrease in workers, which, because of lack of statistics it is impossible to estimate.

The decline in the number of workers required to produce the necessary supply of wall paper has been consistent since 1923. From 1931 until the present the decrease in employment became more marked.

By reducing the customary 50-hour week which has prevailed in this industry to the 40-hour week required by the Code, the increase in employment will be approximately 15 percent (15%) of 1929 figures, or approximately 700 workers.

Unless the consumption of wall paper greatly increases within the near future, this particular industry does not offer a very promising field for the reemployment of workers on any large scale.

FINDINGS

The Administrator finds that:

(a) The Code as recommended complies in all respects with the pertinent provisions of Title I of the Act, including without limitation, subsection (a) of Section 7, and subsection (b) of Section 10 thereof; and that

(b) The applicant group imposes no inequitable restrictions on admission to membership therein and is truly representative of the Wall Paper Manufacturing Industry; and that

(c) The Code as recommended is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

It is recommended, therefore, that this Code be immediately adopted.

Respectfully submitted.

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

WALL PAPER MANUFACTURING INDUSTRY

To effectuate the policy of Title I of the National Industrial Recovery Act insofar as it is applicable to the Wall Paper Manufacturing Industry, the following provisions are established as a Code of Fair Competition for the Wall Paper Manufacturing Industry.

I—Definitions

A. The term " Wall Paper Manufacturing Industry " is defined to mean the process of printing, imprinting, or embossing upon raw paper stock a pattern and/or design in colors or otherwise, thus producing an article suitable for decoration or the embellishment of walls and/or ceilings in homes, hotels, apartments, or other buildings.

B. The term " manufacturer " shall include, but without limitation, any person, partnership, association, trust, or corporation, and all who employ labor in the conduct of any branch of the Wall Paper Manufacturing Industry as defined above.

C. The term " employees " as used in this Code, shall include all persons employed in the conduct of the operations of manufacturing wall paper.

D. The term " printing machines ", as used herein, is defined to mean wall paper printing machines; or ink embossing machines producing finished wall paper that has not been printed.

E. The term " line or lines ", as used herein, is defined to mean all the wall papers produced by any manufacturer during a current year.

F. The term " current year " is defined to mean the twelve months' period succeeding June 30th of each year.

G. The term " jobs " as used herein is defined to mean all unsold wall papers which have been in a line of a manufacturer in any current year and which shall not be included in the line or lines of such manufacturer in the succeeding current year.

H. The term " effective date ", as used herein, is defined as the second Monday after the approval by the President of the United States of this Code or any part thereof or addition thereto.

II—Minimum Wages

(a) On and after the effective date the minimum wage that shall be paid by any employer in the Wall Paper Manufacturing Industry shall be thirty-five cents (35¢) per hour or fourteen dollars ($14.00) per week for forty (40) hours of labor for males, and at the rate of thirty-two and one half cents (32½¢) per hour, or thirteen dollars ($13.00) per week for forty (40) hours of labor for females.

(b) The existing amounts by which wage rates in the higher-paid classes exceed wages in the lower-paid classes shall be maintained.

III—Maximum Hours

(a) The limit of hours of labor for all employees, excepting outside salesmen, emergency repair crews, superintendents, and their foremen, shall be forty (40) hours in each week; but further provided that all such excepted employees paid on an hourly basis shall be paid at the rate of time and one half for all hours per week over forty (40).

(b) Each manufacturer in this industry shall be limited to two eight-hour shifts; however, no employee shall be required to work more than one eight-hour shift in any one day.

IV

On and after the effective date employers shall not employ or have in their employ any person under the age of 16 years.

V

As required by Section 7 (a) of Title I of the National Industrial Recovery Act it is provided:

"(1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

"(2) That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing;

"(3) That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President."

VI—Standards

Nothing contained in this Section shall apply to or affect in any way contracts between members of the Wall Paper Manufacturing Industry and others in existence prior to the effective date of this Code.

(a) This Code hereby provides that all manufacturers of wall paper shall comply with Commercial Standard CS 16–29 Bureau of Standards, as adopted on May 25, 1929, at a conference of manufacturers, distributors, users of wall paper, and others interested, and approved and promulgated August 1, 1929, by the Department of Commerce.

(b) As an addition to the matter set forth in the said Commercial Standard CS 16–29, a further standard for this Industry and further regulation of the kinds and weights of raw stock to be used

hereby are established, to wit: No wall paper printed on less than ten (10) ounce stock, or below the said Commercial Standard requirements in any other respect, shall bear any mark or statement that such papers conform to the said Commercial Standard CS 16–29.

(c) No wall paper shall be printed on raw stock in weight less than nine (9) ounces, except that to be marked "less than nine (9) ounce stock" on the selvage.

(d) Ungrounded goods shall be plainly marked by the manufacturer on the selvage of the Wall Paper and all manufacturers shall mark their samples with the word "ungrounded."

VII

The following shall constitute unfair methods of competition:

(a) The copying of designs and/or patterns.

(b) The selling of goods at less than cost, except jobs.

(c) Failure to maintain an adequate differential in the selling prices to the wholesaler and retailer.

(d) The making of sample books by any manufacturer for any customer and failing to include in the cost of said sample books the cost of the wall paper used therein, charged at the same rate by said manufacturer to said customer as the goods said customer has purchased for stock, and in addition any other expenses incurred in the making of said sample books. This shall not apply to one book known as Book of Selections furnished to a customer by a manufacturer with his order. No more than one sample book or Book of Selections shall be given to a customer by a manufacturer.

(e) The selling of goods as jobs by any manufacturer before the 31st day of December in any year, and at lower prices than 33⅓ percent below the individual seller's established current minimum price of the same grade to the same buyer.

(f) The false marking or branding of products of the Industry.

(g) The making of or causing or permitting to be made or published any false, untrue, or deceptive statement by way of advertisement or otherwise, concerning the grade, quality, quantity, substance, character, nature, origin, size, or preparation of any product of the Industry.

(h) The defamation of competitors by falsely imputing to them dishonorable conduct, inability to perform contracts, questionable credit standing, or by other false representations, or in disparagement of the grade or quality of their goods.

(i) The imitation of the trade-marks, trade names, slogans, or other marks of identification of competitors.

(j) The securing of information from competitors concerning their business by false or misleading statements or representations or by false impersonations of one in authority.

(k) The payment or allowance of unearned rebates, refunds, credits, or discounts, whether in the form of money or otherwise.

(l) Deviation from the established standards of the Industry by any deceptive or false means or devices whatsoever.

(m) To make any sample allowance to any purchaser on any borders or any goods less than 30 inches in width. On 30-inch goods

the sample allowance shall not be greater than an allowance of eight yards for the price of five.

VIII

No manufacturer shall sell any goods on more favorable terms than the following: 91 days net (with no dating). Discount for cash payment, 3%, 30 days; 2%, 60 days; 1%, 90 days. An additional deduction to be allowed for cash payment within discounting periods for shipments made in September, 4%; in October, 3%; in November, 2%; in December, 1%. Cash discounts and deductions to apply for cash payments only, and not to be allowed when other charges are overdue.

IX

All manufacturers shall sell their products on the basis f.o.b. own mills or mills, with no greater freight allowance than railroad freight equalization, carload rates or L.C.L. rates, as the case may be, to nearest competing operating mill to the customer being sold. No freight shall be prepaid by any manufacturer.

X

The establishment of a uniform Cost System for this Industry is recommended and shall be established as soon as possible under the direction of the Executive Committee of the Wall Paper Manufacturing Industry.

XI

With a view to keeping the President of the United States and the Administrator informed as to the observance of nonobservance of this Code, and as to whether the Wall Paper Manufacturing Industry is taking appropriate steps to effectuate in all respects the declared policy of the National Industrial Recovery Act, the Executive Committee of the Wall Paper Manufacturing Industry, is hereby constituted and shall be composed of five members, chosen by a fair method of selection and approved by the Administrator. Each employer shall file with the Executive Committee statistics covering the number of employees, wage rates, employee earnings, hours of work, and such other data or information as may be from time to time required by the Administrator.

Except as otherwise provided in the National Industrial Recovery Act, all statistics, data, and information filed in accordance with the provisions of Article XI shall be confidential, and the statistics, data, and other information of one employer shall not be revealed to any other employer except for the purpose of administering or enforcing the provisions of this Code. The Executive Committee of the Wall Paper Manufacturing Industry shall have access to any and all statistics, data, and information that may be furnished in accordance with the provisions of this Code.

XII

Any employer may participate in the endeavors of the Executive Committee of the Wall Paper Manufacturing Industry relative to the revisions or additions to this Code by accepting the proper pro rata share of the costs and responsibility of creating and administering it.

XIII

This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of Clause 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation, issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

XIV

Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in circumstances or experience may indicate. They shall remain in effect unless and until so modified or eliminated or until the expiration of the Act. It is contemplated that from time to time supplementary provisions to this Code or additional codes will be submitted for the approval of the President, to prevent unfair competition in price and other unfair and destructive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with provisions thereof.

XV

If any provision of this Code is declared invalid or unenforceable, the remaining provisions shall nevertheless continue in full force and effect the same as if they had been separately presented for approval and approved by the President.

XVI

This Code shall be in operation on and after the effective date as to the whole Wall Paper Industry except as an exemption from or a stay of application of its provisions may be granted by the Administrator to a person applying for the same or except as provided in an Executive Order.

XVII

This Code of Fair Competition shall become effective on the second Monday after the approval of same by the President of the United States.

The undersigned do hereby certify that the foregoing is a true copy of the Code of Fair Competition for the Wall Paper Manu-

facturing Industry submitted to the Administrator under the National Industrial Recovery Act, as amended by authority of the Executive Committee of the Wall Paper Manufacturing Industry.

E. M. LENNON,
Chairman, Executive Committee.
ALBERT R. PALMER,
Member Executive Committee.

AUGUST 18. 1933.

NATIONAL RECOVERY ADMINISTRATION,
July 25, 1933.

Approved Code No. 19.
Registry No. 410/1/02.

O

Approved Code No. 20

CODE OF FAIR COMPETITION

FOR THE

SALT PRODUCING INDUSTRY

As Approved on September 7, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Salt Producing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved, subject to the following condition:

(1) To effectuate further the policies of the Act, a " Code Committee " of the Salt Producing Industry be created to cooperate with the Administrator as a Planning and Fair Practice Agency for the Salt Producing Industry, which Code Committee shall consist of seven representatives of the Salt Producing Industry elected by a fair method of selection, to be approved by the Administrator, and three members without vote appointed by the Administrator.

FRANKLIN D. ROOSEVELT.

Approval recommended:

HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
September 7, 1933.

29843——296-141——34

August 28, 1933.

The President,
The White House.

My Dear Mr. President: This is a report of the hearing on the Code of Fair Competition for the Salt Producing Industry in the United States, conducted in Washington on August 14th, 1933, in accordance with the provisions of the National Industrial Recovery Act.

Provisions of this Code as to Wages and Hours

This Code provides 35¢ per hour for males and 32¢ per hour for females in the North; 30¢ per hour for males and 25¢ per hour for females in the South.

A work week of 42 hours in processing and 40 hours in all other branches, is provided for the North, and 48 hours a week allowed for the South.

Economic Effect of the Code

The Salt Producing Industry is a minor industry in the United States. In 1929 there were 58 establishments giving employment to about 5.458 persons. In 1931 the number of firms had dropped to 53 and the number of employees to 4,728. It has been estimated that in June 1933 the number of employees had dropped to 4,387.

Operating practices in this industry differ in marked degree in various parts of the country because of the source and method used to obtain salt; the hour and wage rates previously prevailing; and the type of community in which the salt production has been carried on; because of these factors, the wage and hour provisions contained in this code are not as uniform as in most codes, but do represent substantial increases. For example—in the case of males in Louisiana, there is an increase in the hourly rate paid of approximately 80% and, in the case of females, 140%.

You will note that there is a wage differential provided for North and South, as well as for male and female labor. These differentials are not based on sex, race, or regional grounds, but solely on the basis of the kind of work performed and the varying cost of living.

Of outstanding note in this code is the "child-labor" provision, particularly that part which reads "No one under 21 years of age shall be permitted to work in the mines below ground." This is indeed a forward-looking provision.

Hours are markedly reduced from the prevailing 60- to 70-hour week. The 7-day week is eliminated and every worker is guaranteed one day's rest in seven.

It is estimated that approximately 20% more employees will be required.

FINDINGS

The Administrator finds that—

(a) The Code as recommended complies in all respects with the pertinent provisions of Title I of the Act, including, without limitation, subsection (a) of Section 7 and subsection (b) of Section 10 thereof; and that

(b) The applicant group imposes no inequitable restrictions on admission to membership therein and is truly representative of the Salt Producing Industry; and that

(c) The Code as recommended is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

It is recommended, therefore, that this Code be immediately adopted.

Respectfully submitted.

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

SALT PRODUCING INDUSTRY

Article 1—Purpose

This Code is set up for the purpose of increasing employment, establishing fair and adequate wages, effecting necessary reduction of hours, improving standards of labor and eliminating unfair trade practices to the end of enabling the Salt Producing Industry to do its part toward establishing that balance of industries which is necessary to the restoration and maintenance of the highest practical degree of public welfare.

It is the declared purpose of the Salt Producing Industry by adherence to this Code to bring, insofar as may be practicable, the rates of wages paid within the Salt Producing Industry, to such levels as are necessary for the creation and maintenance of a normal standard of living in the locality in which the workers reside; and from time to time to revise the rates of wages, in such manner as will currently reflect the equitable adjustment to variations in the cost of living.

No provision in this Code shall be interpreted or applied in such a manner as to—

(a) Promote monopolies.

(b) Permit or encourage unfair competition.

(c) Eliminate, oppress, or discriminate against small enterprises.

Article 2—Participation

Any employer in the Salt Producing Industry may participate in the endeavors of the Salt Producers Association relative to the revisions or additions to the Code by accepting the proper pro rata share of the cost and responsibility of creating and administering it, either by becoming a member of the Salt Producers Association or by paying to it an amount equal to the dues from time to time provided to be paid by a member in like situation of the Salt Producers Association.

Article 3—Labor Code

(a) Employees in the Salt Producing Industry shall have the right to organize and bargain collectively through representatives of their own choosing and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(b) No employee or no one seeking employment in the Salt Producing Industry shall be required as a condition of employment to

join any company union, or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

(c) Employers in the Salt Producing Industry shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President of the United States.

WAGES

(d) Two minimum wage scales shall be provided, one for all producing fields except Texas, Louisiana, and West Virginia, hereinafter designated "North" and one for Texas, Louisiana, and West Virginia, hereinafter designated "South."

(e) The minimum hourly wages in the North shall be:

Male, 35¢ per hour.

Female, 32¢ per hour.

(f) The minimum hourly wages in the South shall be:

Male, 30¢ per hour.

Female, 25¢ per hour.

(g) The differential in the wage rate paid in the Salt Producing Industry to male and female labor is not intended to, nor shall it operate to discriminate in wages on account of sex. Where females are employed at the same kind of work as males, and produce the same amount of work, they shall receive the same pay.

(h) Learners must be paid not less than 80% of the minimum wage of an adult of the same sex, in the same area. The total amount paid to learners shall not exceed in any calendar month 5% of the total wages paid to all labor of such employer. The learning period for common labor is limited to a 4-week period and for other classes of labor to a 6-week period.

(i) To avoid frustration of the wage provisions of this Code, by changing from hour to piecework or other rates, it is provided that the minimum wage provisions in this Code establish a guaranteed minimum rate of pay per hour of employment, regardless of whether the employees' compensation is otherwise based on a time rate, piecework, or tonnage basis of performance.

(j) An equitable adjustment shall be made of the wages of the employees now receiving more than the minimum wage as provided in this Code. Such equitable adjustment shall mean that differentials existing prior to the formulation of this Code shall be maintained for all workers receiving $30.00 per week or less. In no case shall hourly wage rates be lowered.

WORKING HOURS

(a) The standard work week of the Salt Producing Industry in the North, excluding California, shall be divided into two classes: (1) Processing or manufacturing and (2) all other classes of labor, including miners.

For processing or manufacturing operations, hours of labor shall not exceed a maximum of 42 hours in any one week; provided, however, that no employee shall work more than 6 days in any one week.

For all other classes of labor, including miners, factory, office, and clerical employees, an average during any six months' period of not to exceed 40 hours in any one week; provided, however, that the maximum hours in any one week shall not exceed 48, and further provided that no employee shall work more than 6 days in any one week.

(b) The standard work week of the Salt Producing Industry in the South, including California, shall not exceed an average maximum of 48 hours in any one week during any 6 months' period; provided, however, that the maximum hours in any one week shall not exceed 54, and further provided that no employee shall work more than 6 days in any one week.

(c) On and after the effective date of this Code, employers in the Salt Producing Industry shall not operate on a schedule of hours of labor for their employees, other than executives and supervisory staff receiving $35.00 per week or more, and outside salesmen, except as above provided.

(d) No producer in the Salt Producing Industry shall have in his employ any one who is less than 16 years of age.

(e) No one under 21 years of age shall be permitted to work in the mines below ground.

(f) No producer in the Salt Producing Industry shall permit any employee, who has performed work for one or more other employers to work for such producer such number of hours as would result in a violation of this Code had all such work been performed for such producer.

(g) In the event that any producer in the Salt Producing Industry shall also be an employer in another industry, such producer shall not be prohibited from paying any wages or working any hours approved under any code governing such other industry, but for purposes of pricing salt, however, the wages provided herein shall be used as the basis for calculating costs.

Article 4

(a) It is recognized that salt is a cheap commodity and its distribution is governed to a large extent by transportation costs. Each field of production has its own natural marketing territory, the extent of which is limited by transportation costs, in which its major salt distribution is concentrated. The fields of production so recognized at this time are:

New York State	West Virginia	Texas
Ohio	Utah	Louisiana
Michigan	Oklahoma	
Kansas	California	

Time and experience have developed an orderly method of marketing under which the producers in each producing field publish their prices applying in their respective natural marketing fields; and this industry declares its policy to be that such practices shall be continued. Each producer in each field of production shall individually publish to the trade and to the Code Committee the prices at which he will sell. Any producer may change his prices provided ten days' prior notice thereof be given to the Code Committee. The

minimum prices published in any marketing field by any producer in that field shall be the lowest prices at which any producer may sell in that field. The Code Committee shall furnish such published prices to the Administrator at his request. Upon complaint to the Code Committee, or on its own motion, the Code Committee may require the reduction of the minimum prices in existence at any time for any marketing field by reason of the operation of the provisions of this Article, to figures which shall be found by the Committee to constitute reasonable minimum prices; the action of the Code Committee under this Article to be subject to review by the Administrator, who, in the event of their failure to act, may act upon his own motion.

No producer shall sell any grade of salt at a price which will net him, at his point of production, a price less than his current cost of production or the current cost of the lowest-cost producer in the field in which the sale is made.

(b) Published prices shall include terms of payment, length of bookings or contracts, whether prices are guaranteed against decline and such other provisions as may be necessary to fully inform the trade of all conditions of sale.

(c) Terms of sale shall be fully stated and strictly adhered to and invoice shall show same. There shall be no discrimination between customers. Difference in price based on difference in grade, quantity, quality, selling, or transportation costs, or made in the same or different communities in good faith to meet competition, shall not constitute discrimination.

(d) Prices and discounts shall be openly and publicly announced and strictly adhered to.

(e) The following shall be deemed to be unfair trade practices in this industry:

1. Variations from openly and publicly announced prices and terms.

2. Secret allowances by way of discount, brokerage, storage, or advertising.

3. Variations from openly announced grade or package differentials.

4. Substitution of grades or packages.

5. Delayed billings.

6. Rebates or other similar allowances by any name or of any nature.

7. Storage of salt in customers' warehouses.

8. Special services or privileges to certain purchasers when not extended to all purchasers under like terms and conditions.

9. Offerings of salable gifts or prizes.

10. Free deals to any class of purchasers or prices made in combination with any product or commodity.

11. Making of derogatory statements about competitors' products or regarding the character, management, or financial standing of a competitor.

12. The use of deceptively slack filled or deceptively shaped containers.

13. False or misleading advertising, mislabeling, or misbranding.

14. The adoption of brands or trade marks (either in design or name) which so closely approximate the brands or trade marks of a competitor as to deceive or confuse a buyer by similarity of appearance or brand.

15. Inducing or attempting to induce a breach or cancellation of a contract between a competitor and his customer.

16. Giving of gratuities or special commissions to buyers, or rewards, or payments to the employees of buyers or distributors, or the lavish entertainment thereof.

17. Selling below cost of production.

COST ACCOUNTING

(f) It is the judgment of this industry that an accurate knowledge of costs is indispensable to intelligent and fair competition. It shall be the duty of the Code Committee to make such studies and surveys as may be necessary to the end that a system of cost accounting, capable of uniform application, shall be developed for the industry. The Code Committee may, from time to time, require manufacturers to furnish it with full and complete information relating to costs.

Article 5—Administration of the Code

(a) With a view to keeping the President informed as to the observance or nonobservance of this Code of Fair Competition, and as to whether the Salt Producing Industry is taking appropriate steps to effectuate the declared policy of the National Industrial Recovery Act, a committee to be known as the "Code Committee" is hereby established and is composed of the President of the Salt Producers Association, the Executive Committee thereof, together with two members to be chosen by the Associate members of said Association.

(b) Such committee is to cooperate with the Administrator as a planning and fair-practice agency for the Salt Producing Industry. It may (1) adopt rules and regulations for the orderly presentation and adjustment of complaints, subject to the approval of the Administrator; (2) approve recommendations for exceptions to the market provisions of this Code; (3) make investigations and report to the President information relating to the importation of salt from foreign countries and its effect upon this industry. It shall have the power to require from time to time such reports from the industry as may be required by the Administrator, and to enable it to furnish such information as may be required from time to time by the President or the National Recovery Administration and, generally, shall be constituted as the agency to assist in carrying out the provisions and purposes of Title I of the National Industrial Recovery Act, and the rules and regulations made pursuant thereto and for the formulation, with the approval of the President, of such further Code provisions as may be necessary to insure fair competition and effectuate the provisions of the Act.

(c) Where the costs of executing contracts, entered into in the Salt Producing Industry prior to the approval of the President of the United States of this Code, are increased by the application of the provisions of that Act to the Industry, it is equitable and promotive of the purposes of the National Industrial Recovery Act that appropriate adjustments of such contracts to reflect such increased costs be arrived at by arbitral proceedings or otherwise, and the Salt Producers Association, the applicant for this Code, is constituted an agency to assist in effecting such adjustments.

(d) This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of section 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation, issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

(e) This Code shall be in effect beginning ten days after the day of its approval by the President of the United States.

(f) Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions to this Code or additional codes will be submitted for the approval of the President to prevent unfair competition in price and other unfair and destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions hereof.

I, Frank Morse, Secretary, do hereby certify that I am the duly elected Secretary of the Salt Producers Association, and further certify that the foregoing is a true copy of the Code of Fair Competition for the Salt Producing Industry submitted to the Administration under the National Industrial Recovery Act, as amended by authority of the Executive Committee of the Salt Producers Association.

FRANK MORSE,
Secretary of The Executive Committee.

AUGUST 28, 1933.

Approved Code No. 20.
Registry No. 140-1-01.

Approved Code No. 21

CODE OF FAIR COMPETITION

FOR THE

LEATHER INDUSTRY

As Approved on September 7, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Leather Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
September 7, 1933.

29179°——296-58——34

September 7, 1933.

The PRESIDENT,
The White House, Washington, D.C.

MY DEAR MR. PRESIDENT: This is a report of the hearing on the Code of Fair Competition for the Leather Industry in the United States, conducted in Washington on August 21, 1933, in accordance with the provisions of the National Industrial Recovery Act.

PROVISIONS OF THIS CODE AS TO WAGES AND HOURS

ARTICLE IV—WAGES

1. Except as noted in Paragraph 4 of this Article, no employee in the states of Maryland, West Virginia, Virginia, Kentucky, Tennessee, North Carolina, Georgia, Alabama, Mississippi, Florida, Arkansas, Louisiana, Oklahoma, Texas, New Mexico, or Arizona, shall be paid less than 32½¢ per hour. Elsewhere in the United States no female employee shall be paid less than 35¢ per hour, no male employee less than 40¢ per hour. Unskilled labor receiving in excess of these minimum rates shall not be reduced.

2. The foregoing minimum rates are not a discrimination by reason of sex but because of difference in the work of the industry. Where women do the same kind and amount of work as men they shall receive the same wages.

3. No employee earning less than 30 dollars per week shall receive less for 40 hours work than he was receiving as of April 1, 1933, for the established work week at that time.

4. Exceptions to the above minimum rates are learners for a period up to six weeks who shall receive not less than 80% of the minimum; and employees disabled by old age or other causes employed in the plant; neither class to exceed in number 5% of the pay roll.

5. This Article establishes a guaranteed minimum rate of pay, regardless of whether the employee is compensated on a time or piecework basis.

ARTICLE VI—HOURS

1. No employer shall employ any person except as hereafter mentioned over 40 hours average in any 26 weeks' period, not over 40 hours in any week except by payment of 1⅓ rate for overtime, nor over 8 hours in any day except by payment of 1⅓ for overtime.

2. From the provisions of paragraph one the following classes shall be excepted:

(a) Watchmen, supervisory staff, executives, and salesmen.

(b) Maintenance workers, engineers, firemen, beltmakers, emergency service workers, patent leather luggers and sorters of whole leather, who may not work over 40 hours in any one week, except by payment of 1⅓ rate for overtime, nor over 8 hours in any one day except by payment of 1⅓ rate for overtime.

(c) Office workers whose maximum working hours shall be an average of 40 hours a week over a 26-week period.

3. Further exceptions as to hours shall apply to any emergency situation which may arise whereby the product of the employer may be spoiled or destroyed while in a perishable condition, and in such cases the employer shall be empowered to put such product through his regular processes into a nonperishable condition, and for such emergency, overtime shall be paid as provided for the groups of workers designated in Paragraphs 1 and 2 (b) of this Article.

4. There shall be no evasion of this Code by reclassification of the function of workers. A worker shall not be included in one of the above exceptions unless the identical functions which he performs were identically classified on June 16, 1933.

5. For the purpose of this section, the first 26 weeks' period for each employee in the employment of any member of the industry at the effective date hereof shall begin with such date. The first 26 weeks' period for any employee hereafter employed shall begin with the date of employment with such employer.

6. The provisions for maximum hours set out in this section establish a maximum number of hours of labor per week for each employee so that under no circumstances shall any employee knowingly be employed or permitted to work for one or more employers in the industry in the aggregate in excess of the prescribed number of hours.

ECONOMIC EFFECT OF THE CODE

The maximum work week set at 40 hours, with practically no exemptions, is eminently satisfactory in view of the number of persons whose reemployment it will affect. Over 80% of the workers at current levels of operation will have their hours of labor shortened by this provision, and total employment in the Industry will rise again to the 1929 peak levels, 52,000 employees in leather tanning alone, without any further increase in business. If business expands, as we expect it to, the employment will soon exceed even the 1929 peak for the Industry. If we should go any further in shortening the hours of work in this Industry, there would be considerable danger of creating severe shortages of suitable types of trained labor in many plants, particularly those located in isolated rural communities.

The wage provisions in the Leather Code are perhaps not ideal, but they certainly effect the best possible compromise in view of the existing differentials in the Industry and the ability of the Industry to bear its share of the N.R.A. program of expanding purchasing power.

Under the Code, in only two sections of the Industry will wages be below the 1929 levels, and in these cases the difference is a matter of less than 10%, while the increase in the Code levels over May,

June, 1933, ranges from 22 to 62%. It is estimated that the average increase over early 1933 will be 30 or 35% in hourly earnings, and that compared with 1929 the wages under the Code will deviate less than 5%. Since this sharp increase in wages will be accomplished at no reduction in the number employed, the increase in purchasing power will amount to between 30 and 35% from May, June, 1933, as a base.

The North-South differential, although it is not as large as that created in the Steel, Lumber, and Shipbuilding Codes, is greater than the differential proposed in the Cotton Textile Code, and a few others. The 7½¢ differential in the Leather Code is, in our opinion, the smallest differential which could be imposed without running a grave risk of closing down a substantial portion of southern tanneries and forcing all southern tanneries to discharge their present negro labor and substitute for it more competent labor (white) which is available in their communities. We feel that a higher minimum in the South would work a grave injury to the negro and we should like to avoid it.

The female differential might well be reduced; in fact, the proponents of the Code do not object strenuously to eliminating it entirely. However, it is a fact that the demand for women in the Industry is of such a character that any reduction in differential below 5¢ would throw several thousand women out of work, turning over their jobs to literally a few score men who would take their places with "seasoning" machines. Since this would tend to defeat the purposes of the Administration, we do not feel it wise to reduce the female differential below 5¢.

In considering the Leather Code, it must be remembered that all the provisions in it have been worked out as a coordinated organic whole, and that any changes in any provisions will make necessary readjustments in the other provisions in order not to work grave injury to individuals and sections of the Industry. For example, any clause prohibiting the reduction of total weekly earnings below the total amount earned in a given week in the past might impose impossibly heavy burdens upon a few leather companies that were working as long as 60 hours even during the depression. A modifying clause of this nature would force either widespread evasion of the spirit of the Act by the hiring of new employees to displace old workers, who, by virtue of this provision were being paid 50% above the minimum rate for common labor, or it would force the companies involved to close their tanneries and open up elsewhere.

FINDINGS

The Administrator finds that:

(a) The Code as recommended complies in all respects with the pertinent provisions of Title I of the Act, including, without limitation, subsection (a) of Section 7 and subsection (b) of Section 10 thereof; and that

(b) The applicant group imposes no inequitable restrictions on admission to membership therein and is truly representative of the Leather Industry; and that

(c) The Code as recommended is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

It is recommended, therefore, that this Code be immediately adopted.

Respectfully submitted.

Hugh S. Johnson, *Administrator.*

CODE OF FAIR COMPETITION

FOR THE

LEATHER INDUSTRY

Article I—Purpose

For the purpose of effectuating the policy of Title I of the National Industrial Recovery Act, the following provisions are established as a code of fair competition for the leather industry.

Article II—Definitions

The term " leather industry " shall be held to comprise all persons engaged in tanning or finishing leather, for further fabrication or for sale, for their own account or for the account of others, or performing any operation subsidiary thereto, or having leather tanned or finished in American factories, or engaged in the sale of American tanned or finished leather for their own account or for the account of others, and persons, approved by the National Recovery Administration, engaged in the cutting or further partial fabrication of leather.

The term " employer " as used herein shall mean any member of the industry.

The term " employee " as used herein shall mean any person employed in any phase of the industry.

The term " effective date " as used herein is defined to be the second Monday after the approval by the President, this period being necessary to protect perishable products in process.

The term " persons " shall include natural persons, partnerships, associations, trusts, and corporations.

Article III—Application

All members of the industry shall comply with the provisions of this code and are eligible for membership in the Tanners' Council of America, and/or any divisional trade association now existing or which may be organized with the approval of the National Recovery Administration for any branch of the leather industry for the purpose of administering this code. Such organization or organizations have not and shall not set up inequitable restrictions as to membership and shall be truly representative.

Article IV—Wages

1. Except as noted in Paragraph 4 of this Article, no employee in the States of Maryland, West Virginia, Virginia, Kentucky, Tennessee, North Carolina, Georgia, Alabama, Mississippi, Florida, Arkansas, Louisiana, Oklahoma, Texas, New Mexico, or Arizona

shall be paid less than 32½¢ per hour. Elsewhere in the United States no female employee shall be paid less than 35¢ per hour, no male employee less than 40¢ per hour. Unskilled labor receiving in excess of these minimum rates shall not be reduced.

2. The foregoing minimum rates are not a discrimination by reason of sex but because of difference in the work of the industry. Where women do the same kind and amount of work as men they shall receive the same wages.

3. No employee earning less than 30 dollars per week shall receive less for 40 hours work than he was receiving as of April 1, 1933, for the established work week at that time.

4. Exceptions to the above minimum rates are learners for a period up to six weeks who shall receive not less than 80% of the minimum; and employees disabled by old age or other causes employed in the plant; neither class to exceed in number 5% of the pay roll.

5. This Article establishes a guaranteed minimum rate of pay regardless of whether the employee is compensated on a time or piecework basis.

Article V—Child Labor

On and after the effective date employers in the Leather Industry shall not employ or retain any minor under the age of sixteen years, provided however, that where a State law provides a higher minimum age, no person below the age specified by such State law shall be employed by the Trade or Industry within that State.

Article VI—Hours

1. No employer shall employ any person except as hereafter mentioned over 40 hours average in any 26 weeks' period, not over 40 hours in any week except by payment of 1⅓ rate for overtime, nor over 8 hours in any day except by payment of 1⅓ rate for overtime.

2. From the provisions of paragraph one the following classes shall be excepted:

(a) Watchmen, supervisory staff, executives, and salesmen.

(b) Maintenance workers, engineers, firemen, beltmakers, emergency service workers, patent leather luggers and sorters of whole leather, who may not work over 40 hours in any one week, except by payment of 1⅓ rate for overtime, nor over 8 hours in any one day except by payment of 1⅓ rate for overtime.

(c) Office workers whose maximum working hours shall be an average of 40 hours a week over a 26-week period.

3. Further exceptions as to hours shall apply to any emergency situation which may arise whereby the product of the employer may be spoiled or destroyed while in a perishable condition, and in such cases the employer shall be empowered to put such product through his regular process into a nonperishable condition, and for such emergency overtime shall be paid as provided for the groups of workers designated in Paragraphs 1 and 2 (b) of this Article.

4. There shall be no evasion of this Code by reclassification of the functions of workers. A worker shall not be included in one of the

above exceptions unless the identical functions which he performs were identically classified on June 16, 1933.

5. For the purpose of this section, the first 26 weeks' period for each employee in the employment of any member of the industry at the effective date hereof shall begin with such date. The first 26 weeks' period for any employee hereafter employed shall begin with the date of employment with such employer.

6. The provisions for maximum hours set out in this section establish a maximum number of hours of labor per week for each employee so that under no circumstances shall any employee knowingly be employed or permitted to work for one or more employers in the industry in the aggregate in excess of the prescribed number of hours.

Article VII—Statistics

The leather industry, through the Tanners' Council of America, No. 41 Park Row, New York, N.Y., shall collect and compile all reports required by the National Industrial Recovery Act. Every member of the industry shall furnish such reports as are required pursuant to the provisions thereof.

Article VIII—Statutory Provisions

All employers in the industry shall comply with the following provisions of the National Industrial Recovery Act:

1. That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interferences, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives, or in self-organization, or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

2. That no employee and no one seeking employment shall be required as a condition of employment to join any company union, or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

3. That employers shall comply with the maximum hours of labor; minimum rates of pay, and other conditions of employment approved or prescribed by the President.

Article IX—Price Adjustments

Where the costs of executing contracts entered into by the Leather Industry are increased by the application of the provisions of the code it is equitable and promotive of the purpose of the National Industrial Recovery Act that appropriate adjustments of such contracts to reflect such increased costs be arrived at by mutual agreement, arbitral proceedings, or otherwise.

Article X—Planning Committees

For the purpose of carrying into effect the policies set forth in the National Industrial Recovery Act, the Board of Directors of

the Tanners' Council of America from time to time, subject to the approval of the National Recovery Administration, shall classify all members of the industry into divisions, each of which shall be truly representative of its branch of the leather industry. One representative from each division shall be elected, according to its own rules, to a General Planning Committee, which shall constitute the coordinating agency for the divisions of the industry.

The General Planning Committee so organized is hereby constituted the agency for cooperating with the Administration or the Administrator as an administrative, planning, and fair-practice agency for the Leather Industry. Such agency may from time to time present to the Administrator recommendations based on conditions in the industry as they may develop, which will tend to effectuate the operations of the provisions of this code and the policy of the National Industrial Recovery Act. The President may appoint three members for the General Planning Committee, who shall not be entitled to vote. The Chairman of the Board of Directors of the Tanners' Council of America shall preside over this Committee without vote.

No decisions of the General Planning Committee shall be binding unless concurred in by two thirds of the members thereof entitled to vote, and by representatives of divisions employing two thirds of the total employees of the industry as recorded by the Tanners' Council of America for the last six months for which figures are available.

Each division of the leather industry shall elect its own separate and distinct Divisional Planning Committee, and each such Divisional Planning Committee shall present in writing recommendation or recommendations to every member of the General Planning Committee twenty days before such recommendation or recommendations become effective. If the General Planning Committee fail to disapprove of such recommendation or recommendations, they shall be deemed approved. If the General Planning Committee disapprove thereof, then and in that event the Divisional Planning Committee shall be entitled to present its recommendation or recommendations to the Administrator for his approval. Such division may of its own election carry out the recommendation or recommendations of its planning committee, all to the end that each division shall be independent and self-governing in all problems relating exclusively to such division. Recommendations put into effect under this paragraph and the operation thereof shall be subject to the approval of the Administrator.

Article XI—Importations

In accordance with Section 3 of the National Industrial Recovery Act, the Leather Industry through the General Planning Committee, in due course and from time to time as occasion may arise, may submit complaints to the President of the United States with reference to importations of leather in competition with the domestic product, for such steps under the National Industrial Recovery Act to be taken by the Administration, and in order that such importations may not defeat the purposes of the National Industrial Recovery

Act and the provisions of this code in the furtherance thereof. The General Planning Committee, when any Divisional Planning Committee may have asked for action under Section 3 of the Act referred to, shall follow the rules agreed to in this code.

Article XII—Monopolies

No provision in this code shall be interpreted or applied in such a manner as to: (1) Promote monopolies; (2) Permit or encourage unfair competition; (3) Eliminate, oppress, or discriminate against small enterprises.

Article XIII—Designs

No member of the industry shall imitate or simulate within one year from date of registration, any new embossed or decorative design or pattern originated by any other member of the industry and registered with the Tanners' Council of America, or its designated agency.

Article XIV—Trade Terms

All invoices covering domestic sales in the Leather Industry shall be due and payable in 30 days. At seller's option payment may be made on the 15th day of any calendar month for all invoices of the preceding calendar month. No datings shall be allowed. Discount shall be for cash payment only and shall not exceed 2%. All bills are net after 30 days and interest shall be added at the rate of 6 percent per annum after due date.

Forward orders shall be booked only after purchaser has signed a uniform sales contract approved by the General Planning Committee subject to approval of the Administrator.

Article XV—Amendments, Modifications, Terminations, and Voting

This code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of the National Industrial Recovery Act, to cancel or modify any order, approval, license, rule, or regulations issued pursuant to the provisions of said act, and specifically to the right of the President to modify his approval of this code or any conditions imposed by him upon his approval thereof.

Such of the provisions of this code as are not required to be included therein by the National Industrial Recovery Act may with the approval of the President, if the approval of the President is required, be modified or eliminated as changes in circumstances or experience may indicate by a three-fourths vote of the members of the Leather Industry at a meeting to be called upon ten days' notice by the Tanners' Council of America. Voting shall be on the basis of the average number of employees during the previous six months as shown by the records of the Tanners' Council of America. Voting may be by proxy.

It is contemplated that from time to time supplementary provisions to this code or additional codes will be submitted for the approval of the President to prevent unfair competition in prices and other unfair and destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions hereof.

This code shall continue in effect for the period provided in the National Industrial Recovery Act, unless sooner terminated in accordance with the law in such case made and provided.

Approved Code No. 21.
Registry No. 930/1/01.

Approved Code No. 22

CODE OF FAIR COMPETITION

FOR THE

MOTION PICTURE LABORATORY INDUSTRY

As Approved on September 7, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I, of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Motion Picture Laboratory Industry, and a hearing having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator, and do order that the said Code of Fair Competition be, and it is hereby, approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
September 7, 1933.

29842——296-142——34

September 5, 1933.

To the President.

INTRODUCTION

This is a report of the Hearing on the Code of Fair Competition for the Motion Picture Laboratory Industry in the United States, conducted in the Small Auditorium of the United States Chamber of Commerce Building in Washington, D.C., on August 31, 1933, in accordance with the provisions of the National Industrial Recovery Act.

GENERAL CHARACTERISTICS OF THE INDUSTRY

The Motion Picture Laboratory Industry embraces those establishments in which motion picture film is developed, printed, or otherwise processed. There are approximately 38 firms in the United States rendering full laboratory developing service, and an undetermined number of other firms in the country rendering occasional motion picture laboratory service. Out of the 1932 total volume of approximately one billion feet of film developed in the motion picture laboratories, members of the Motion Picture Laboratories Association of America, Inc., developed approximately 90 percent thereof.

Approximately 3,500 laboratory workers are employed throughout the United States in motion picture laboratories.

For the first time in the history of the industry, classification of workers, minimum rates of pay, and maximum number of hours of employment have been provided.

The motion picture laboratory workers have been paid at an hourly rate. Under the Code, any regular laboratory workers including apprentices are guaranteed a minimum wage of $15.00 per week no matter how few hours they may actually work during any week. This provision, of course, represents a radical departure from the method in vogue for payment of regular workers heretofore.

The Code further provides that in the case of employees receiving less than $35.00 per week for a forty-four hour week heretofore such employees under the Code will receive the same wage as heretofore for a forty-hour week.

The percentage of increase of wages under the Code will approximate from 10% to 12% above the current rate of wages, and the increase in employment under the Code is estimated at approximately 15% above the present number of laboratory workers employed.

The Code for this industry represents an approximate advance of $6,000.00 per week upon the pay rolls of the industry.

THE CODE

The Code of Fair Competition as revised and presented by this Industry has regulated the maximum number of working hours and minimum wages for all employees employed in such Industry, and its fair practice provisions have been especially designed to guard fair competition.

I find that:

(a) The Code as revised complies in all respects with the pertinent provisions of Title I of the Act including, without limitations, subsection (a) of Section 7 and subsection (b) of Section 10 thereof; and that

(b) The Motion Picture Laboratories Association of America, Inc., imposes no inequitable restrictions upon admission to membership therein and is truly representative of the motion-picture laboratory industry; and that

(c) The Code is not designed to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

Accordingly, I adopt the report of the Deputy Administrator and I hereby recommend the approval of the Code of Fair Competition for the Motion Picture Laboratory Industry.

Respectfully submitted.

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

MOTION PICTURE LABORATORY INDUSTRY

Article I—Purposes

1. *General Purpose.*—This Code of Fair Competition is adopted pursuant to the National Industrial Recovery Act and for the purpose of carrying out the aims set forth in Title I, Section 1, of the Act insofar as they are applicable to the Motion-Picture Laboratory Industry.

2. *Purposes Excluded.*—This Code is not designed to promote monopolies and shall not be availed of for that purpose. It is not designed to eliminate or oppress small enterprises and it shall not be operated to discriminate against them.

Article II—Definitions

1. The term " laboratory " as used herein shall include all establishments in which manufactured motion-picture film is developed, printed, or otherwise processed.

2. The term " person " as used herein shall include individuals, partnerships, associations, trusts, joint-stock companies, and corporations, without limitation.

3. The term " employer " as used herein shall include any person, without limitation, employing individuals in the business of the operation of a motion-picture laboratory.

4. The term " employee " as used herein shall include any individual engaged in office or other work of an employer as defined herein, or in developing, printing, or otherwise processing motion-picture film.

5. The term " President " as used herein shall mean the President of the United States of America.

6. The initials " N.I.R.A." as used herein shall mean the National Industrial Recovery Act.

7. The term "Association " as used herein shall mean the Motion Picture Laboratories Association of America, Inc. The term " Board " shall mean the Board of Directors of the Association.

Article III—Administration

1. *Administrative Recovery Committee.*—A committee to be known as the Administrative Recovery Committee and hereinafter referred to as the Recovery Committee, comprising the Board and not more than three representatives of the Government, to be appointed by the President, or the National Recovery Administrator, shall apply this Code. As and when any questions involving labor

directly or indirectly are to be considered by the Recovery Committee, two representatives of the employees, chosen by a fair method of selection to be approved by the National Recovery Administrator, shall sit with and become for such purposes members of the Recovery Committee.

2. The Recovery Committee shall cooperate with the Administrator in making investigations as to the functioning or observances of any provisions of the Code, in its own instance or on the report of any person, and shall report to the Administrator on any such matters. It may go directly to original sources for information strictly pertinent to the observances of the Code, all of which shall be subject to the approval of the Administrator.

3. The members of the Recovery Committee shall constitute a second committee, to be known as the Arbitration Board. In case any controversy arises between two or more employer laboratories on any issues, upon consent of the employer laboratories all facts shall be made available to the Arbitration Board, which shall act as Arbitrator, and upon being fully advised in the matter, in accordance with rules approved by the Administrator, shall render its decision. The Arbitration Board's decision shall be binding upon the laboratories involved, and each shall abide by same.

4. In order that the President may be informed of the extent of observance of the provisions of this Code and of the extent to which the declared policy of the National Industrial Recovery Act as stated herein is being effectuated in the motion-picture laboratories industry, persons subject to the jurisdiction of this Code shall upon request make periodically to the Recovery Committee such reports on wages, hours of labor, conditions of employment, number of employees, and other data pertinent to the purposes of this Code as may be required, and shall pay as a code fee, if the fees and dues of the Association be insufficient, upon his acceptance of the benefits of this Code, his proportionate share of the amounts necessary to pay the cost of assembling, analysis, and publication of such reports and data. The first report hereunder shall be made to the National Recovery Administrator within sixty days after the approval of this Code by the President.

5. *Investigations.*—If any employer laboratory declines to permit the personnel of the Recovery Committee, acting under this Article, to examine its books, records, or other sources of information, the Committee may suggest the names of not less than three firms of certified public accountants of reputable standing in the motion-picture field, and if the employer laboratory shall indicate a choice among the three firms, the Recovery Committee shall employ the firm designated by the employer laboratory in making the investigation of that laboratory.

Article IV—Employment

1. *Age of Employees.*—No employer shall employ any employee under the age of 16 years. Provided, however, that where a State law provides a higher minimum age, no person below the age specified by such State law shall be employed within that State.

2. *Hours of Labor.*—1. No employer shall work any employee in excess of eight hours in any one day or in excess of 40 hours in any one week, except in an emergency, and then not in excess of 60 hours, and under no circumstances in excess of 480 hours in a twelve-week period.

2. An emergency is defined to be a condition resulting from an abnormal or irregular delivery to the laboratory of newsreel or studio negative accompanied by an order for newsreel prints or dailies or rush prints; also, the necessity for repair and maintenance. When two or more shifts are regularly employed, emergency work shall be equally distributed between the shifts.

3. The hours of labor above provided for in subdivision 1 of this Section, and the additional remuneration for overtime as hereinafter provided for certain employees, shall not apply to executives, foremen, or assistant foremen who are not mechanical or operating employees.

3. *Rates of Pay.*—(A) In laboratories employing 20 or less in number of mechanical laboratory workers, employers shall pay:

(a) Mechanical workers, except apprentices, a minimum wage of 50 cents per hour with a guarantee of payment to each such regular worker of not less than $15.00 per week.

(b) Apprentices a minimum wage of 40 cents per hour with a guarantee of payment to each such regular apprentice of not less than $15.00 per week.

(c) All other regular employees not less than $15.00 per week in any city of over 500,000 population or in the immediate trade area of such city; nor less than $14.50 per week in any city of between 250,000 and 500,000 population, or in the immediate trade area of such city; nor less than $14.00 per week in any city of between 2,500 and 250,000 population, or in the immediate trade area of such city; and in towns of less than 2,500 population, not less than $12.00 per week.

(d) Time and one half wages to any employee for the time during which he may work in excess of eight hours in any one day, except to employees engaged in the processing of newsreels, who shall receive straight time for such overtime.

(e) All employees being paid at a rate of less than $35.00 per week as of July 1, 1933, no lesser rate of wage based on 40 hours of work per week than was paid such respective employees for 44 hours of work per week as of July 1, 1933; and any readjustment of wages necessitated by compliance with this Code shall be on an equitable basis.

(B) In laboratories employing more than 20 in number of mechanical laboratory workers, employers shall pay:

(a) Mechanical workers classified as follows at a rate on the basis of the following minimum weekly wage scales for 40 hours of work per week:

	Per week
Developing Departments:	
Machine Operators	$30.00
Chemical Mixers	35.00
Negative Cutting Department:	
Negative Cutters	33.00
Negative Joiners	25.00
Timing Department:	
Eye Timers	80.00
Assistant Timers	45.00
Test Machine Timers	50.00
Printing Department:	
Printers—all classes	25.00
Negative Cleaners	25.00
Raw Stock Clerk	25.00
Negative Vault Tender	30.00
Assembly Department:	
Positive Joiners	21.25
Examiners	21.75
Waxers	20.00
Inspection Department: Inspectors	25.00
Title Room: Title Cameramen	30.00
Shipping Department: Shipping Clerk	25.00
Maintenance (Mechanical): Mechanics and Electricians	30.00
Apprentices: All Departments	20.00
Helpers: All Departments	20.00

with a guarantee of payment to each regular worker or apprentice of not less than $15.00 per week.

(b) All other employees not less than $15.00 per week in any city of over 500,000 population or in the immediate trade area of such city; nor less than $14.50 per week in any city of between 250,000 and 500,000 population, or in the immediate trade area of such city; nor less than $14.00 per week in any city of between 2,500 and 250,000 population, or in the immediate trade area of such city; and in towns of less than 2,500 population, not less than $12.00 per week.

Provided, however, that if any of the foregoing employees work more than eight hours in any one day, then such employees shall be paid time and one half for the time during which such employees work in excess of eight hours, except employees engaged in the processing of newsreels, who shall receive straight time for such overtime.

(b) Each foreman in departments employing ten employees or less shall be paid 10 percent over the average salaries paid in those respective departments; and each foreman in departments employing more than ten employees shall be paid 20 percent over the average salaries paid in those respective departments.

(c) All employees being paid at a rate of less than $35.00 per week as of July 1, 1933, shall be paid no lesser rate of wage based on 40 hours of work per week than was paid such respective employees for 44 hours of work per week as of July 1, 1933; and any readjustment of wages necessitated by compliance with this Code shall be on an equitable basis.

4. *Apprentices.*—1. No employer shall employ any employee as an apprentice for more than 12 months, and no employer shall at any time employ apprentices of a number greater than 10 percent of the total number of employees.

5. *Conditions of Employment.*—(a) Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(b) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

(c) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

Article V—Industry Regulations

1. *Selling Below Cost Not Permitted.*—(a) No laboratory shall sell its products or services below the cost of such products or services. For this purpose cost is defined as the cost of direct labor plus the cost of materials plus an adequate amount of overhead, including an amount for the use of any plant facilities employed, as determined by cost accounting methods recognized in the industry and approved by the Recovery Committee. In computing cost of materials the cost of raw stock shall not be lower than the standard market price at which raw stock is currently being offered to laboratories. As and when any standard cost accounting method is recommended by the Recovery Committee, it shall be subject to the advance approval of the National Recovery Administrator.

(b) The provisions of the foregoing paragraph shall not apply with respect to products or services sold in the performance of a bona fide contract in writing executed and delivered prior to August 7, 1933.

2. *Arbitration of Existing Contracts.*—1. Where the costs to the laboratory of executing contracts entered into in the motion-picture industry are increased by the application of the provisions of the N.I.R.A. or the Code, it is equitable and promotive of the purposes of the N.I.R.A. that appropriate adjustments of such contracts to reflect such increased costs be arrived at by arbitral proceedings or otherwise and the members of the Board shall constitute themselves a Committee to assist in effectuating such adjustments.

3. *False Records.*—1. No laboratory shall willfully maintain an incorrect, improper, or false method of determining cost.

4. *Unfair Trade Practices.*—1. The following are declared to be unfair trade practices in the industry:

(a) Any willful attempt to induce a breach of existing bona fide contract, or to prevent the performance of any contractual duty or service under any bona fide contract.

(b) To effect or conceal price discrimination by the payment or allowance of secret rebates, refunds, credits, or unearned discounts, whether in the form of money or gifts, the acceptance of securities at more than the true market value, the extending of special privileges not usually extended in the industry.

(c) Commercial bribery, giving gratuities, favors, or services in any form directly or indirectly to customers or customers' employees or obtaining sales by giving commissions or rewards in any form to employees of customers or otherwise inducing the placing of orders through lavish entertainment or indirect gifts or other forms of commercial bribery.

(d) Any departure from original agreements with respect to terms of discounts for cash or time of payment which results in discrimination between purchasers of the same class of products or services and under the same condition.

(e) Substitution of material differing in any respect from the material ordered, without obtaining the approval of the customer, or the use of raw material including raw stock in any manufacturing processes inferior in quality to the raw material specified in an order, or, if not specified, inferior to the quality customarily used for similar orders.

(f) Attacking a competitor as to his financial standing or personal integrity or his ability to serve the trade.

(g) Predating contracts or willfully misrepresenting the date of a contract.

(h) Misrepresentation as to work or service or quality of work or service or materials, or misleading advertising.

(i) The giving of any bribe, gift, favor, or service to any employee of a customer or competitor in order to obtain information about a competitor's condition of business.

(j) The accepting of any rebate, direct or indirect, from an employee.

(k) Influencing any employee to dispose of his wages in any manner whatsoever.

(l) To store producers' old film without making a reasonable charge therefor.

(m) To furnish the use of cutting rooms without making a reasonable charge therefor.

(n) To render commercial projection service without making a reasonable charge therefor.

(o) To take an unauthorized duplicating print from a customer's negative or to make any other unauthorized copies, either negative or positive of a customer's negative or print.

Article VI—Modification

1. *By the President.*—This Code recognizes the right of the President from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of the N.I.R.A., and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

2. *By the Association.*—The provisions of this Code, other than the mandatory provisions under the N.I.R.A., may be modified or amended by the concurring vote of at least two thirds of the members of the Association at a meeting called for such purpose, provided that

notice of submission of the proposed modification, or amendment, has been given in the notice of meeting and provided further, that any modification or amendment adopted by the Association shall not become binding or effective unless and until approved by the President.

Article VII—General

1. *Producer's Laboratories Excepted.*—Any laboratory owned, operated, or controlled by a motion-picture producing firm, whether an individual, a partnership, a corporation, or otherwise, without limitation, is excepted from the operation of this Code, so long as it does not compete with any laboratory subject to this Code in laboratory products or services, other than on pictures produced by it.

2. *Membership.*—(a) All members of the Association affected thereby shall, as a condition of membership, subscribe to this Code.

(b) Association membership shall remain open at all times to any motion-picture laboratory under no restrictions, except as to initiation fee and payment of dues.

3. *Application of the Code.*—If any employer in the Motion Picture Laboratory Industry is also an employer of labor in any other industry, the provisions of this Code shall apply to and affect only that part of the business of such employer which is included in the laboratory industry.

4. *Effective Date.*—This Code becomes effective on the tenth day following its approval by the President.

5. *Termination.*—This Code, unless otherwise terminated, shall expire on the same date as the N.I.R.A.

6. *Code Violation.*—Violation of any provision of this Code shall be deemed unfair competition.

Approved Code No. 22.
Registry No. 1748-1-11.

Approved Code No. 23

CODE OF FAIR COMPETITION

FOR THE

UNDERWEAR AND ALLIED PRODUCTS MANUFACTURING INDUSTRY

As Approved on September 18, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Underwear and Allied Products Manufacturing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said act have been met.

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved, subject to the following condition:

(1) That all manufacturers included within the provisions of Part I, Section 1 (c) of the Code be granted a stay of fourteen (14) days after the effective date thereof, during which period they may show cause to the Administrator why they should not be included under the provisions of such Section.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
September 18, 1933.

NATIONAL RECOVERY ADMINISTRATION

To the President:

INTRODUCTION

This is a report of the hearing on the Code of Fair Practice for the Underwear and Allied Products Industry in the United States, conducted in Washington on August 10th and 11th, 1933, in accordance with the provisions of the National Industrial Recovery Act.

In the conduct of the hearing every person who had filed a request for an appearance was freely heard in public, and all statutory and regulatory requirements were complied with.

The code which is attached was presented by duly qualified and authorized representatives of the industry, and complies with the statutory requirements, as representing fully seventy-five percent of the knitting and sewing machinery in the Underwear and Allied Products Industry.

I. INDUSTRY NOW OPERATING UNDER EXECUTIVE ORDER

"Pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and pending action upon a Code of Fair Competition to be presented by the Underwear and Allied Products Industry,

"I agree with the Industry Committee, representing the manufacturers of knitted, woven and all other types of underwear and/or allied products, including garments made in underwear mills from fabric made on underwear machines and including any and all fabrics sold and/or used for underwear purposes made on flat or warp or circular knitting machines, whether as a final process or as a part of a larger or further process, pending the approval of a code of fair competition for the Industry, that they shall be bound, beginning July 24, 1933, by the provisions of the Cotton Textile Industry Code, as set forth in their letter of July 19, 1933, signed by the Members of the Industry Committee, offering this agreement to the President of the United States, pursuant to Section 4 of the National Recovery Act, and addressed to General Hugh S. Johnson, Administrator, agreement is subject to cancellation at any time without notice.

FRANKLIN D. ROOSEVELT."

JULY 21, 1933.

The Underwear Industry has been operating under the above Executive Order since July 21, 1933. The definitions as contained in the Executive Order have been changed in the code herewith presented.

The underwear manufacturers included under the Executive Order but excluded from the code are preparing their codes for presentation to the Administration before September 1st.

It is understood that upon the effective date of the Code of Fair Competition for the Underwear and Allied Products Manufacturing Industry as herewith presented, this code should supersede the provisions of the above Executive Order for all those included in the definitions of said code.

II—Definitions of the Industry

The Code of Fair Competition originally presented by the Underwear Institute in behalf of the Underwear and Allied Products Manufacturing Industry included the manufacturers of all types of underwear.

It became evident during the Hearing that the underwear industry in its entirety could not be included in the definitions of the Code of Fair Competition presented by the Underwear Institute.

Accordingly, the branches of the industry listed below were excluded, with the approval of all present at the Public Hearing, from being bound under the code herewith presented:

1. Lingerie undergarments manufactured in the Philippines or Puerto Rico from woven fabrics.

The type of garment manufactured in the above-mentioned localities is of such a type that it is not in direct competition with similar products manufactured in the United States. The labor conditions in these localities are not comparable to the labor conditions in the United States.

2. Infants' and Children's underwear and leggings, other than knitted cotton, and woven cotton so-called "athletic type."

As the above-mentioned division of the underwear industry is so closely allied with the manufacture of other children's garments, it is essential that they be included under a code of fair competition for the infants' and children's wear industry.

In Part I, Par. 1, Subpar. i, provisions are made so that when a code of fair competition for the infants' and children's wear industry is adopted that this type of underwear manufacture shall be included under the terms and provisions of such code to be adopted.

3. Manufacture of fabrics sold or used mainly for underwear purposes made on circular knitting machines.

This type of fabric which is largely made of rayon is included in the code of fair competition for the underwear and allied products industry herewith presented.

It is recommended that a stay of fourteen days be granted to all manufacturers that may be defined under Part I, Par. 1, Subpar. c, for the purpose of determining whether or not this type of manufacturer should be included as a part of the Underwear and Allied Products Industry.

III—Labor Provisions

The labor provisions in this code are substantially the same as the labor provisions in the code for the Cotton Textile Industry.

It is clearly evident that the labor conditions should be substantially the same as many of the underwear manufacturers spin their own yarn on the same premises that these yarns are knitted into or converted into underwear either partially or wholly finished.

To establish any difference in the minimum wage or the working hours for employees in the manufacture of underwear would cause difficulty in the labor conditions.

It is therefore recommended that these provisions be made as outlined in Part II of the code.

IV—Machine Hours

Sufficient evidence was submitted substantiating the adoption of one 40-hour shift for sewing machines, and two 40-hour shifts for knitting machines.

The only objection filed was made by Mr. William Hilleary, representing an underwear establishment located in a small town. The limitation of machine hours would necessitate unemployment in this instance, but the employment situation as a whole will not be affected by any limitation of machine hours.

V—Registration of Machinery

The code as approved by the industry at the close of the Hearing contained the following provision:

"On and after the effective date all persons engaged or engaging in the Industry shall register with the Industry Committee each unit of their productive machinery. Upon recommendation by the Industry Committee the Administrator may require that prior to the installation of additional productive machinery by persons engaged or engaging in the Industry, except for the replacement of a similar number of existing machines, such persons shall secure from the Administrator a certificate that such installation will be consistent with effectuating the policy of the National Industrial Recovery Act during the period of the emergency, and the Administrator may grant or withhold such certificate."

With due thought and consideration I have changed this provision to read:

> "On and after the effective date all persons engaged or engaging in the Industry shall register with the Industry Committee each unit of their productive machinery."

for the reason that I firmly believe such restrictive measures should have more careful consideration before becoming a provision of a Code of Fair Competition.

VI—Administration

The provisions for administration of this code are capable of providing the Administration and the Underwear and Allied Products Industry with sufficient data to make recommendations for the elim-

ination of certain provisions in the code as herewith presented and/or the addition of further provisions to this code which would be beneficial to the industry as a whole.

VII—Unfair Trade Practice

The provisions for unfair trade practices contained in this code should, to a great degree, correct certain evils that have existed and that have developed in the industry.

It is recommended that a careful study be made by the administrative body of the code as to the immediate results of the fair practice provisions of the code.

Provisions for furthering the adoption of standards in the underwear industry will go a long way toward correcting some of the major evils now existing.

*　*　*　*　*　*　*

In this application for the approval of this code, it is stated that the applicants confidently believed their membership to include more than 75% of the productive capacity of the entire underwear field, as follows:

"The following is a tabulation of the estimate of number of mills in each of the Groups which are covered by the "Code of Fair Competition for the Underwear and Allied Products Manufacturing Industry" and the number of such mills, in each group, which are members of the Underwear Institute:

	Estimated Number of Mills	Number of Members	Percent Production
Knit Retail Group	22	22	} 95
Knit Jobbing Group	167	135	}
Silk and Rayon Group	227	68	65. 23
Woven Group	66	60	84. 36
Sweater Group	36	33	80
Warp Knit Fabric Group	32	26	98
Knit Elastic Group	27	20	80
Knit Work Glove Fabric Group	6	5	80
Beef Tubing and Stockinette Group	7	4	80
Knit Cotton Wash Cloths and Novelties Group	2	2	----------

I find that:

(a) the code complies in all respects with the pertinent provisions of Title I of the Act, including, without limitation, subsection (a) of Section 7, and subsection (b) of Section 10 thereof; and that

(b) the Underwear Institute imposes no inequitable restrictions on admission to membership therein and is truly representative of the Underwear and Allied Products Industry; and that

(c) the code is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

Further, that the provisions of the code will result in a substantial increase in wages, and that there will be employed in the industry a greater number of persons than to be found in any peak period of operation.

The code provides for wage scales and maximum hours of work for all employees as well as those engaged in process operations.

VIII—Conclusion

For the first time in the history of the Underwear Industry the majority of concerns in the manufacture of underwear and allied products combined and formed an association known as the Underwear Institute.

In the formation of this Institute it became evident at the outset that a certain branch of the underwear industry was unwilling to become a part or be known as a part of the underwear industry. This particular branch is known as the manufacturers of circular knit rayon fabrics. They were not present at the Hearing and previous to the Hearing did not attend any of the meetings held by the underwear committee in formulating their code. It was not until the close of the Hearing that a brief was filed by the majority of manufacturers of the circular knit rayon fabrics claiming exemption from the provisions of the underwear code. Their contention was that they are a separate industry.

To facilitate the passage of the code they agreed to acknowledge the code, provided they be granted a stay exempting them from the provisions of the code for a period of 14 days in which time they should show cause why they should be classed as a separate industry.

The only other dissenting factor at the Hearing was a representative of a small mill claiming the limitation of machine hours would force him to dismiss one third of his workers, as he does not have sufficient capital to add more machines. As the majority of concerns in the underwear industry requested the limitation of machine hours, it is deemed advisable that this limitation remain in the code with a possibility that in certain instances they might request exemption from certain provisions by submitting their plea for exemption to the underwear industry committee.

The code as originally presented at the Hearing was changed considerably before the termination of the Hearing, and the proponents of the original code readily accepted the changes.

All divergencies, except as stated, have been harmonized in the provisions as presented.

Accordingly, I hereby recommend the approval of the Code of Fair Competition for the Underwear and Allied Products Manufacturing Industry.

Respectfully submitted.

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

UNDERWEAR AND ALLIED PRODUCTS MANUFACTURING INDUSTRY

To effectuate the policy of Title I of the National Industrial Recovery Act, the following provisions are established as a Code of Fair Competition for the Underwear and Allied Products Manufacturing Industry.

Part I—Definitions

1. The term " Underwear and Allied Products Manufacturing Industry " (hereinafter referred to as the Industry) as used herein is defined to mean the manufacture of—

(a) Knitted, woven, and all other types of underwear manufactured from all types of materials, with the exception of women's undergarments (other than so-called athletic type), pajamas, and negligees made from woven fabrics of silk, rayon, cotton, or flannelette, or of any combination thereof, and also excepting women's, children's, and infant's lingerie undergarments manufactured in the Philippines or Puerto Rico from woven fabrics;

(b) Garments made in underwear mills from fabric made on underwear machines, excepting, however, the cutting and fabricating of shirts other than undershirts, provided, however, that the manufacture of fleece-lined sweat shirts and other garments of like nature are not included in this exception;

(c) Any and all fabrics sold or used mainly for underwear purposes made on flat or warp or circular knitting machines;

(d) Knitted elastic fabrics;

(e) Knitted tubing for meat bagging;

(f) Knitted work-glove fabrics;

(g) Knitted fabrics made for leggings; and

(h) Knitted wash cloths:

(i) *Provided, however*, That any person manufacturing infants' and children's underwear and leggings, other than knitted cotton and woven cotton, so-called, " athletic type " underwear, may elect to operate under the provisions of such Code of Fair Competition for the Infants' and Children's Wear Industry as may hereafter be approved by the President of the United States; pending the approval of such Code of Fair Competition for the Infants' and Children's Wear Industry such persons operating under the President's Reemployment Agreement may continue to operate under said Agreement, and such persons not operating under the President's Reemployment Agreement shall operate under the provisions of this Code.

2. The term " Employers " as used herein shall include all persons who employ labor in the conduct of any branch of the Industry.

3. The term " Employees " as used herein shall include all persons employed in the conduct of any branch of the Industry.

4. The term "Productive Machinery" as used herein is defined to mean knitting machines and/or sewing machines used in the Industry.

5. The term "Knitting Machines" as used herein shall include all types thereof which have a part in the process of the manufacture of underwear and allied products as defined in paragraph 1 above.

6. The term "Sewing Machine" as used herein shall include all types of sewing machines used in the manufacture of products as defined in paragraph 1 above.

7. The term "Effective Date" as used herein is defined to be the second Monday after approval by the President of the United States of this Code.

8. The term "Persons" as used herein shall include natural persons, partnerships, associations, corporations, and trusts, including trustees in bankruptcy and receivers.

9. The term "Mills" as used herein shall include all places where any of the kinds of manufacture defined in paragraph 1 takes place.

10. The term "Institute" as used herein shall mean the Underwear Institute, located at 203 Union Trust Building, Washington, D.C.

11. The term "Industry Committee" as used herein shall mean the Underwear and Allied Products Manufacturing Industry Committee provided for in Part IV of this Code.

12. The term "Act" as used herein shall mean the National Industrial Recovery Act and all amendments thereto, and the term "Code" shall mean this and/or subsequent and/or supplemental codes and amendments thereto.

13. The term "Secretary" as used herein shall mean the Secretary of the Institute.

14. The term "Learner" as used herein shall mean an employee engaged in any process in the Industry requiring skilled labor with less than eight (8) weeks' experience in the same or any comparable process.

15. The term "Privileged Employee" shall mean one who by reason of proven physical or mental infirmity is not able to do the minimum amount of work usually done by employees in his classification of work.

Part II—Labor

1. *Prohibition of Child Labor.*—On or after the effective date of this Code, employers shall not employ any minor under the age of sixteen (16) years.

2. *Elimination of Home Work.*—No part of the process of the manufacture of the underwear and/or allied products covered by this Code shall take place in the home premises or living quarters of any person. The purpose of this provision is to prohibit the distribution by any person governed by this Code of products or materials to anyone for home work.

3. *Regulation of Hours of Work.*—(a) On and after the effective date, employers in the Industry shall not operate on a schedule of hours of labor for their employees—except office and supervisory staff, repair-shop crews, engineers, electricians, firemen, machine

fixers, shipping, watching, cleaners, and outside crew—in excess of forty (40) hours per week.

(b) On and after the effective date the maximum hours of labor of repair-shop crews, machine fixers, engineers, electricians, and watching crews in the Industry, shall, except in the case of emergency work, be forty (40) hours a week with a tolerance of 10 percent. Any emergency time in any mill shall be reported monthly to the Institute.

(c) On and after effective date the maximum hours of labor for office employees in the Industry shall be an average of forty (40) hours a week over each period of one month.

(d) Until adoption of further provisions of this Code that may prove necessary to prevent any improper speeding up of work (stretch outs), no employee shall be required to do any work in excess of the practices as to the class of work of such employee prevailing on July 1, 1933, or prior to the Share the Work Movement, unless such increase is submitted to and approved by the Industry Committee created by the Code and by the Administrator.

(e) These provisions for maximum hours establish a maximum of hours of labor per week *for every employee* covered, so that under no circumstances will such an employee be employed or permitted to work for one or more employers in the industry in the aggregate in excess of the prescribed number of hours in a single week.

4. *Minimum Wage Rates.*—(a) On and after the effective date, the minimum wage that shall be paid by employers in the industry to any of their employees—except to learners, privileged employees, cleaners, and outside crews—shall be at the rate of $12.00 per week when employed in the Southern section of the Industry and at the rate of $13.00 per week when employed in the Northern section for forty (40) hours per week of labor. Learners shall be paid at the standard piece-work rate, but in no event shall be paid less than $8.00 per week.

The States of Virginia, Tennessee, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Arkansas, Texas, Louisiana, Oklahoma shall constitute the Southern section of the Industry. Other states and the District of Columbia shall constitute the Northern section.

(b) The amount of difference existing prior to the effective date between the wage rates paid various classes of employees receiving more than the established minimum wage shall not be decreased; and in no event shall any employer pay any employee a wage rate which will yield a less wage for a work week of forty (40) hours than such employee would have received for the same class of work for the longer week of forty eight (48) hours or more prevailing prior to the effective date. It shall be a function of the Industry Committee to observe the operation of these provisions and recommend to the Administrator such further provisions as experience may indicate to be appropriate to effectuate their purposes.

(c) The provisions for a minimum wage in this Code establish a guaranteed minimum rate of pay per hour of employment regardless of whether the employee's compensation is otherwise based on a time rate or upon a piece-work performance.

(d) Cleaners, outside workers, and privileged employees combined shall not exceed eight (8) percent of the total employees; they shall receive not less than seventy-five (75) percent of the minimum wage provided for ordinary employees in Clause (a) above and when working on a piecework basis shall receive the standard piecework rate for the particular operation performed.

5. *General Regulations.*—Employers shall comply with the requirements of Section 7 (a) of Title I of the National Industrial Recovery Act as follows:

(a) Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(b) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

(c) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

Part III—Machine-Hours

1. No sewing machine shall be operated for more than one (1) shift of forty (40) hours per week.

2. No knitting machine shall be operated for more than two (2) shifts of forty (40) hours each per week.

Part IV—Administration

1. To effectuate further the policies of the Act, an Underwear and Allied Products Manufacturing Industry Committee is hereby set up to cooperate with the Administrator as a planning and fair practice agency for the Underwear and Allied Products Manufacturing Industry. This Committee shall consist of six representatives of the Underwear and Allied Products Industry, duly elected by the members of the Underwear Institute, and three members without vote appointed by the President of the United States. The Industry Committee may from time to time present to the Administrator recommendations based on conditions in the Industry as they may develop from time to time which will tend to effectuate the operation of the provisions of this Code and the policy of the National Industrial Recovery Act. Such recommendations, when approved by the Administrator, shall have the same force and effect as any other provisions of this Code.

(a) The Industry Committee shall cooperate with the Administrator in making investigations as to the functioning and observance of any provisions of this Code, at its own instance or on complaint by any person affected, and shall report the results of said investigations to the Administrator.

(b) The Industry Committee may make specific recommendations to the Administrator for changes in or exemptions from the pro-

visions of this Code as to the working hours of machinery which will tend to preserve a balance of productive activity with consumption requirements, in order properly to serve the interests of the industry and of the public.

(c) The Industry Committee may also investigate and inform the Administrator on behalf of the Industry as to the importation of competitive articles into the United States in substantial quantities or in increasing ratio to domestic production on such terms or under such conditions as to render ineffective or seriously to endanger the maintenance of this Code and may act as an agency for making complaint to the President on behalf of the Industry, under the provisions of the National Industrial Recovery Act, with respect thereto.

2. With a view to keeping the President informed as to the observance or nonobservance of this Code of Fair Competition, and as to whether the Underwear and Allied Products Industry is taking appropriate steps to effectuate the declared policy of the National Industrial Recovery Act, each person engaged in the Industry shall furnish duly certified reports in substance as follows and in such form as may be provided by the Industry Committee:

(a) *Wages and Hours of Labor.*—Returns every four weeks duly certified showing actual hours worked by the various occupational groups of employees and minimum weekly rates of wages.

(b) *Machinery Data.*—Returns every four weeks duly certified showing the number of knitting and/or sewing machines in place, the number of such machines actually operated each week, the number of shifts, and the total number of machine hours each week for each of the above types of machine.

(c) *Production Data.*—Returns every four weeks duly certified showing, in terms of the unit commonly used by the various branches of the Industry affected, e.g., linear yards, pounds, pieces, or dozens, the following: 1, production; 2, stocks on hand ((*a*) sold, (*b*) unsold); 3, new orders; 4, unfilled orders.

The Underwear Institute, 203 Union Trust Building, Washington, D.C., is hereby constituted the agency to collect and receive such reports. The Industry Committee may from time to time, subject to the approval of the Administrator, modify the nature of these reports.

3. On and after the effective date all persons engaged or engaging in the Industry shall register with the Industry Committee each unit of their productive machinery.

4. Each person shall file with the Secretary of the Institute promptly upon its issuance each and every price list, duly certified by a proper executive, showing all prices of the respective merchandise of the respective person, and all terms, including cash and quantity discounts and allowances of every description and conditions pertaining to transportation charges or allowances applying thereto, and shall likewise promptly notify the Secretary as to any and all changes in such prices, terms, discounts, and allowances not covered by price lists. Such price lists and notices shall be filed by the Secretary for reference, and shall be available for inspection only by the Secretary or the Administrator, or their duly authorized

representatives. Nothing in this paragraph shall be construed to nullify or modify any other provision of this Code.

5. All persons and agencies thereof shall be charged with the keeping of all records required to be kept by the provisions of this Code in such manner that an inspection of them shall show readily and easily whether or not the provisions of this Code have been or are being violated.

6. Any employer may participate in any activities of the Underwear Institute and in the preparation of any revision of, or additions or supplements to, this Code by assuming the proper pro rata share of the cost and responsibility of creating and administering it, either by becoming a member of the Underwear Institute or by paying to it an amount equal to the dues from time to time provided to be paid by a member in like situation of the Underwear Institute.

7. Subject to the approval of the Administrator, there shall be established and maintained by each person engaged in the Industry methods of cost finding approved by the Industry Committee.

Part V—General Provisions

1. No person shall manufacture or contract for the manufacturing of underwear or allied products in penal or other institutions not conforming to hours and standards required by this Code. Underwear or allied products produced in such institutions shall not be merchandized or sold in such a manner as to create unfair competition under this Code.

2. All standards already formulated in cooperation with the Bureau of Standards of the United States Department of Commerce and approved by the Industry or standards which shall be so formulated and approved shall become the standards for the Industry. All merchandise manufactured after the effective date shall be plainly and visibly marked by an indelible stamp or firmly sewn label " substandard ", where such merchandise comes below the minimum standards. Every manufacturer shall plainly mark with an indelible stamp or firmly sewn label the sizes of measurements of his product thereon. However, any merchandise manufactured prior to the date of adoption of a standard for such merchandise shall not, in any case, be classified as " substandard " merchandise, and the Secretary shall notify all known interested persons in the Industry of each new standard adopted and the effective date thereof.

3. Where the costs of executing contracts entered into in the Industry prior to the presentation to Congress of the National Industrial Recovery Act are increased by the application of the provisions of that Act to the Industry, it is equitable and promotive of the purposes of the Act that appropriate adjustments of such contracts to reflect such increased costs be arrived at by arbitral proceedings or otherwise, and the Industry Committee, the applicant for this Code, is constituted an agency to assist in effecting such adjustments.

4. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of Clause 10 (b) of the National Industrial Recovery Act,

from time to time to cancel or modify any order, approval, license, rule or regulation, issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

5. Such of the provisions of this Code as are not required to be included herein by the National Industrial Recovery Act, may with the approval of the President, be modified or eliminated if it appears that the public needs are not being served thereby and as changes in circumstances or experience may indicate. They shall remain in effect unless and until so modified or eliminated or until the expiration of the Act. It is contemplated that from time to time supplementary provisions to this Code or additional codes will be submitted for the approval of the President to prevent unfair competition in price and other unfair and destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act.

6. The Underwear Institute, the applicant for this Code, shall impose no inequitable restriction upon admission to membership.

Part VI—Unfair Trade Practices

To effectuate the purposes of the National Industrial Recovery Act, persons engaged in this Industry shall comply with the following trade practices, and violation of any of them shall be construed as an act of unfair competition:

1. In order to prevent destructive price cutting in the Industry no person shall sell any merchandise at less than its "reasonable cost" except as to defective goods known in the trade as "Irregulars", "Imperfects", or "Seconds", which, when sold, shall be plainly and visibly so marked on each garment and invoiced, and except as to goods discontinued from the line of the respective person, and therefore no longer to be manufactured by such person, sold at a discount price as "close outs" and so designated in the sale and the invoicing thereof, provided, however, that the Institute shall submit to the Administrator, within six months after the effective date of this Code, a plan for regulating the disposal of distress merchandise in a way to secure the protection of the owners and to promote sound and stable conditions in the Industry. The Industry Committee shall, subject to the approval of the Administrator, define "reasonable cost" for the purposes of this Code and determine upon a basis to be uniform among the persons of this Industry as the character of the items to be included in such "reasonable cost."

2. Standards terms shall be 2/10 E.O.M. or net 60 days. Invoices on and after the 25th of the month shall be as of the first of the following month. Maximum rate of anticipation shall be 6 percent per annum. Closer terms shall not be prohibited. The building up of prices to take care of greater discounts than 2 percent shall be prohibited. These terms shall become effective on the effective date of this Code, except as to shipments against orders booked prior to the effective date of this Code.

3. No person shall affix to any merchandise, or to the packaging thereof, fictitious resale price tickets, or other resale price indication, which may make it appear to the buying public that the actual resale price charged by the ultimate seller is lower than the supposed standard as indicated by such fictitious resale price indication. No person shall sell on consignment basis, directly or indirectly, or grant rebates to any customer, or enter into any secret selling conditions with any customer. No person shall allow the equivalent of secret rebates or secret discounts in the way of advertising or other allowances. No person shall accept and pay for, or make credit allowances for, goods returned for other causes than fault or error of the seller.

4. Regular number, i.e., " Firsts ", shall not be marked " Seconds ", or so sold. Misrepresentation or misbranding of merchandise is an unfair trade practice. No person shall enter into any form of special remuneration of employees of a customer to encourage such employees to push the sale of such person's merchandise to the detriment of competitors. No person shall enter into any false or misleading advertising. No person shall imitate the trade marks, trade names, and/or trade slogans of competitors.

Part VII—Monopolies

This Code shall not in any way permit monopolies or monopolistic practices.

Approved Code No. 23.
Registry No. 275/1/03.

Approved Code No. 24

CODE OF FAIR COMPETITION

FOR THE

BITUMINOUS COAL INDUSTRY

As Approved on September 18, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Bituminous Coal Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved, subject to the following conditions:

(1) There shall be added to the first paragraph of Section 3 of Article VII of the Code the following sentence:

> All coal producers subject to the Code shall furnish to any government agency or agencies designated by the Administrator such statistical information as the Administrator may, from time to time, deem necessary for the purposes recited in Section 3 (a) of the National Industrial Recovery Act and any reports and other information collected and compiled by a Code Authority, as heretofore provided, shall be transmitted to such government agencies, as the Administrator may direct.

(2) There shall be added after the first sentence of Section 4 of Article VII the following sentence:

> The President may appoint not more than three members of the Industrial Board in addition to, or in substitution for one or more of, the aforesaid six members of the Divisional Code Authorities.

(3) Schedule A as attached to the Code recommended by the Administrator is approved with the understanding that any basic minimum rates not fixed therein may be approved or prescribed by the President at any time prior to the effective date of this Code by a supplementary Executive Order.

(4) Because it is evident that attempts by those submitting Codes to interpret Section 7 (a) of the National Industrial Recovery Act have led to confusion and misunderstanding, such interpretations should not be incorporated in Codes of Fair Competition. Therefore, paragraph (b) of Article V must be eliminated without, by this exclusion, indicating disapproval in any way of the joint statement of the Administrator and General Counsel of the National Recovery Administration, which has been attached to the Code as Schedule B and was incorporated by reference in said paragraph (b) of Article V.

(5) The exception to the definition of "employee" in Article II belongs in Article III. Accordingly, the words "except members of the executive, supervisory, technical and confidential personnel" are stricken from the third paragraph of Article II. These same words are inserted in the first paragraph of Article III after the words "no employee."

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
September 18, 1933.

SEPTEMBER 17, 1933.

General HUGH S. JOHNSON,
Administrator, National Recovery Administration,
Washington, D.C.

DEAR SIR: I present herewith for your consideration and recommendation to the President the Code of Fair Competition for the Bituminous Coal Industry.

Efforts were under way to secure the cooperation of the Bituminous Coal operators prior to and in anticipation of the passage of the National Industrial Recovery Act.

The state of utter disorganization in the industry involving the prevalence of unfair competitive practices, particularly in the payment of low wages in order to permit of unreasonably low coal prices, furnished a good example of the effects of unrestrained competition in an industry capable of great overproduction in relation to existing consumer demands. In numerous ways the Bituminous Coal Industry has furnished more convincing evidence of the need for the integrating force of the National Industrial Recovery Act than any other industry in the nation.

The initial and immediate activity of the Administrator and the present writer after your appointment was an effort to bring about a greater coordination and cooperation between the operators in the different sections of the country in this industry and largely in response to this effort there came into being the Northern Coal Control Association and the Smokeless Appalachian Coal Association, representing almost all producers in the Appalachian coal area which produces approximately 70% of the national Bituminous coal tonnage. These associations join in presenting a Code of Fair Competition, this being a remarkable exhibition of cooperation among coal producers who have been engaged for a generation in bitter competitive operations. Other associations in various regions presented separate Codes as did certain groups of individual producers thus offered to the Administration the problem of harmonizing in some manner the divergent views represented in some twenty-eight different Codes.

This industry also presented the unique problem of one in which there was far-reaching organization of labor on an industrial basis, The United Mine Workers of America having contracts with many operators in many fields and claiming organization of workers in many other fields where no contractual relations existed.

The difficulty of reconciling all the conflicting elements in this situation can hardly be overemphasized. During the progress of discussion following the public hearings representatives of the Appalachian Associations requested the aid of the Administration in facilitating the negotiation of a contract between these associations and the United Mine Workers of America, and it was evident to the Administration that this step having been taken a successful conclusion to these negotiations was of the utmost importance in bringing about the submission of a code for the industry as a whole.

In the detailed report which will be prepared for your consideration all the steps taken and the problems involved will be given more

adequate consideration. At the present time in view of the urgent need for the recommendation and approval of the code which was finally adopted and submitted for approval on September 16 by representatives of approximately 95 percent of the national tonnage, it is desirable to make recommendations only as to the following minor details:

1. There is a provision in Article VII, section 3, requiring each code authority to collect and combine any report and other information required under the National Industrial Recovery Act. This should be supplemented by a definite obligation imposed upon the industry to furnish to government agencies such statistical information as the administrator may deem necessary for the purposes recited in Section 3-A of the National Industrial Recovery Act in the form of an Executive Order to be recommended to the President. An appropriate provision will be drafted to cover these requirements.

2. In Article VII, Section 4, provision is made for establishing an Industrial board to consist of nine members designated by the several divisional code authorities and the six members of the divisional authorities who have been appointed by the President. It appears that the provision as written may unduly restrict the President in placing on the Industrial Board only his appointees to the divisional code authorities.

Accordingly, it is recommended that as a condition of approval the President reserve the right to name not more than three members either in substitution for, or in addition to the six presidential appointees made members of the Industrial Board by the present provision of Section 4, of Article VII.

3. Schedule A fixes basic minimum rates for various districts and parts thereof leaving the rates for certain producing areas to be either approved or prescribed by the President prior to the effective date of the code. In view of progress made since the submission of the code in determining those rates not fixed in schedule A as submitted, I am able to recommend the revised Schedule A attached to this report, and desire to make it plain that no rates as fixed in Schedule A as submitted have been changed.

The code as recommended complies in all respects with the pertinent provisions of Title I of the Act. The groups submitting the code impose no inequitable restrictions on admission to membership therein and were truly representative of the Bituminous Industry.

The code as recommended is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

From evidence adduced during the hearing and all available information, it is believed that this code as now proposed and revised represents an effective, practical, equitable solution for this industry, and its approval as herewith submitted is recommended.

Respectfully submitted.

K. M. Simpson,
Deputy Administrator.

Approved:
Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

BITUMINOUS COAL INDUSTRY

Article I—Purposes

To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are submitted as a Code of Fair Competition for the bituminous-coal industry and upon approval by the President shall be the standards of fair competition for this Industry.

Article II—Definitions

As used in this Code the term "Industry" as applied to the Bituminous Coal Industry means the production and original sale of all kinds of coal (except anthracite), lignite, and the production and original sale of coke other than byproduct coke.

The term "employer" includes any person employing labor in any phase of the industry.

The term "employee" includes all persons employed in the industry.

The term "Administrator" means the official designated by the President to administer the National Industrial Recovery Act.

Article III—Maximum Hours of Labor

No employee, except members of the executive, supervisory, technical, and confidential personnel, shall be employed in excess of 40 hours in any calendar week after the effective date of this Code. No employee shall be required or permitted to work more than eight hours in any one day at the usual working places or otherwise in or about the mine (exclusive of lunch period), whether paid by the hour or on a tonnage or other piecework basis.

There shall be excepted from the foregoing limitations (a) employees required because of accidents which temporarily necessitate longer hours for them; (b) supervisors, clerks, technicians and that small number of employees at each mine whose daily work includes the handling of man-trips and/or haulage animals and coal in transit and those who are required to remain on duty while men are entering and leaving the mine.

The foregoing maximum hours of work shall not be construed as a minimum; and if at any mine a majority of the employed workers express their desire, by written request to the employer, to share available work with bona fide unemployed workers of the same mine, the number of hours' work may be adjusted accordingly by mutual agreement between such employed workers and their employers.

Article IV—Minimum Rates of Pay

The basic minimum rate for inside skilled labor and the basic minimum rate for outside common labor shall be the rate hereinafter

set forth in Schedule "A" for each district therein described for each such classification of labor, with the understanding that other classifications of employment will maintain their customary differentials above or below said basic minimum rates and that payments for work performed on a tonnage or other piecework basis will maintain their customary relationship to the payments on a time basis provided in said basic minimum rates.

Article V—Conditions of Employment

(a) Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; (2) no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and (3) employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

(b) Except as otherwise hereinafter provided, all coal mined on a tonnage basis shall be weighed and the miner paid on the basis of 2,000 or 2,240 pound ton. The miners shall have the right to a checkweighman, of their own choosing, to inspect the weighing of coal: *Provided*, that where mines are not now equipped to weigh coal a reasonable time may be allowed to so equip such mines; and provided, that in any case where rates of pay are based on any other method than on actual weights, the miners shall have the right to check the accuracy and fairness of the application of such methods, by representatives of their own choosing.

(c) The net amount of wages due shall be paid semimonthly in lawful money or par check at the option of operators. Any deductions from employees' pay, if not a matter of agreement, shall be in conformity with such general rules and regulations as the Administrator may prescribe for the purpose of preventing unfair deductions, or those which may in effect lower the rates of pay herein provided.

(d) Employees other than maintenance or supervisory men or those necessary to protect the property shall not be required as a condition of employment to live in homes rented from the employer.

(e) No employee shall be required as a condition of employment to trade at the store of the employer.

(f) No person under seventeen (17) years of age shall be employed inside any mine or in hazardous occupations outside any mine, provided, however, that where a state law provides a higher minimum age, the state law shall govern; no person under the age of sixteen (16) shall be employed in or about a mine.

(g) As soon as possible after the adoption of this Code, the National Recovery Administration shall undertake, through a designated committee or agency, an investigation for the purpose of reporting on or before December 31, 1933; upon (a) the practicability and cost (assuming the maintenance of existing rates of pay) of applying to bituminous coal mining a shorter work day and work week; (b) the

effect of an advisability of revising wage differentials in the various divisions and districts of the industry and in the event of recommended change specification of the amount thereof; (c) the sales obtained for coal, or reasonably to be anticipated, up to the time of the report, for the purpose of determining whether wages and employment can be further increased or maintained without imposing undue burdens upon the industry.

On January 5, 1934, there shall be held a conference between representatives of employers and employees operating under this Code, together with representatives of the National Recovery Administration, for the purpose of determining what, if any, revisions may be desirable at that time of the wages, hours, and differentials, or any other requirements of this Code, on the basis of conditions then existing and the report of representatives of the National Recovery Administration made as hereinbefore provided.

Unless revised by mutual agreement, as the result of said conference beginning January 5, 1934, the hours of work, minimum rates of pay, and wage differentials as set forth in this Code shall continue in effect until April 1, 1934.

Article VI—Unfair Practices

Section 1. The selling of coal under a fair market price (necessary to carry out the purposes of the National Industrial Recovery Act, to pay the minimum rates herein established, and to furnish employment for labor) is hereby declared to be an unfair competitive practice and in violation of this Code. In order to determine the fair market price, agencies shall be established, as hereinafter provided, and sales of coal at any time at a price less than a fair market price determined and published, as hereinafter provided, shall create against any person selling at a lower price a prima facie presumption that such a person is engaged in destructive price cutting and unfair competition. It shall be proper in determining such fair market price to take into consideration, in addition to the matters above set forth, also competition with other coals, fuels, and forms of energy or heat production.

Sec. 2. The fair market prices of coal of any grade and character referred to in the next preceding section, subject to the power of review hereinafter stated shall be—

(a) The minimum prices for the various grades and sizes in the various consuming markets which may be established for future application by a marketing agency or by marketing agencies, of whatever form or howsoever constituted, now existing or hereafter created or organized, acting for coal producers truly representative of at least two thirds of the commercial tonnage of any coal district or group of districts, such minimum prices to be effective when and as announced as provided in Section 4 hereof.

(b) The minimum prices for the various grades and sizes in the various consuming markets, where no such marketing agency exists, which may be established for future application by the respective Code Authorities hereinafter set up, for their respective areas, after having given consideration to the various conditions and circumstances entering into the sale of each grade and class of commercial coal produced in the district or group of districts it represents, such

minimum prices to be effective when announced as provided in Section 4 hereof.

(c) As a basis for determining the fair market price to be announced and published, as provided in the two preceding clauses, the Code Authorities shall utilize the Classifications of coals made by such agencies as are referred to in clause (a) of this section, and shall classify the coals in said districts not sold by such agencies and also the coals in the districts referred to in clause (b) of this section, to which the various prices apply. Said Code Authorities shall, at all times, provide and keep open an office during business hours to which any coal producer in said districts and any representative of the Administrator may apply for information with respect to said classifications and prices.

(d) The term "marketing agency" or "agency" as used in this Article shall include any trade association of coal producers complying with the requirements of a marketing agency and exercising the functions thereof.

Sec. 3. The fair market prices established for future application under the provisions of Section 2 (a) shall be reported to said Code Authorities by any such marketing agencies in such manner as may be required by such Authorities.

Sec. 4. The fair market price of bituminous coal, established as aforesaid by such agencies and Code Authorities shall be published within fifteen days after the effective date of this Code, after approval by the Presidential Member of the Code Authority (acting under the direction of the Administrator), who in his approval may permit a reduction or increase in said prices by action of said agencies or Authorities within the limits which he may prescribe, and thereafter shall be published whenever any change is made therein, and not less frequently than one each month, and on the first of the month. Simultaneously with such publication, said fair market prices of bituminous coal shall be transmitted by the Code Authorities to the National Recovery Administrator for his further review and subsequent action.

Sec. 5. Both the records and the data of such marketing agencies and of said Code Authorities shall be open to inspection and investigation by any agent of the Administrator whom he shall appoint for that purpose. Should such an agent of the Administrator disapprove of any changes proposed in any fair market prices from those previously approved by the Administrator as being in excess of any reductions or increases allowed in such approval, such changes shall not be made effective unless and until the Administrator shall approve them.

Sec. 6. The consignment of unordered coal, or the forwarding of coal which has not actually been sold, consigned to the producer or his agent, is a violation of this code; provided, however, that coal which has not actually been sold may be forwarded, consigned to the producer or his agent at rail or truck yards, tidewater ports, river ports, or lake ports, and/or docks beyond such ports, but such consignments shall be limited to cover:

(a) Bunker coal;
(b) Coal applicable against existing contracts;
(c) Coal for storage (other than in railroad cars) by the producer or his agent in rail or truck yards or on docks, wharves, or other yards for resale by the producer or his agent.

Sec. 7. The adjustment of claims with purchasers of coal in such manner as to grant secret allowances, secret rebates, or secret concessions creates price discrimination and is a violation of this Code.

Sec. 8. The prepayment of freight charges with intent or with the effect of granting a discriminatory credit allowance is a violation of this Code.

Sec. 9. The giving in any form of adjustments, allowances, discounts, credits, or refunds to purchasers or sellers of coal, for the purpose or with the effect of altering retroactively a price previously agreed upon in such manner as to create price discrimination is a violation of this Code.

Sec. 10. The predating or the postdating of any invoice or contract for the purchase or sale of coal, except to conform to a bona fide agreement for the purchase or sale entered into on the predate is a violation of this Code.

Sec. 11. Terms of sale shall be strictly adhered to; and the payment or allowance of rebates, refunds, credits, or unearned discounts, whether in the form of money or otherwise, or extending to certain purchasers services or privileges not extended to all purchasers under like terms and conditions, is a violation of this Code.

Sec. 12. An attempt to purchase business, or obtain information concerning a competitor's business by gifts or bribes, is a violation of this Code.

Sec. 13. The intentional misrepresentation of analysis and/or sizes or the intentional making, causing or permitting to be made, or publishing, of any false, untrue, misleading, or deceptive, statement, by way of advertising, invoice, or otherwise, concerning the size, quality, character, nature, preparation or origin of any coal, bought or sold, is a violation of this Code.

Sec. 14. The unauthorized use, either in written or oral form, of trade marks, trade names, slogans, or advertising matter already adopted by a competitor, or deceptive approximation thereof, is a violation of this Code.

Sec. 15. Inducing or attempting to induce, by any means or device whatsoever, a breach of contract between a competitor and his customer during the term of such contract, is a violation of this Code.

Sec. 16. Nothing in the foregoing sections of this Article shall prevent any American producer from creating special prices for overseas exports.

Sec. 17. The splitting or dividing of commissions, brokers fees, or brokerage discounts, or otherwise in any manner through sham or indirection the use of brokerage commission or jobbers arrangements or sales agency for making discounts, allowances, or rebates, or prices other than those determined as provided in this Code, to any industrial consumer or to any retailer, or to others, shall be a violation of this Code.

Sec. 18. To sell to, or through, any broker, jobber, commission account, or sales agency, which is in fact an agent for an organization of retailers or industrial consumers, whereby they secure indirectly a discount, dividend, allowance or rebates, or a price other than that determined as provided in this Code shall be a violation of this Code.

Article VII—Administration

Section 1. For the purposes of Administration of this Code, the Bituminous Coal Industry is hereby divided into five divisions as follows:

Division No. I.—Pennsylvania, Ohio, Lower Peninsula of Michigan, Maryland, West Virginia, Kentucky, Northern Tennessee, (including all counties not included within Division No. III), Virginia and North Carolina.

Division No. II.—Iowa, Indiana, and Illinois.

Division No. III.—Alabama, Southern Tennessee, (including Marion, Grundy, Sequatchie, White, Hamilton, Bledsoe and Rhea Counties), and Georgia.

Division No. IV.—Missouri, Kansas, Arkansas, Oklahoma, and Texas.

Division No. V.—New Mexico, Colorado, Utah, Wyoming, North Dakota, South Dakota, Montana, Idaho, Washington, Oregon, California, Nevada and Arizona.

In each of the foregoing five divisions, subdivisions may be established, as hereinafter provided.

Sec. 2. *Divisional Code Authorities.*—For each of the foregoing divisions there shall be established within ten days after the effective date hereof, or within such further time as may be permitted by the Administrator, a Divisional Code Authority, or Subdivisional Code Authorities for the administration of this Code within such division, either for the division as a unit, or for subdivisions thereof, respectively, as may be determined. All the members of a Code Authority, except one (without vote and to be appointed by the President) shall be selected by an association or associations, or a committee of coal producers within the division or subdivision which shall be truly representative of the industry therein and impose no inequitable restrictions on admission to membership. A full report of any such action taken to establish a Code Authority shall be made to the Administrator and shall become effective upon approval by him. A subdivision shall consist of a geographical area within which all coal producers shall be entitled to membership in the association or committee establishing the Code Authority. The Administrator shall have power to limit the number of subdivisions within a division and to determine any controversy arising in the establishment of such a Code Authority, and his decision shall be conclusive as to compliance with the requirements of this Section and of the National Industrial Recovery Act in the initial establishment of such a Code Authority.

In the event that Subdivisional Code Authorities are established within a division, such Subdivisional Code Authorities shall establish a Divisional Code Authority to exercise the functions hereinafter provided for a Divisional Code Authority and any other functions which may be conferred upon the Divisional Code Authority by the Subdivisional Code Authorities, all in conformity with any rules and regulations prescribed by the Administrator. One member of a Divisional Code Authority, without vote, shall be appointed by the President.

A Code Authority shall administer this Code in its Division or Subdivision and shall have the duties and exercise the powers which are conferred upon it in this article and in Article VI of this Code, and

shall have authority to adopt appropriate by-laws, rules and regulations for the exercise of its functions.

Marketing agencies or trade associations may be established or maintained within any division or subdivision by a voluntary association of producers within any producing district therein, as such district may be defined by the Code Authority and function under such general rules and regulations as may be prescribed by the Code Authority, with the approval of the Administrator, for the purpose of preventing any unfair practices, as defined in Article VI of this Code.

Sec. 3. Each Code Authority shall collect and compile any reports and other information required under the National Industrial Recovery Act; and in investigations of any complaint of unfair practices the Presidential member of a Code Authority shall have power to require reports from, and shall be given access to inspect the books and records of producers within the jurisdiction of such Code Authority to the extent he may deem necessary for the determination of the validity of the complaint. All coal producers subject to the Code shall furnish to any government agency or agencies designated by the Administrator such statistical information as the Administrator may, from time to time, deem necessary for the purposes recited in Section 3 (a) of the National Industrial Recovery Act; and any reports and other information collected and compiled by a Code Authority, as heretofore provided, shall be transmitted to such government agencies, as the Administrator may direct.

The expense of administering this Code by a Divisional (or Subdivisional) Code Authority shall be borne by those subject to such Code Authority, each paying his proportionate share, as assessed, computed on a tonnage basis, in accordance with regulations prescribed by the Code Authority with the approval of the Administrator.

Sec. 4. *Industrial Board.*—There shall be established within ten days after the creation of the Divisional Code Authorities a National Bituminous Coal Industrial Board, consisting of four members designated by the Divisional Code Authority of Division No. I, two members designated by the Divisional Code Authority of Division No. II, one member each designated by the Divisional Code Authorities of Divisions No. III, IV, and V and the five members of the Divisional Code Authorities who have been appointed by the President. The President may appoint not more than three members of the Industrial Board in addition to, or in substitution for one or more of, the aforesaid five members of the Divisional Code Authorities. This Board shall have the duties and exercise the powers conferred upon it in this Code, or any revisions thereof and particularly shall meet from time to time at the call of the Administrator, who shall be ex officio Chairman thereof, to consider and to make recommendations to the Divisional Code Authorities and to the President as to any amendments of this Code, or other measures which may stabilize and improve the conditions of the industry and promote the public interest therein.

Sec. 5. *Labor Relations.*—(a) Any controversy concerning hours, wages, and conditions of employment, or compliance with the provisions of Article V of this Code, between employers and employees who are organized or associated for collective action shall, if possible, be adjusted by conference and negotiation between duly designated representatives of employers and such employees, meeting either in a

mine conference or district conference or divisional conference, as the machinery for such conference may be established by agreement of the parties thereto; and it shall be the duty of employers and employees to exert every reasonable effort to establish such a machinery of adjustment and to utilize it to negotiate to a conclusion such controversies wherever possible.

(b) Any such controversy which cannot be settled in the manner so provided and which threatens to interrupt, or has interrupted, or is impairing the efficient operation of any mine or mines to such an extent as to restrain interstate commerce in the products thereof, shall be referred to the appropriate Bituminous Coal Labor Board, established as hereinafter provided, and the decision of said Board shall be accepted by the parties to the controversy as effective for a provisional period of not longer than six months, to be fixed by the Board.

(c) During the consideration of any such controversy either by the agreed machinery of adjustment, or by the Bituminous Coal Labor Board, neither party to the controversy shall change the conditions out of which the controversy arose, or utilize any coercive or retaliatory measures to compel the other party to accede to its demands.

(d) If any such controversy shall involve or depend upon the determination of who are the representatives of the employees chosen as provided in Section 7(a) of the National Industrial Recovery Act, the appropriate Bituminous Coal Labor Board, through any agent or agency it may select, shall have the power to determine the questions by an investigation and, if necessary, by a secret ballot taken under its direction.

(e) A Bituminous Coal Labor Board shall be appointed by the President for each Division, except there shall be two Boards for Division No. I, to exercise the powers herein conferred upon it, which shall consist of three members, one to be selected from nominations submitted by organizations of employees within such Division, one to be selected from nominations by the Divisional Code Authority and one who shall be wholly impartial and disinterested representative of the President. The expenses of such board shall be met by equal contributions from the employers and employees nominating members, the amount and method of collecting which shall be determined by regulations prescribed by the President.

(f) There shall be a National Bituminous Coal Labor Board composed of the members of the six divisional labor boards which may be convened upon call of the Administrator in the event that—

1. A controversy involves employers and employees of more than one division, or

2. The decision of a divisional labor board affects operating conditions of more than one division either directly or because of its effect upon competitive marketing, or

3. In the opinion of the Administrator the decision of a divisional labor board involves the application of a policy affecting the general public, or the welfare of the industry as a whole.

The National Bituminous Coal Labor Board may exercise all the powers conferred upon a divisional labor board, either in giving original consideration to a controversy, or in reviewing the decision of a divisional labor board, which may be either affirmed, set aside and/or modified.

Article VIII—Safety

Employers and employees shall cooperate in maintaining safe conditions of operation in compliance with the applicable requirements of State laws or regulations in conformity therewith.

Article IX—Amendments

Any Code Authority may propose amendments to this Code from time to time effective generally or as to the area within its jurisdiction which, after submission to any other Code Authority affected thereby (which shall include the divisional Code Authority in case of an amendment proposed by a subdivisional Code Authority), may be recommended by the Administrator for the approval of the President.

Article X

This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of subsection (b) of Section 10 of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act and specifically, but without limitations, to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

Article XI—Effective Date and Termination

This Code shall become effective on the second Monday following its approval by the President, and shall continue in effect until April 1, 1934, and thereafter in the absence of the exercise of the power reserved to the President in Article X, subject to the exercise of the option, after 30 days' notice to the Administrator, by any coal producer to withdraw his consent after April 1, 1934, to the further enforcement of the Code as a Code to which he has voluntarily given his consent.

Approved Code No. 24.
Registry No. 702/45.

SCHEDULE A

Basic Minimum Rates

District	Minimum inside skilled labor		Minimum outside common labor	
	Dollars per day	Cents per hour	Dollars per day	Cents per hour
DISTRICT A				
Pennsylvania	4.60	57½	3.60	45
Ohio	4.60	57½	3.60	45
Lower Peninsula of Michigan	4.60	57½	3.60	45
Panhandle District of West Virginia [1]	4.60	57½	3.60	45
DISTRICT B				
Northern West Virginia [2]	4.36	54½	3.36	42
DISTRICT C				
Southern West Virginia [3]	4.20	52½	3.20	40
Eastern Kentucky [4]	4.20	52½	3.20	40
Upper Potomac District of West Virginia [5]	4.20	52½	3.20	40
Maryland	4.20	52½	3.20	40
Virginia	4.20	52½	3.20	40
Northern Tennessee [6]	4.20	52½	3.20	40
DISTRICT D				
Indiana	4.57½	57⅕	4.20	52½
DISTRICT E				
Illinois	5.00	62½	4.00	50
DISTRICT F				
Iowa [7]	4.70	58¾	4.00	50
Wayne and Appanoose Counties of Iowa	4.56	57	3.86	48¼
DISTRICT G				
Missouri, Kansas, Arkansas, and Oklahoma	3.75	46⅞	3.28	41
DISTRICT H				
Western Kentucky [8]	4.00	50	3.00	37½
DISTRICT J				
Alabama	3.40	42½	2.40	30
Georgia	3.40	42½	2.40	30
Hamilton and Rhea Counties of Tennessee	3.40	42½	2.40	30
DISTRICT G-1				
Marion, Grundy, Sequatchie, White, Van Buren, Warren, and Bledsoe Counties of Tennessee	3.84	48	2.84	35½
DISTRICT K				
New Mexico	4.48	56	3.75	46⅞
Southern Colorado [9]	4.44	55½	3.75	46⅞
DISTRICT L				
Northern Colorado [10]	5.00	62½	3.75	46⅞

[1] Includes Hancock, Brooke, Ohio, and Marshall Counties.
[2] Includes Monongalia, Preston, Marion, Harrison, Taylor, Lewis, Barbour, Gilmer, Upshur, Randolph, Braxton, and Webster Counties and those mines in Nicholas County served by the B. & O. R.R.
[3] Includes all mines in counties of West Virginia not named under districts A and B and under the Upper Potomac District.
[4] Includes all mines in Kentucky located east of a north and south line drawn along the Western boundary of the City of Louisville.
[5] Includes Grant, Mineral, and Tucker Counties.
[6] Includes all counties in Tennessee not named Districts J and J-1.
[7] Excludes Wayne and Appanoose Counties.
[8] Includes all mines in Kentucky west of a north and south line drawn along the western boundary of the City of Louisville.
[9] Includes all counties in Colorado not named under District L.
[10] Includes Jackson, Larimer, Weld, Boulder, Adams, Arapahoe, El Paso, Douglas, Elbert, and Jefferson Counties.

Note.—Differences between districts in the foregoing minimum rates are not to be considered as fixing permanent wage differentials or establishing precedents for future wage scales.

Basic Minimum Rates—Continued

District	Minimum inside skilled labor		Minimum outside common labor	
	Dollars per day	Cents per hour	Dollars per day	Cents per hour
DISTRICT M				
Utah	5.44	68	4.48	56
DISTRICT N				
Southern Wyoming	5.42	67¾	4.44	55½
Northern Wyoming	5.42	67¾	4.54	56¾
DISTRICT O				
Montana	5.63	70⅜	4.82	60¼
DISTRICT P				
Washington	5.40	67½	4.00	50
DISTRICT Q				
North Dakota	4.00	50	3.20	40
South Dakota	4.00	50	3.20	40

O

Approved Code No. 25

CODE OF FAIR COMPETITION

FOR THE

OIL BURNER INDUSTRY

As Approved on September 18, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Oil Burner Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met.

NOW, THEREFORE, I Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 18, 1933, and otherwise, do adopt and approve the report, recommendations and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved, subject to the following condition:

(1) To effectuate further the policies of the Act, a Code Authority be created to cooperate with the Administrator as a Planning and Fair Practice Agency for the Oil Burner Industry, which Code Authority shall consist of nine representatives, of the Oil Burner Industry elected by a fair method of selection, to be approved by the Administrator, and three members without vote appointed by the Administrator.

FRANKLIN D. ROOSEVELT.

Approval recommended:

Hugh S. Johnson,

Administrator.

The White House,

September 18, 1933.

September 16, 1933.

The President,
The White House.

My Dear Mr. President: This is a report of the hearing on the Code of Fair Competition for the Oil Burner Industry in the United States, conducted in Washington August 21st and 22nd, 1933, in accordance with the provisions of the National Industrial Recovery Act.

PROVISIONS OF THIS CODE AS TO WAGES AND HOURS

(a) The standard work week for the Oil Burner Industry shall be as follows:

1. For manufacturing operations, not to exceed an average of 32 hours per week during the period January to June, inclusive, and not to exceed 40 hours during any one week of that period; not to exceed an average of 40 hours per week during the period July to December, inclusive, and not to exceed 48 hours during any one week of that period; a maximum average of 36 hours per week for the period of one year.

2. For the installation and servicing of oil burners, not to exceed an average of 32 hours of labor per week during the period March to August, inclusive, and not to exceed 40 hours of labor during any one week of that period; not to exceed 48 hours of labor in any one week during the period of September to November, inclusive; not to exceed an average of 40 hours of labor per week during the period December to February, inclusive; and not to exceed 48 hours of labor during any one week of that period; a maximum average of 38 hours of labor per week for the period of one year.

3. For office and employees engaged in a managerial or executive capacity, receiving less than $35.00 per week, not to exceed a maximum average of 40 hours per week, averaged over a six months' period, and not to exceed 48 hours during any one week of that period.

(b) It is the declared policy of the Industry that, insofar as consistent with sound business practice, the same personnel shall be kept throughout the year.

(c) The minimum wage rate in the Oil Burner Industry shall be not less than 45 cents per hour. For office or employees engaged in a managerial or executive capacity, the minimum wage rate shall not be less than $15.00 per week. This paragraph establishes a guaranteed minimum rate of pay regardless of whether the employee is compensated on the basis of a time rate or on a piece-work performance or otherwise.

(d) In the event that any member of the Oil Burner Industry shall also be a member of another industry, such member may, with the approval of the Administrator, pay such wages and work such hours as provided in the approved code governing such other indus-

try. For purposes of pricing products of the Oil Burner Industry, however, not less than the above minimum wage shall be used as the basis of calculating costs.

(e) No person under sixteen years of age shall be employed in the Oil Burner Industry; provided, however, that where a State law specifies a higher minimum age, no person below that age so specified by such law shall be employed in that State.

ECONOMIC EFFECT OF THE CODE

The Oil Burner Industry is one of our youngest industries. Partly for that reason and partly because the number of employees involved in the actual manufacturing process is small, the industry has received very little attention in statistical reports and in compilations of business activities. Where considered, the data are usually included in larger classifications. The picture is further complicated by the fact that part of the total oil-burner production is accomplished in plants or shops which produce other products.

In 1929, according to Census data, 69 establishments were devoted exclusively to the production of oil burners. This had shrunk in 1931 to 37. The indication from available data is that the firms which dropped out were, on an average, very small plants.

This is a vertical code governing all branches of the industry from the manufacturer to the retailer. Taking this into consideration, it is estimated that there will be approximately an increase of 8,000 in employment. The increase in the monthly pay roll throughout the industry is estimated at approximately $800,000.00.

FINDINGS

The Administrator finds that:

(a) The Code as recommended complies in all respects with the pertinent provisions of Title I of the Act, including, without limitation, subsection (a) of Section 7, and subsection (b) of Section 10 thereof; and

(b) The applicant group imposes no inequitable restrictions on admission to membership therein and is truly representative of the Oil Burner Industry; and that

(c) The Code as recommended is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

It is recommended, therefore, that this Code be immediately adopted.

Respectfully submitted.

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

OIL BURNER INDUSTRY

I. Purpose

To effectuate the policy of Title I of the National Industrial Recovery Act, this Code is set up for the purpose of increasing employment, establishing fair and adequate wages, effecting necessary reduction of hours, improving standards of labor, and eliminating unfair trade practices, to the end of rehabilitating the Oil Burner Industry and enabling it to do its part toward establishing that balance of industries which is necessary to the restoration and maintenance of the highest practical degree of public welfare.

No provision in this Code shall be interpreted or applied in such a manner as to promote monopolies, or monopolistic practices, permit or encourage unfair competition or eliminate, oppress or discriminate against small enterprises.

II. Participation

Each member of the Industry, subject to the jurisdiction of this Code and accepting the benefits of the activities of the Code Authority hereunder, shall pay to the Code Authority his proportionate share of the amounts necessary to pay the cost of assembling, analyzing, and publication of such reports and data, and of the maintenance of the said Code Authority and its activities; said proportionate share to be based upon value of sales, as the Code Authority, with the approval of the Administrator, may prescribe for each division or subdivision.

III. Definitions

A. *Classes of Equipment.*—For the purpose of the administration of this Code all products of the Oil Burner Industry shall be broadly defined as follows:

Class 1. Domestic Oil Burners which shall be motor driven or otherwise, designed primarily for use with central heating plants in one or two family dwellings or similar uses.

Class 2. Commercial Oil Burners which shall be motor driven or otherwise, designed primarily for application to the heating plants of multiple dwellings and commercial and public buildings or similar uses.

Class 3. Boiler-Burner Units which shall be combinations of oil burners and boiler or furnaces, designed primarily for heating domestic or commercial types of buildings or similar uses.

Class 4. Distillate Oil Burners which shall be burners designed primarily for use in connection with cooking ranges, space heaters and domestic water heaters or similar uses as follows:

(a) Conversion burners consisting of distillate burners designed to be installed in cooking and heating units.

(b) Cooking or heating devices manufactured expressly for use with oil burners, the burners becoming an integral part of the unit at the point of manufacture.

Class 5. Industrial burners, which shall be burners designed primarily for producing heat or power for industrial process and/or purposes.

B. *Units of the Industry.*—Where used in this Code the following definitions shall apply:

1. Manufacturers are persons, including but not limited to, individuals, partnerships, associations, or corporations engaged in the production of oil burners by fabrication and/or assembly.

2. Distributors are persons, including but not limited to, individuals, partnerships, associations, or corporations operating under a contract and/or franchise to purchase burners from a manufacturer and whose oil-burner business is the sale of oil burners to dealers for resale at retail.

3. Dealers are persons, including, but not limited to, individuals, partnerships, associations, or corporations operating under a contract and/or franchise with a manufacturer or distributor and whose oil-burner business is the sale of oil burners at retail.

IV. Labor Provisions

The following labor provisions are hereby established for the oil-burner industry:

(a) Employees in the Oil-Burner Industry shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(b) No employee and no one seeking employment in the Oil-Burner Industry shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

(c) Employers in the Oil-Burner Industry shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President of the United States.

A. *Standard Work Week and Minimum Wage.*—(a) The standard work week for the Oil-Burner Industry shall be as follows:

1. For manufacturing operations, not to exceed an average of 32 hours per week during the period January to June, inclusive, and not to exceed 40 hours during any one week of that period; not to exceed an average of 40 hours per week during the period July to December, inclusive, and not to exceed 48 hours during any one week

of that period; a maximum average of 36 hours per week for the period of one year.

2. For the installation and servicing of oil burners, not to exceed an average of 32 hours of labor per week during the period March to August, inclusive, and not to exceed 40 hours of labor during any one week of that period; not to exceed 48 hours of labor in any one week during the period of September to November, inclusive; not to exceed an average of 40 hours of labor per week during the period December to February, inclusive, and not to exceed 48 hours of labor during any one week of that period; a maximum average of 38 hours of labor per week for the period of one year.

3. For officers and employees engaged in a managerial or executive capacity, receiving less than $35.00 per week, not to exceed a maximum average of 40 hours per week, averaged over a six months' period, and not to exceed 48 hours during any one week of that period.

(b) It is the declared policy of the Industry that, insofar as consistent with sound business practices, the same personnel shall be kept throughout the year.

(c) The minimum wage rate in the Oil-Burner Industry shall be not less than 45 cents per hour. For office or employees engaged in a managerial or executive capacity, the minimum wage shall not be less than $15.00 per week. This paragraph establishes a guaranteed minimum rate of pay regardless of whether the employee is compensated on the basis of a time rate or on a piece-work performance, or otherwise.

(d) In the event that any member of the Oil-Burner Industry shall also be a member of another industry, such member may, with the approval of the Administrator, pay such wages and work such hours, as provided in the approved code governing such other industry. For purposes of pricing products of the Oil-Burner Industry, however, not less than the above minimum wage shall be used as the basis of calculating costs.

(e) No person under sixteen years of age shall be employed in the Oil-Burner Industry; provided, however, that where a State law specifies a higher minimum age, no person below that age so specified by such law shall be employed in that State.

V. Cost Provisions

No member of the Oil-Burner Industry shall sell or exchange any product of the industry at a price below his own individual cost as determined by a standard cost accounting system to be set up by the Code Authority for the Oil-Burner Industry, subject to the approval and supervision of the Administration. (a) Pursuant to the above provision, the Code Authority shall endeavor to develop and submit to the Administrator for approval within 120 days after the effective date of this Code a uniform system of cost accounting designed to make possible the accurate determination by each member of the industry of his own individual cost.

Upon approval by the Administrator of such system of cost accounting, complete advice concerning it shall be distributed by the Code Authority to all members of the Oil-Burner Industry. There-

after no member of the industry shall sell or exchange any product of the industry at a price below his own individual cost.

(b) Since it has been the general recognized practice of the Oil-Burner Industry to sell products on the basis of printed net price lists or price lists with discount sheets and fixed term of payment which are distributed to the trade, each member of the Oil-Burner Industry shall, within five days after the effective date of this Code, file with the Code Authority of the Oil-Burner Industry a net price list or a price list and discount sheet as the case may be, individually prepared by him, showing his current prices or prices and discounts and terms of payment. Revised price lists, with or without discount sheets, may be filed from time to time thereafter with the Code Authority by any member of the industry to become effective upon a date specified by such member of the industry, which date shall be not less than ten (10) days after the filing of such revised prices at the office of the Code Authority, and copies thereof, with notice of the effective date specified, shall be immediately sent to all known members of the industry, who may file, if they so desire, revisions of their price lists and/or discount sheets, which, if filed not less than five days previous to such effective date, shall take effect upon the date when the revised price list or discount sheet first filed shall go into effect.

If the Code Authority shall determine that any member of the industry is not selling its products on the basis of price lists, with or without discount sheets, with fixed terms of payment and that a system of selling on net price lists or price list and discount sheets should be put into effect, then such member of the industry, within ten (10) days after notice of the decision of the Code Authority under this paragraph, shall file with the Code Authority net price lists or price lists with discount sheets, containing fixed terms of payment; such price lists and/or discount sheets and terms of payment may be revised in the manner herein above provided. However, it is provided that the determination of the Code Authority as aforesaid shall be subject to the approval of the Administration.

(c) No member of the Oil Burner Industry shall sell or exchange any product of the industry at prices lower or discounts greater or on more favorable terms of payment than the approved schedule of such member on file at the office of the Code Authority as above provided.

(d) It is hereby provided that the operation of the foregoing provisions in regard to price lists shall at all times be subject to the approval of the Administrator and, if it be the belief of the Code Authority or of any member of the industry that any price list submitted represents sales below the cost of the member submitting same, the date of effectiveness of such list shall automatically be delayed an additional ten (10) days in order that an investigation may be made, by the Code Authority, to determine the propriety of such objection. If it is found or determined by the Code Authority that said prior list represents figures below cost, as defined by the Code Authority and approved by the Administration, such price list shall be withdrawn and revised price lists submitted.

VI. Industry Regulations

1. Fraudulent and deceptive practices, false or misleading advertising, mislabeling, misbranding, or the removal of manufacturers' labels, is unfair competition.

2. The misappropriation of a competitors' business by inducing breach of contracts, espionage, piracy of styles or designs, imitation of trade names, is unfair competition.

3. Defamation of competitors or of competitors' products is unfair competition.

4. The sale of oil burners or oil-burning equipment below cost and/or below published prices filed with the Code Authority, as herein provided, is unfair competition.

5. The giving of secret rebates, special services, discounts, free display units, or advertising allowances in excess of an amount equal to that expended by a dealer for local advertising and not in any case in excess of $10.00 per burner sold, or the providing for the absorption of transportation costs, is unfair competition.

6. Commercial bribery in the form of gratuities to salesmen or employees of distributors or dealers or the offering of rewards or premiums to purchasers of oil burners, or the payment of permit and/or inspection fees, or the giving away or selling of fuel oil at less than the prevailing market price in the territory, is unfair competition.

7. The acceptance of monies from fuel-oil suppliers by oil-burner distributors, dealers, or manufacturers for fuel oil delivered to users of the particular make of oil burner, where the oil-burner distributor, dealer, or manufacturer does not secure the signed contract for the fuel oil, is unfair competition.

8. Trade-in allowances for a burner greater than the scrap value thereof, or in excess of $25.00 for class 1 or 2 burners or in excess of $1.50 for class 4 (a) burners, is unfair competition.

9. The retail sale of oil burners on time payments extending more than nine (9) months, which carry financing terms more liberal and/or charges more liberal than 80 percent of the charges made by reputable financing institutions, whose principal business is the discounting of installment contracts, is unfair competition.

10. Rendering service for class 1, 2, 3 burners beyond the first year after date of installation for less than $10.00 per year, replacement of parts extra at not less than cost, is unfair competition.

11. It is unfair competition to negotiate or enter into distributor or dealer contracts and/or franchises which do not include uniform clauses:

A. Between class 1, 2, or 3 manufacturer and distributor; class 1, 2, or 3 manufacturer and dealer; or between class 1, 2, or 3 distributor and dealer, providing as follows:

(1) That violation of the Code for the Oil Burner Industry will make the contract and/or franchise subject to immediate cancellation.

(2) The following standard guarantees:

(a) The manufacturer guarantees all parts of the equipment shipped under this agreement for one year (and no longer) from date of installation thereof against defective material or workmanship (but not against damage caused by accident, abuse, or faulty installation) when the equipment is installed in accordance with the

manufacturers' specifications, and will repair or replace free of charge, f.o.b. factory, all such defective parts if returned to the factory, charges prepaid. The manufacturer's liability for damages caused by any such defective parts shall be limited to such repair or replacement and in no event shall the manufacturer be liable for indirect or consequential damages.

(b) The dealer agrees to guarantee to all of his customers who purchase oil burners from him, free service, day and night for at least three (3) heating-service months, and not more than twelve (12) months from date of installation, and free replacement of parts, due to defective material or workmanship, for a period of one year from date of installation, unless waiver of this provision be secured from the purchaser in writing at or before the time of sale.

B. Between class 4 manufacturer and distributor; class 4 manufacturer and dealer; or between class 4 distributor and dealer providing as follows:

(1) That violation of the Code for the Oil Burner Industry will make the contract and/or franchise subject to immediate cancellation.

(2) The following standard guarantee:

(a) The manufacturer guarantees all parts of the equipment shipped under this guarantee for one year (and no longer) from date of installation thereof against defective material or workmanship (but not against damage caused by accident, abuse, or faulty installation) when the equipment is installed in accordance with the manufacturer's specifications, and will repair or replace free of charge, f.o.b. factory, all such defective parts if returned to the factory, charges prepaid. The manufacturer's liability for damage caused by any such defective parts shall be limited to such repair or replacement and in no event shall the manufacturer be liable for indirect or consequential damages.

VII. Administration of Code

1. To effectuate further the policy of the Act, a Code Authority is hereby designated to cooperate with the Administrator as a Planning and Fair Practice Agency for the Oil Burner Industry. This Code Authority shall consist of twelve members as follows:

(a) Five members who shall be members of the Executive Committee of the American Oil Burner Association, Inc.

(b) One member who shall be the Chairman of the Board of Governors of the Dealer Division of the American Oil Burner Association.

(c) One member who shall be the President of the Distillate Oil Burner Manufacturers Association or his nominee.

(d) One member who shall be the President of the Pacific Coast Oil Burner Association or his nominee.

(e) One member who is not a member of any of the above Associations and who shall be selected by the Administrator.

(f) Three nonvoting members who shall be appointed by the Administrator.

The Code Authority may present to the Administrator recommendations based on the conditions in the industry as they develop

from time to time which will tend to effectuate the operation of the provisions of this Code and the policy of the National Recovery Act. In addition, it shall have the power to require from time to time such reports from the industry as in its judgment may be necessary to advise adequately on the administration and enforcement of the provisions of this Code in cooperation with the Administrator.

1a. In addition to information required to be submitted to the Code Authority, there shall be furnished to government agencies such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the National Industrial Recovery Act.

2. To provide data necessary for the administration of the National Industrial Recovery Act, the members of the Oil Burner Industry shall furnish to the Code Authority such information as it, subject to the approval of the Administrator, may require from time to time but through such channels as to eliminate the identification of any individual company's confidential information.

3. Where the costs of executing contracts entered into in the Oil Burner Industry prior to the approval of the President of the United States of this Code are increased by the application of the provisions of that Act to the industry, it is equitable and promotive of the purposes of the National Industrial Recovery Act that appropriate adjustments of such contracts to reflect such increased costs be arrived at by arbitral proceeding or otherwise, and the Code Authority of the Oil Burner Industry is constituted an agency to assist in effecting such adjustment.

4. This Code is hereby declared subject to the power of the President, pursuant to Section 10 (b) of Title I of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule or regulation, issued under said Title and specifically, but without limitation, to the right of the President, to cancel or modify his approval of this Code, or any condition imposed by him upon his approval thereof.

5. This Code shall be in effect beginning five (5) days after its approval by the President of the United States.

Approved Code No. 25.
Registry No. 1125/01.

Approved Code No. 26

CODE OF FAIR COMPETITION

FOR THE

GASOLINE PUMP MANUFACTURING INDUSTRY

As Approved on September 18, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Gasoline Pump Manufacturing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of title I of said act and that the requirements of clauses (1) and (2) of subsection (a) of section 3 of the said act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved, subject to the following condition:

(1) To effectuate further the policies of the act, a gasoline pump manufacturing industry committee be created to cooperate with the Administrator as a Planning and Fair Practice Agency for the Gasoline Pump Manufacturing Industry, which committee shall consist of five representatives of the gasoline pump manufacturing industry elected by a fair method of selection, to be approved by the Administrator, and three members without vote appointed by the Administrator.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
September 18, 1933.

SEPTEMBER 8, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: This is a report of the hearing on the Code of Fair Competition for the Gasoline Pump Manufacturing Industry in the United States, conducted in Washington on August 24th, 1933, in accordance with the provisions of the National Industrial Recovery Act.

PROVISIONS OF THIS CODE AS TO WAGES AND HOURS

II. MINIMUM WAGES

On and after the effective date the minimum wage that shall be paid by any employer in the Gasoline Pump Manufacturing Industry to any employee, regardless of whether the employee is compensated on the basis of a time rate, piecework performance, or otherwise, shall be at the rate of forty cents (40¢) per hour for forty (40) hours of labor: Provided, however, that where a State law fixes a higher minimum wage than that herein set forth, then and in such case, no employee shall receive a lower wage than that fixed by such State law.

III. HOURS OF LABOR

The maximum hours of labor per man per week shall be forty hours.

ECONOMIC EFFECT OF THE CODE

The Gasoline Pump Manufacturing Industry is one of the smaller industries in the United States with only about 3,000 employees.

The minimum wage now paid is 30¢ per hour. The provisions of the Code will raise the wage to 40¢ per hour, resulting in an increase in the pay roll of approximately 20 percent.

The Code has no provisions for regional or sex differentials.

The maximum hours at present do not generally exceed 40. Approving a 40-hour week under this Code will obviously add few employees to the pay roll. However, in order to reabsorb the unemployment in this industry it would be necessary to reduce the hours of employment to less than thirty per week. As a practical, workable proposition this would be decidedly unfair to the industry because—

(1) Some of the plants produce other products which are already governed by other 40-hour codes and shift their labor between the different types of production.

(2) Most of the plants are in localities where the maximum of labor in other outstanding plants is governed by 40-hour codes.

Reducing the hours to a point where the weekly earnings of employees in this industry would not offset those of workers under other 40-hour codes in the same locality would infringe on the available labor supply for this industry.

Under present conditions for practical considerations the reabsorption of the unemployed in this industry is practically impossible.

Findings.—The Administrator finds that:

(a) The Code as recommended complies in all respects with the pertinent provisions of Title I of the Act, including without limitation, subsection (a) of Section 7, and subsection (b) of Section 10 thereof; and that—

(b) The Association imposes no inequitable restrictions on admission to membership therein and is truly representative of the Gasoline Pump Manufacturing Industry; and that—

(c) The Code as recommended is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

It is recommended, therefore, that this Code be immediately adopted.

Respectfully submitted.

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

GASOLINE PUMP MANUFACTURING INDUSTRY

To effectuate the policy of Title I of the National Industrial Recovery Act, the following is established as a Code of Fair Competition for the Gasoline Pump Manufacturing Industry.

I. Definitions

The term "Gasoline Pump Manufacturing Industry" is defined to mean the manufacture and sale by the manufacturers of dispensing gasoline pumps of the meter, visible or blind types, operated either by hand or power; kerosene tanks in unit combination; low-pressure grease pumps and oil pumps and other low-pressure lubricating outfits for transmissions and differentials; hand trucks for carrying portable outfits for dispensing gasoline, kerosene, grease, oil, and other petroleum products; and other equipment used in the dispensing of these products for consumption.

II. Minimum Wage

On and after the effective date the minimum wage that shall be paid by any employer in the Gasoline Pump Manufacturing Industry to any employee, regardless of whether the employee is compensated on the basis of a time rate, piecework performance, or otherwise, shall be at the rate of forty cents (40¢) per hour for forty (40) hours of labor: Provided, however, that where a State law fixes a higher minimum wage than that herein set forth, then, and in such case, no employee shall receive a lower wage than that fixed by such State law.

The existing amounts by which wage rates in the higher-paid classes exceed wages in the lower-paid classes shall be maintained.

III. Hours of Labor

The maximum hours of labor per man per week shall be forty (40) hours.

IV

On and after the effective date no member of this industry shall employ or have in his employ any person under the age of 16 years; and further provided that no person under 18 years of age shall be employed or permitted to work on or in connection with metal-working machines: Provided, however, that where a State law specifies a higher minimum age no member of this industry shall employ within that State a person below the age specified by such State law.

V

As required by Section 7 (a) of Title I of the National Industrial Recovery Act, it is provided:

"(1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

"(2) That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

"(3) That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President."

VI. Standards

Nothing in this section shall apply to or affect in any way contracts between members of the Gasoline Pump Manufacturing Industry and others in existence prior to the effective date of this Code.

1. All contracts for the sale of equipment covered by this Code shall contain a definite and true statement of price, quantity, terms of payment, place of delivery, date, name of purchaser, and all other items necessary to form a complete contract. Further, that all contracts shall state that all the terms and conditions contained therein are in conformity with the letter and spirit of this Code.

2. Each manufacturer in the industry shall, immediately following the effective date of this Code, cancel all options, quotations, and guaranteed prices outstanding on such date, insofar as such cancelation can lawfully be effected.

3. All invoices shall contain a full statement of all the facts necessary to make such an invoice a complete actual record of the transaction represented on the face thereof.

4. Conditions and terms of sale for the equipment covered by this Code shall be as follows:

(a) 30 days net; not in excess of 2 percent for cash in ten days from date of invoice; or 90 days, provided that not less than 25 percent of the purchase price accompanies order and the remainder is payable in three equal monthly payments thereafter; or six months, provided that not less than 20 percent of the purchase price accompanies the order and the remainder divided into six equal monthly installments, with a carrying charge of 5 percent of the unpaid portion; or twelve months, provided that not less than 20 percent of the purchase price accompanies the order and the remainder divided into twelve equal monthly installments, with a carrying charge of 7 percent of the unpaid portion. No terms longer than twelve months shall be allowed. Allowance for unearned carrying charges when installment accounts are paid before maturity may be made.

(b) Except for bona fide test or demonstration purposes, no equipment covered by this Code shall be loaned, leased, consigned, given away, or sold on a basis of payment governed by the gallonage dispensed or on terms other than those agreed upon above.

(c) The following standard guarantee:

The manufacturer guarantees all parts of the equipment shipped under this agreement for one year and no more from date of invoice thereof against defective material or workmanship (but not against damage caused by accident, abuse, or faulty installation) when the equipment is installed in accordance with the manufacturer's specifications, and will repair or replace free of charge (F.O.B. factory) all such defective parts if returned to the factory, charges prepaid. The manufacturer's liability for damages caused by any such defective parts shall be limited to such repair or replacement and in no event shall the manufacturer be liable for indirect or consequential damage.

VII

The following are declared to be unfair trade practices and are prohibited:

(a) The payment or allowance of secret rebates, refunds, credits or unearned discounts, commissions to customers, or their employees, whether in the form of money or otherwise, or the extension of services or privileges to certain purchasers not extended to all purchasers under like terms and conditions.

(b) Discrimination in price of equipment covered by this Code between purchasers of the same class; provided, however, that nothing in this rule shall be construed to prevent the publication and use of the quantity discount specified herein; and provided further, that nothing herein contained shall prevent any member of the industry engaged in selling goods from selecting their own customers in bona fide transactions.

(c) The inducing or attempt to induce the breach of a contract between a competitor and his customer.

(d) The variable practice on the part of sellers of requiring purchasers in some instances to pay published freight and/or warehouse charges and in other instances of assuming such charges.

(e) Quoting a total price of any schedule of equipment covered by this code which does not show unit prices and any addition or deduction on any other basis than the unit price shown.

(f) The making of contracts, blanket orders, or other commitments guaranteeing prices except for firm orders for definite quantities for delivery within ninety (90) days from date of order. In each such case the order must stipulate that it is not cancellable and that any equipment not ordered out at the end of the period shall be billed to, and paid for by, the customer.

(g) The unreasonable trade-in on purchase or any other form of unreasonable allowance for used equipment.

(h) The authorizing or permitting of the refunding by commissioned salesmen of all or any part of their commission to any customer.

(i) The making of any allowance for installation by a manufacturer either directly or through his authorized representative, jobber, or commission salesman.

VIII

The following practices affecting the seller's product are declared to be unfair methods of competition and are condemned by the industry:

(a) The marking, branding, or failure to mark or brand a product for the purpose or with the effect of misleading or deceiving purchasers, or prospective purchasers, with respect to the quantity, quality, size, grade, or substance of product purchased.

(b) The publication or circulation concerning any member of the Industry, of any false, misleading, or deceptive statement by way of advertisement or otherwise as to the grade, quality, quantity, character, composition, or origin of the product.

(c) The sale or offer to sell any product with intent to deceive purchasers or prospective purchasers with respect to the quantity, quality, size, grade, or substance of such product.

IX

No member of the Gasoline Pump Manufacturing Industry shall sell or exchange any product of the industry at a price below his own individual cost of production as determined by a standard cost accounting system, to be set up by the Executive Committee for the Gasoline Pump Manufacturing Industry, subject to the approval and supervision of the Administration.

(a) Pursuant to the above provisions, the Executive Committee shall endeavor to develop and submit to the Administrator for approval within 120 days after the effective date of this Code a uniform system of cost accounting designed to make possible the accurate determination by each member of the industry of his own individual cost of production.

Upon approval by the Administrator of such system of cost accounting, complete advice concerning it shall be distributed by the Executive Committee to all members of the Gasoline Pump Manufacturing Industry. Thereafter, no member of the industry shall sell or exchange any product of the industry at a price below his own individual cost.

(b) Since it has been the general, recognized practice of the Gasoline Pump Manufacturing Industry to sell its products on the basis of printed net price lists, or price lists with discount sheets and fixed terms of payment which are distributed to the trade, each manufacturer shall, within five days after the effective date of this Code, file with the Executive Committee of the Gasoline Pump Manufacturing Industry a net price list or a price list and discount sheet as the case may be, individually prepared by him, showing his current prices, or prices and discounts, and terms of payment, and the Executive Committee shall immediately send copies thereof to all known manufacturers of the Industry. Revised price lists, with or without discount sheets, may be filed from time to time thereafter

with the Executive Committee by any manufacturer in the industry to become effective upon a date specified by such manufacturer in the industry, which date shall be not less than 10 days after the filing of such revised prices at the office of the Executive Committee and copies thereof with notice of the effective date specified shall be immediately sent to all known manufacturers of the Industry who thereupon may file, if they so desire, revisions of their price lists and/or discount sheets, which, if filed not less than five days previous to such effective date, shall take effect upon the date when the revised price list or discount sheet first filed shall go into effect.

If the Executive Committee shall determine that any manufacturer in the industry is not now selling its products on the basis of price lists, with or without discount sheets, with fixed terms of payment and that a system of selling on net price lists or price lists and discount sheets should be put into effect, then such manufacturer within ten (10) days after notice of the decision of the Executive Committee under this paragraph shall file with the Executive Committee net price lists, or price lists with discount sheets, containing fixed terms of payment; such price lists and/or discount sheets and terms of payment may be revised in the manner hereinabove provided. However, it is provided that the determination of the Executive Committee as aforesaid shall be subject to the approval of the Administrator.

(c) No manufacturer in the industry shall sell any product of the industry at prices lower or discounts greater or on more favorable terms of payment than the approved schedule of such manufacturer on file at the office of the Executive Committee as above provided.

(d) It is hereby provided that the operation of the foregoing provisions in regard to price lists shall at all times be subject to the approval of the Administrator and, if it is the belief of the Executive Committee or of any manufacturer in the industry that any price list submitted represents sales below the cost of production of the manufacturer submitting same, the date of effectiveness of such list shall automatically be delayed an additional ten days in order that an investigation may be made to determine the propriety of such objection. If it is found that any price list represents figures below the cost of production as defined by the Executive Committee and approved by the Administrator, the quotations shall be withdrawn and revised prices submitted.

X. Administration

With a view to keeping the President of the United States and the Administrator informed as to the observance or nonobservance of this Code, and as to whether the Gasoline Pump Manufacturing Industry is taking appropriate steps to effectuate in all respects the declared policy of the National Industrial Recovery Act, the Executive Committee of the Gasoline Pump Manufacturing Industry is hereby constituted and shall be composed of five members, chosen by a fair method of selection and approved by the Administrator. Each employer shall file with the Secretary of the Executive Committee statistics covering the number of employees, wage rates, em-

ployee earnings and hours of work, and, upon the request of the Executive Committee, subject to the approval of the Administrator, copies of invoices and all books or records pertaining thereto and such other data or information as may be from time to time required by the Administrator or by the Executive Committee, subject to the approval of the Administrator.

Except as otherwise provided in the National Industrial Recovery Act, all statistics, data, and information filed in accordance with the provisions of Article X shall be confidential, and the statistics, data, and other information of one employer shall not be revealed to any other employer except insofar as may be necessary for the effective administration and enforcement of this Code.

X-A

Where the costs of executing contracts entered into in the Gasoline Pump Manufacturing Industry prior to the Approval of the President of the United States of this Code are increased by the application of the provisions of that Act to the industry, it is equitable and promotive of the purposes of the National Industrial Recovery Act that appropriate adjustment of such contracts to reflect such increased costs be arrived at by arbitral proceeding or otherwise, and the Gasoline Pump Manufacurers Association, the applicant for this Code, is constituted an agency to assist in effecting such adjustments.

XI

Any employer may participate in the endeavors of the Executive Committee of the Gasoline Pump Manufacturing Industry relative to the revisions or additions to the Code by accepting the proper pro-rata share of the costs and responsibility of creating and administering it.

XII

This Code, and all the provisions thereof, are expressly made subject to the right of the President, in accordance with the provision of section 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation, issued under Title I of the said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

XIII

Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in circumstances or experience may indicate. They shall remain in effect unless and until so modified or eliminated or until the expiration of the Act. It is contemplated that from time to time supplementary provisions to this Code or additional codes will be submitted for the approval of the President, to prevent unfair competition in

price and other unfair and destructive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with provisions thereof.

XIV

This Code of Fair Competition shall become effective on the approval of same by the President of the United States.

The undersigned do hereby certify that the foregoing is a true copy of the Code of Fair Competition for the Gasoline Pump Manufacturing Industry, submitted to the Administrator under the National Industrial Recovery Act, as amended by authority of the Executive Committee of the Gasoline Pump Manufacturing Industry.

NELSON S. TALBOTT,
President, Gasoline Pump Manufacturers' Assn.
G. DENNY MOORE,
Secretary, Gasoline Pump Manufacturers' Assn.

SEPTEMBER 7, 1933.

Approved Code No. 26.
Registry No. 1326/01.

Approved Code No. 27

CODE OF FAIR COMPETITION

FOR THE

TEXTILE BAG INDUSTRY

As Approved on September 18, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Textile Bag Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of Subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved July 16, 1933, and otherwise, do adopt and approve the report, recommendations and findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
September 18, 1933.

29909—296-143——34

SEPTEMBER 15, 1933.

To the President:

This is a report of the Hearing on the Code of Fair Competition for the Textile Bag Industry in the United States, conducted in Room 2062, Department of Commerce Building in Washington, D.C., on August 31, 1933, in accordance with the provisions of the National Industrial Recovery Act.

In accordance with the customary procedure every person who filed an appearance was freely heard in public, and all statutory and regulatory requirements were complied with.

The Code which is attached was presented by duly qualified and authorized representatives of the Industry, complying with the statutory requirements, as representing 80% of the capacity of the Industry.

GENERAL CHARACTERISTICS OF THE INDUSTRY

The Textile Bag Industry includes the manufacture of a general line of bags made from cotton cloth purchased in this country and imported from India, for the manufacturer's own use or for sale. Such bags are used almost entirely as shipping containers and to a very large extent for agricultural products.

Over 90% of the cotton bags and probably over 75% of the burlap bags produced by our industry are printed with the buyer's brand applying to the product for which he uses the bag as a shipping container.

It is estimated that more than 90% of the output of the Textile Bag Manufacturing Industry is used by producers of agricultural products or derivatives thereof, or by producers of other products subject to extraordinary seasonal demand. For this reason the rate of production fluctuates during the year with a peak rate of approximately 150% of the annual average, and a slack rate of approximately 70% of the annual average.

It is estimated that approximately 35 concerns comprise the Textile Bag Industry, based on a careful analysis of all concerns known to have manufactured textile bags with the exception of those manufacturers—

(a) Primarily engaged in conditioning and resale of second-hand bags;

(b) Incidentally engaged in making textile bags as a part of other principal activities such as awning and tent manufacturing, etc.;

(c) Engaged in the manufacture of special bags such as coffee-urn bags, tea bags, tobacco bags, cotton pick sacks, and small cotton mailing bags not usually considered a part of, or competitive with the general line of textile bags.

About 60% of the employees in the Industry are women.

The industry reports that employment in the Textile Bag Industry is now approximately 88.5% of the 1929 peak of employment as compared with only 58% for all manufacturing industries, as reported by the National Industrial Conference Board.

In 1928 and 1929 the Textile Bag Industry gave employment to approximately 9,700 individuals with a plant operation of 49.4 hours per week. Today there are approximately 8,700 employees and an average plant operation of 47.5 hours per week.

The percentage of the 1933 pay roll to the 1929 pay roll for the Textile Bag Industry was 66%. and in all manufacturing industries, was 36%.

The average wage during 1933 to the average wage during 1929 in the Textile Bag Industry was 76% and in all manufacturing industries was 60%.

Size of the Industry.—The aggregate invested capital (estimated) is as follows:

1928	$45,000,000
1930	45,000,000
1932	45,000,000
1933	45,000,000

The aggregate number of employees (estimated) was as follows:

1928	9,710
1930	9,700
1932	8,400
1933	8,700

The aggregate production capacity (estimated) is as follows:

1928	222,000,000
1930	179,000,000
1932	127,000,000

The aggregate annual sales in dollars (estimated) was as follows:

1928	$148,000,000
1930	119,000,000
1932	68,000,000

The statistical position of the industry has fairly been represented by them.

THE CODE

For the establishment of minimum wage rates in the industry the United States has been divided into two sections, the North and the South. The line of division is that established by the Cotton Textile Industry.

The minimum wages at the rate of $13 per week in the North and $12 per week in the South are identical with those established in the Cotton Textile Industry. Because of the fact that a number of textile bag manufacturers operate their own cotton mills, that many of the bag manufacturing plants are located in textile areas, and that the class of labor in the textile bag industry is similar to that in the textile industry, it is clearly evident that the labor conditions should be substantially the same.

This code provides that productive machinery shall not be operated in excess of two shifts of 40 hours each per week.

The code provides for a 40-hour week for employees with a 48-hour maximum during the peak season, which is not to exceed 8 weeks in any 1 year.

For the administration of the code there is established a Control Committee duly set up in fairness to the entire industry.

The provision for Trade Practice Rules contained in this code should to a great degree correct certain evils that have existed and that have developed in the industry.

For several months prior to the date of hearing the textile bag industry held numerous meetings, the purpose of which was to prepare and adopt a code satisfactory to all manufacturers in the industry.

Unfortunately, from time to time some manufacturers took exception to certain provisions of the code. After considerable work and effort, however, a uniform code was developed so that on the day before the hearing date all exceptions and protests were withdrawn while five unassociated manufacturers joined the Textile Bag Manufacturers Association.

Thus was shown an unusual spirit of fairness and a spirit of give and take in finally reaching agreement, thereby formulating a code equitable to all and conforming to the purposes of the Act.

The Administrator finds that—

(a) The Code as revised complies in all respects with the pertinent provisions of Title I of the Act including, without limitations, subsection (a) of Section 8 and subsection (b) of Section 10 thereof; and that

(b) The Textile Bag Industry imposes no inequitable restrictions upon admission to membership therein and are truly representative of the Textile Bag Industry.

(c) The Code is not designed to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

Accordingly, I recommend the approval of the Code of Fair Competition for the Textile Bag Industry.

Respectfully submitted.

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

TEXTILE BAG INDUSTRY

PREAMBLE

To effectuate the policy of Title I of the National Industrial Recovery Act during the period of emergency, the following provisions are established as a Code of Fair Competition for the Textile Bag Industry.

Article I—Definitions of Terms

(a) The term "textile bag industry", when used in this Code, includes the manufacture of a general line of bags made from new cotton and new burlap woven cloth for the manufacturer's own use or for sale.

(b) The term "employers" shall mean all who employ labor in the conduct of any branch of the textile bag industry as defined above.

(c) The term "employees", as used herein, shall include all persons employed in the conduct of the textile bag industry.

(d) The term "productive machinery" as used herein, is defined to mean sewing machines and/or printing presses, baling presses, turning machines and all other productive machinery used in the Textile Bag Industry.

(e) The term "learner" as used herein shall mean an employee engaged in any process of the industry requiring skilled labor with less than eight (8) weeks' experience in the same or any comparable process.

(g) The term "effective date" as used herein, is defined to mean the second Monday after the approval of this Code by the President of the United States.

Article II—Labor Provisions

The textile bag industry will comply with the following specific provisions of the National Industrial Recovery Act.

(a) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(b) That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from from joining, organizing, or assisting a labor organization of his own choosing; and

(c) That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

Article III—Regulations of Hours of Work

(a) (1) No employee except emergency maintenance and repair crews, engineers, electricians, firemen, supervisory staff, shipping crews, watching crews, outside crews. and cleaners shall work more than forty hours per week, or more than eight hours in any twenty-four hour period, provided, however, that during peak seasons (not to exceed eight weeks in any one year) employees may work not more than forty-eight hours per week.

(2) The Control Committee hereinafter provided for in Article VI. shall prepare and submit to the Administrator by January 1, 1934, a report on the hours of labor for cleaners and outside employees.

(b) No productive machinery shall be operated for more than two shifts of forty hours each per week.

Article IV—Minimum Wage Rates

(a) For the purpose of determining minimum wages, the industry shall be divided into the following two sections:

(1) The States of Maryland, Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Tennessee, Kentucky, Louisiana, Arkansas, Oklahoma, Texas, and the District of Columbia, shall constitute the " Southern Section."

(2) All other states of the United States shall constitute the "Northern Section."

(b) On or after the effective date, no employee, except learners, sweepers, elevator men, yard men, hand truckers, and infirm or physically handicapped employees, shall be paid less than the rate of twelve dollars per week when employed in the southern section of the industry, or less than the rate of thirteen dollars per week when employed in the northern section, for forty hours of labor.

Learners. sweepers, elevator men, yard men, and hand truckers shall be paid not less than eighty percent of the minimum wage set forth in this section.

At no time shall more than ten percent of the total employees be classified as learners and at no time shall more than five percent of the total employees be classified as infirm or physically handicapped employees.

(c) Although excepted from maximum-hour provisions, repair-shop crews, engineers, electricians, and watching crews will be paid time and one third for overtime.

(d) Employers shall not reduce the compensation for employment now in excess of the minimum wages hereby agreed to (notwithstanding that the hours worked in such employment may be hereby reduced) and shall increase the pay for such employment by an equitable readjustment of all pay schedules. This clause shall be construed in the same manner as paragraph 7 of the President's Reem-

ployment Agreement has been interpreted by the National Recovery Administration in Interpretations Nos. 1 and 20, and subsequent interpretations.

Article V—Prohibition of Child Labor

No employer in the textile-bag industry shall employ any minor under the age of sixteen years; provided, however, that when a State Law specifies a higher minimum age, no person below the age so specified by such law shall be employed within that State.

Article VI—Administration

(a) To effectuate further the policies of the National Industrial Recovery Act a Control Committee is hereby designated to cooperate with the Administrator as a planning and fair practice agency for the textile-bag industry. This committee shall consist of the members of the Executive Committee of the Textile Bag Manufacturers Association, one representative to be elected by companies engaged in the textile-bag industry who are not members of the Textile Bag Manufacturers Association, and such governmental representatives, without vote, as shall be appointed by the President of the United States. Such agency may from time to time present to the Administrator recommendations based on conditions in the textile-bag industry as they may develop from time to time which will tend to effectuate the operation of the provisions of this Code and the policy of the National Industrial Recovery Act.

(b) The Control Committee is also set up to cooperate with the Administrator in making investigations as to the functioning and observance of any provisions of this Code, at its own instance or on complaint by any person affected, and to report the same to the Administrator.

(c) The Control Committee may recommend that the Administrator of the National Industrial Recovery Act require registration by persons engaged in the textile bag industry of their productive machinery. The Committee may also recommend that no installation of additional productive machinery, except for replacement of a similar number of existing machines, be permitted by anyone, unless the Administrator shall find that the installation of such additional machinery will tend to effect the policy of the National Industrial Recovery Act and shall give his approval thereto.

(d) Recommendations of the Control Committee shall upon approval by the Administrator after such public notice and hearing as he may specify become operative as part of this Code.

(e) The Control Committee shall from time to time collect such reports from those engaged in the textile bag industry as the Control Committee, subject to the approval of the Administrator, may require in order to effectuate the administration and enforcement of the provisions of this Code.

(f) Any employer may participate in the endeavors of the Textile Bag Manufacturers Association relative to the revisions or additions to or administration of this Code by accepting the proper pro rata

share of the cost and responsibility of creating and administering it, either by becoming a member of said Association or by paying to it an amount equal to the dues from time to time provided to be paid by a member in like situation of the Textile Bag Manufacturers Association.

Article VII—Trade Practice Rules

Section 1. After such time as the Control Committee, subject to the approval of the Administrator, shall determine those items that shall be used in determining costs, it shall be an unfair method of competition for a manufacturer to sell his product at less than his cost of production, which shall include the items specified by the Control Committee.

The cost of raw material. namely, cotton cloth and burlap, shall be computed on the basis of the replacement cost. In case of burlap, spot, afloat or future shipment as the case may be for the shipment period from the bag factory of bags sold, prevailing as of the date of sale. Replacement cost may be transmitted by the Secretary of the Association to its members and non-members, by telegraph or mail, as changes occur.

Sec. 2. Price Lists: Each member shall publish his price lists on cotton flour, meals, and feed bags which shall clearly state the terms and conditions under which the bags are to be sold by him. The price lists so published shall be maintained by him and any deviation by him from such published price lists shall be considered an unfair trade practice and is in violation of this Code.

Sec. 3. A purchaser shall not have the right, either expressly or tacitly, to cancel or amend any order for merchandise, without proper reimbursement.

Sec. 4. Merchandise shall not be sold on the basis of a guarantee against decline.

Sec. 5. Orders and contracts shall specify quantities, prices and delivery dates, and shall be binding alike upon both buyer and seller.

Sec. 6. Manufacturers shall not book orders with their customers immediately prior to making an advance and for the purpose of favoring such customers.

Sec. 7. Manufacturers shall not announce price advances to salesmen or special purchasers prior to the effective date of such advances, nor shall they after they have advanced their prices allow certain purchasers to book bags at prices in effect just prior to the advance.

Sec. 8. Quoted terms as to quantity differentials shall be lived up to and all purchasers shall be treated in identically the same manner with respect to quantity differentials. No purchaser shall receive the benefit of larger quantity prices on shipments covering smaller quantities where other purchasers do not receive the same treatment.

Sec. 9. Manufacturers shall not list special or extra charges, such as charges for back printing, all over-printing, etc., and then refund or rebate to certain purchasers such charges unless all purchasers are treated on exactly the same basis with respect to this practice.

SEC. 10. The effecting of adjustment or claims with purchasers of textile bags in such manner as to grant secret allowances, secret rebates, or secret concessions, creates in effect price discrimination and is a violation of the Code.

SEC. 11. In the event of a change in price of textile bags, the giving in any form of adjustments, allowances, discounts, credits, or refunds to purchasers or sellers of bags, for the purpose or with the effect of altering retroactively the price quoted or charged, in such manner as to create price discrimination, is a violation of this Code.

SEC. 12. The pre-dating or the post-dating of any invoice or contract for the purchase or sale of textile bags, except to conform to a bona fide agreement for the purchase or sale entered into on the pre-date, is a violation of this Code.

SEC. 13. Terms of sale shall be strictly adhered to. The payment or allowance of secret rebates, refunds, credits, or unearned discounts, whether in the form of money or otherwise, or extending to certain purchasers such services or privileges not extended to all purchasers under like terms and conditions shall be a violation of this Code.

SEC. 14. Attempts to purchase business or obtain information concerning a competitor's business by gifts or bribes shall be a violation of this Code.

SEC. 15. The making of, causing or permitting to be made, any false or deceptive statements, either written or oral, of or concerning the business policy of a competitor, his product, selling price, financial, business or personal standing, shall be a violation of this Code.

SEC. 16. Inducing or attempting to induce by any means or device whatsoever, the breach of contract between a competitor and his customer during the term of such contract shall be a violation of this Code.

SEC. 17. When a manufacturer has made a quotation on bags, such quotation shall stand and be final and not be changed unless justified by a change in the market for the goods involved.

ARTICLE VIII—GENERAL PROVISIONS

(a) No provision in this code shall be interpreted or applied in such manner as to—

(1) Promote monopolies;
(2) Eliminate or oppress small enterprise; or
(3) Discriminate against small enterprises.

(b) This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of Clause 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule or regulation, issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any condition imposed by him upon his approval thereof.

Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes

in the circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions to this Code or additional codes will be submitted for the approval of the President to prevent unfair competition in price and other unfair and destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions thereof.

Approved Code No. 27.
Registry No. 203/1/01.

Approved Code No. 28

CODE OF FAIR COMPETITION

FOR THE

TRANSIT INDUSTRY

As Approved on September 18, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Transit Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of Subsection (a) of Section 3 of the said Act have been met.

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt the findings and approve the report and recommendations of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved, subject to the following conditions:

(1) In approving the Code of Fair Competition for the Transit Industry, it is to be understood that paragraph 2 of Article VII, refers to all labor agreements arrived at by collective bargaining and that as to the language of this paragraph, the approval shall be construed to mean that existing labor contracts between members of the industry and employees may be continued in effect to their various expiration dates, unless modified by mutual agreement, but are not incorporated as a part of the Code. Where the provisions of any such expiring contracts include extensions or renewals thereof by arbitration or otherwise, such provisions may have the same force

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and effect as other provisions of such contracts, but in the process of extension or renewal of any such contracts, as provided by their terms and conditions, no working hours shall be set up which are in excess of the maximum allowed in this Code, and the minimum wage provisions shall not be less than those provided in this Code.

(2) The American Transit Association shall as soon as possible after the effective date of this Code amend its Constitution and By-laws wherever it may be necessary so that in the judgment of the Administrator there will be no inequitable restrictions imposed on membership in the Association.

FRANKLIN D. ROOSEVELT.

Approval recommended:

Hugh S. Johnson,
Administrator.

The White House,
September 18, 1933.

SEPTEMBER 15, 1933.

THE PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval the Code of Fair Competition for the Transit Industry.

An analysis of the provisions of the Code has been made by the Administration. I find that the Code complies with the requirements of Clauses 1 and 2, Subsection (a) of Section 3 of the National Industrial Recovery Act.

I am, my dear Mr. President,
Very sincerely yours,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

TRANSIT INDUSTRY

Article I—Purposes

To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are submitted by the American Transit Association on behalf of and for the Transit Industry, and upon approval by the President shall be the standard of fair competition for this Industry.

To the end that the Transit Industry may do its part in national economic recovery and carry out the purposes set forth above, the proponents of this Code represent that it is necessary that this Code reflect some of the fundamental natural differences between this Industry and production and distribution industries, which are as follows:

1. The Transit Industry generally is unable to pass on to the consumer increased costs resulting from its effort to carry out the purposes of the National Industrial Recovery Act, because (a) its rates are controlled by State regulatory authority or municipal franchise and (b) even if increased fares were permitted, they are now, with few exceptions, at the upper economic limit and further increases would not produce increased revenue.

2. Wage rates of transit labor have been reduced less than in most other industries, having been decreased an average of less than 10 percent from the peak levels of 1929–30. Freedom from seasonal fluctuation in employment sustains annual employee earnings, and voluntary spreading of work has kept unemployment to a minimum.

3. The operating units within this Industry in general are not in competition with each other, and when such competition exists it is, with very few exceptions, subject to full regulation by state authority or municipal franchise. But though regulated as to competition within the Industry, mass transportation is subject to keen competition from automobiles operating for hire as taxicabs, service cars, or on a share-expense basis with little or no control by public regulatory bodies.

Article II—Definitions

(A) The term "Transit Industry", as used herein, shall mean and include:

1. Electric railways and trolley bus lines transporting passengers by electric car or trolley bus; provided that electric railways engaged in both intrastate and interstate commerce may operate either the intrastate or interstate portions of their business, or both, under this Code unless prevented by Federal law.

2. Automotive buses transporting passengers solely within State lines, except when engaged in interstate commerce.

3. Automotive buses transporting passengers in interstate commerce or in both intrastate and interstate commerce where such operations are conducted entirely within a single metropolitan area or within a group of municipalities when the transportation service is essentially urban or suburban in character.

4. The performance of all service and the transaction of all business incident to the operation of the foregoing facilities.

(a) No new bus route or bus line or extensions to existing bus routes or lines shall be established in interstate commerce without also complying with the licensing and rate provisions of any Code of Fair Competition adopted for the Motor Bus Industry relating thereto;

(b) The agency set up by the provisions of Article VI, A-4 hereof, shall have jurisdiction to hear and finally decide all disputes in regard to a specific route or line being or not being engaged in interstate commerce beyond the limitations provided for in paragraph 3 of this Article.

(B) The term "employee", as used herein, includes any person engaged in any phase of the Transit Industry, irrespective of the method of payment of his compensation or of the nature of his interest otherwise, in said Industry.

(C) The term "person", as used herein, includes, but shall not be limited to, natural persons, trusts, trustees, receivers, trustees in bankruptcy, partnerships, associations, private corporations, and municipal corporations and other governmental agencies to the full extent permitted by law.

(D) The term "member of the Industry", as used herein, includes all employers of the aforesaid employees and any person operating a vehicle in the Transit Industry on his own behalf, irrespective of whether he be an employer.

(E) The term "effective date", as used herein, means the fourteenth day after this Code shall have been approved by the President of the United States.

(F) Population for the purposes of this Code shall be determined by reference to the 1930 Federal Census.

Article III—Maximum Working Hours

On and after the effective date the following employees in the Transit Industry shall not work or be permitted to work in excess of the following hours in any one week except as hereinafter set forth, or as otherwise provided in existing labor agreements:

	Hours per week
A. General office employees	40
B. General shop employees	44
C. Car house and garage service employees, maintenance, track, line, power house, and substation department employees	48
D. Trainmen, bus operators, ticket agents, and related transportation groups	48

With an allowance not to exceed 6 hours per week, as hereinafter set forth. The Transit Industry recognizes the desirability of an eight-hour day and 48-hour week, but many of the companies cannot now ask their men to accept the reduction in their wages resulting from such a reduction in hours and it is impossible for the Industry to assume the burden of an increase

> in the hourly rates of pay to offset such reduction. The industry is required to provide practically continuous service, and a greater part of it for an 18-hour period or more each day; its vehicles must be dispatched from car houses or garages singly and not in groups leaving at the same instant, and their return is made in a similarly irregular fashion, according to the varying demands for service. In dividing the work among this class of employees, notwithstanding the fact that every effort may be made to equalize the number of hours worked, substantial variations in length of runs (day's work for this class of employees) cannot be avoided. Therefore employees in this class may work on a graduated schedule of hours, provided that no such employee shall be allowed to work in excess of said 48 hours by more than 6 hours per week. This provision of maximum hours shall be considered as fully complied with if the average number of hours per week for any individual measured over a six-months' period shall fall within the prescribed maximum. This maximum shall be reached by not more than 10 percent of the total number of such employees. Members of the Industry shall not increase the present hours of labor for trainmen and bus operators now prevailing except as may be agreed upon in connection with existing or new agreements; provided, however, that this shall not prevent increasing hours for such trainmen and bus operators as are not receiving a reasonable amount of work, but in no event shall the hours of labor be increased beyond those prescribed in this Code.

The maximum-hour provisions of this Code shall not apply to emergency crews or during the period of emergencies such as snowstorms, floods, fires, or other causes beyond the control of the member of the Industry.

The following classes of employees shall be exempt from the provisions of this Article and of Article IV of this Code:

(a) Management, executive, and supervisory employees receiving $35.00 or more per week;

(b) Janitors, watchmen, crossing flagmen and gatemen, and those employees who are commonly termed "worker-pension" employees. This class shall not exceed 5 percent of the total number of employees of the member of the Industry.

Article IV—Minimum Compensation

The minimum-wage rates except as otherwise provided in existing labor agreements, shall be as follows:

For employees paid on a weekly or a monthly basis, not less than $15.00 per week in any city of over 500,000 population, or in the immediate trade area of such city; nor less than $14.50 per week in any city of between 250,000 and 500,000 population, or in the immediate trade area of such city; nor less than $14.00 per week in any city of between 2,500 and 250,000 population, or in the immediate trade area of such city; and in towns of less than 2,500 population not less than $12.00 per week.

The minimum wage for employees compensated on a weekly or monthly basis who work less than full time shall be the pro rata amount of the minima specified above.

For employees paid on an hourly rate, not less than 40 cents per hour unless the hourly rate for the same class of work on July 15, 1929. was less than 40 cents per hour, in which latter case not less than the hourly rate on July 15, 1929, and in no event less than 30 cents per hour.

Where piecework, cooperative or profit-sharing rates exist, the total wages paid per week to any employee so working, divided by the number of hours actually worked per week by such employee, shall be equal to at least the minimum hourly wages prescribed in this Article.

Office boys and girls and messengers, under 21 years of age, and apprentices shall be paid not less than 80 percent of the minimum wages prescribed in this Code; provided, however, that the number of such employees shall not exceed 5 percent of the total number of employees of the member of the Industry.

Article V—Child Labor

No person under 16 years of age shall be employed in the Transit Industry.

Article VI—Administration

To further effectuate the policies of the Act, a Code Authority is hereby set up to cooperate with the Administrator in the administration of this Code.

(A) 1. The Code Authority shall consist of seven (7) voting members. Not more than three (3) nonvoting additional representatives may be appointed by the Administrator. One of such voting members shall at all times be the President of the American Transit Association, and one shall be the Managing-Director of said Association.

2. The remaining five members shall be elected by a vote of members of the Industry and shall represent the various interests in the Industry.

The selection of such candidates and the method of electing such members shall be subject to approval by the Administrator. At least two (2) of said voting members shall be representatives of labor. and at least one (1) may be a representative of a member of the Industry not holding membership in the American Transit Association.

3. Any trade or industrial association participating in the selection or activities of the Code Authority shall impose no inequitable restrictions on admission to membership therein, and shall evidence compliance with this provision in any manner required by the Administrator.

4. The Code Authority shall, as soon as possible after the approval of this Code, appoint two (2) individuals who shall jointly with two (2) individuals appointed by the Motor Bus Code Authority hear and finally determine any question that may be referred to it by the Transit Code Authority as to whether any individual bus operation defined in Article II, paragraph A-3, of this Code shall be included under this Code. In case the joint board fails or refuses to

decide within ten (10) days any question submitted, the matter shall be referred to the Administrator for final disposition.

5. An appeal from any action by the Code Authority affecting the rights of any person subject to this Code may be taken to the Administrator.

(B) The Code Authority shall have the following duties and powers to the extent permitted by the National Industrial Recovery Act and subject to review by the Administrator:

1. To administer the provisions of this Code, secure adherence thereto, hear complaints, and otherwise carry out for the Transit Industry the purposes of the Act as herein set forth.

2. To require reports from the members of the Industry with respect to wages, hours of labor, conditions of employment, number of employees, and other matters pertinent to the purposes of this Code, in order that the President may be kept informed with respect to the observance thereof.

3. Equitably to proportion and collect from time to time the cost of establishing and maintaining the Code Authority from such members of the Industry who fully participate in the Code by exercising the right to vote and/or to use the N.R.A. insignia. Only such members who participate in the expense of establishing and maintaining the Code Authority shall be permitted publicly to evidence their participation by displaying the N.R.A. insignia.

The Code Authority, subject to review by the Administrator, shall authorize the use of the N.R.A. insignia to members of the Industry according to the provisions of this paragraph.

4. After consulting the Industry, to make recommendations to the Administrator for the revision, modification, or alteration of this Code from time to time.

(C) Whereas it is deemed unfair competition by the Transit Industry for any type of transportation carrying passengers for hire in areas served by members of this Industry to pay substantially lower wages or to permit substantially longer working hours than those established by this Industry in this Code, the Code Authority is hereby empowered to assist in the securing of stay orders and exemptions from the Administrator in respect of any area affected by unfair competition of a competing industry, to confer with Code Authorities of competing industries, to file petitions for the modification of or complaints under the Codes of competing industries, and otherwise to take such steps as may be necessary or proper to place the Transit Industry on a basis of fair competition.

Article VII—General

1. (a) Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

(b) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

(c) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President, as provided herein.

2. Many of the street railway and bus companies which come under the provisions of this Code have working agreements with their employees through American Federation of Labor Unions, which provide the wages, hours of labor, and working conditions, and further provide for arbitration in all disputes of any kind that cannot be mutually adjusted, practically all of which agreements also provide for renewals through mediation and arbitration. It is understood and agreed to by the companies under this Code that all labor agreements will be lived up to and carried out, and this provision is agreed to by representatives of the employees. The employees of some of the companies that come under this Code have local associations, organizations, or other plans of collective bargaining. However, it is clearly understood that if either the employees under the American Federation of Labor Unions or under the aforesaid local associations, organizations, or other plans want to change their form of organization under the provisions of section 7 (a) of the National Industrial Recovery Act, they are at liberty to do so as that section provides.

3. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of Subsection (b) of Section 10 of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act.

4. Within each State, members of the Industry shall comply with any laws of such state imposing more stringent requirements, regulating the age of employees, wages, hours of work, or health, fire, or general working conditions than under this Code.

5. If this Code or any provision thereof, because of peculiar circumstances, will create great and unavoidable hardship to any member of the Industry, such member in a petition approved by the Code Authority may apply for a stay of this Code or such provision thereof, pending a summary investigation by the National Recovery Administration, if such member of the Industry agrees in such petition to abide by the decision of such investigation. The refusal of any such approval shall be subject to review by the Administrator.

6. In the case of any member of the Industry also employing labor in any other industry, the provisions of this Code shall apply to and affect only that part of such member's business which is included in the Transit Industry.

7. This Code shall terminate whenever Title I of the National Industrial Recovery Act ceases to be in effect, but not later than June 15th, 1935.

Approved Code No. 28.
Registry No. 1741/1/08.

O

Approved Code No. 29

CODE OF FAIR COMPETITION

FOR THE

ARTIFICIAL FLOWER AND FEATHER INDUSTRY

As Approved on September 18, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Flower and Feather Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of the said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be, and it is hereby, approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:

Hugh S. Johnson,
Administrator.

The White House,
September 18, 1933.

29840——296-145——34

SEPTEMBER 14, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval, the Code of Fair Competition for the Artificial Flower and Feather Industry. The code has been approved by the Labor Advisory Board, the Consumers Advisory Board, and the Industrial Advisory Board.

An analysis of the provisions of the code has been made by the Administration; and a complete report is being transmitted to you. I find that the code complies with the requirements of clauses 1 and 2, subsection (a) of Section 3 of the National Industrial Recovery Act.

I am, my dear Mr. President,
Very sincerely yours,

HUGH S. JOHNSON, *Administrator.*

CODE OF FAIR COMPETITION

FOR THE

ARTIFICIAL FLOWER AND FEATHER INDUSTRY

Article I

To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are submitted as a Code of Fair Competition for the Artificial Flower and Feather Industry, and upon approval by the President, shall be the standard of fair competition for this industry.

Article II—Definitions

1. The term "industry" as used herein includes the manufacture, wholesale distribution, and importation of artificial flowers and feathers and such branches and subdivisions thereof as may from time to time be included under the provisions of this code.
2. The term "employee" as used herein includes any person engaged in any phase of the industry, in any capacity, irrespective of his method of compensation or interest otherwise in said industry.
3. The term "employer" as used herein includes anyone for whose benefit or on whose business such employee is engaged, and anyone engaged in said industry on his own behalf.
4. The term "persons" as used herein shall include, but shall not be limited to, natural persons, trustees, partnerships, receivers, associations, and corporations.
5. The term "effective date" as used herein shall mean and this code shall become effective on the first Monday after this code shall have been approved by the President of the United States.

Article III—Hours of Labor

1. Except as hereinafter provided, no employee shall work, or be permitted to work, in excess of forty (40) hours in any one week, or more than eight (8) hours in any twenty-four (24) hour period.
2. Subject to review by the Administrator, the Code Authority may designate the hour before which work shall not begin and the hour after which work shall not continue, and may determine in which localities such regulations shall apply.
3. No overtime shall be permitted except upon the recommendation of the Code Authority and the approval of the Administrator, and under such conditions and upon such terms as the Administrator may prescribe.
4. No employee shall work or be permitted to work for a total number of hours in excess of the number of hours prescribed for each week and day, whether employed by one or more employers.

Article IV—Rates of Pay

1. No employees shall be paid at less than the rate of fifteen dollars ($15.00) per week of forty (40) hours.

2. *Apprentices.*—(a) No apprentices shall be paid at less than the rate of ten dollars ($10.00) per week of forty (40) hours for the first six (6) weeks of employment, and thereafter not less than the minimum wages provided in Section (1) of this Article.

(b) If the operation at which any apprentice is engaged has a piecework rate and the amount earned at piece rate is more than ten dollars ($10.00) per week, such apprentice shall be paid on a piece-rate basis.

(c) The period of apprenticeship shall be strictly limited to six (6) weeks and any time worked by an apprentice shall be deemed a part of such apprenticeship period, whether such time is worked continuously or in more than one shop or for more than one employer.

(d) The number of apprentices engaged by any one employer shall at no time exceed ten percent (10%) of the total number of employees engaged by such employer.

3. No employee shall be paid less than the minimum wages set forth in this article, regardless of whether such employee is compensated on a time-rate or a piece-rate basis.

4. No employer shall reduce the hourly rate of compensation for employment in effect as of July 1, 1933, whether heretofore paid on a monthly, weekly, daily, or hourly basis. The hourly rates of pay of all employees whose hours of employment have been reduced by the provisions of this code, but whose wages have not been increased by the foregoing sections of this article, shall be increased by an equitable readjustment.

Article V—Minimum Age

No person under sixteen (16) years of age shall be employed in the industry.

Article VI—Administration

To further effectuate the purposes of the Act, a Code Authority is hereby set up to cooperate with the Administrator in the administration of this code.

A. (1) The Code Authority shall consist of seven (7) members who shall be representative of the various interests in the industry and such other interests as the Administrator may designate, and shall be appointed by the Administrator.

(2) Any trade or industrial association participating in the selection or activities of the Code Authority shall at all times comply with the following requirements:

(a) It shall impose no inequitable restrictions on membership.

(b) It shall not violate any rule or regulation prescribed by the President of the United States, or any other provisions of the National Industrial Recovery Act.

(c) It shall submit to the Administrator, or his deputy, for approval true copies of its articles of association, by-laws, regulations, and any amendments when made thereto, together with such

other information as the Administrator may require from time to time to effectuate the policies of this Act.

(3) The Administrator shall entertain complaints and provide such hearings as he may deem necessary or proper for those claiming the right to be represented on the said Code Authority, and he shall have the right from time to time to change the method of selection and the organizations selecting the members of the Code Authority in order that the Code Authority shall be truly representative of the industry.

(4) An appeal from any action by the Code Authority affecting the rights of any person subject to this code may be taken to the Administrator.

(5) Hereafter only employers assenting to this code shall be entitled to participate in the selection of the Code Authority and to share the benefits of its activities as herein set forth. Any employer accepting the benefits of the activities of the Code Authority shall pay his proportionate share of the expense of the maintenance of the Code Authority and its activities.

B. The Code Authority shall have the following duties and powers to the extent permitted by this Act and subject to review by the Administrator:

(1) To elect officers and assign to them such duties as it may consider advisable, and to provide rules for its selection by the industry, its procedure, and its continuance as the administrative agency of this code, in accordance with the terms of the Act and the principles herein set forth.

(2) To administer and enforce the provisions of this code.

(3) To obtain from time to time from employers in the industry reports in respect to wages, hours of labor, conditions of employment, number of employees, and other matters pertinent to the purposes of this code as the Code Authority may prescribe, and to submit periodical reports to the Administrator in such form and at such times as he may require, in order that the President may be kept informed with respect to the observance hereof.

(4) To regulate the use of the N.R.A. insignia and to limit the same to employers in the industry who have agreed to comply with this code, so long as they conform to its provisions.

(5) To coordinate the administration of this code with such other codes, if any, as may be related to the Artificial Flower and Feather Industry, or any subdivision thereof, with a view to promoting joint and harmonious action upon matters of common interest.

(6) To make surveys, to compile reports, to collect statistics and trade information, to investigate unfair trade practices, to make recommendations for fair-trade practices, to initiate and consider proposals for amendments or modifications of this code, and otherwise assist the Administrator in effecting the purposes of this code and the National Industrial Recovery Act.

(7) To secure a proportionate payment of the expense of maintaining the Code Authority and its activities from those employers accepting the benefits of the activities of the Code Authority.

C. The Code Authority shall study the following matters and provisions relating to trade practices and the operation thereof, and may

make recommendations thereon in the form set forth, or as modified, to the Administrator. Upon the approval of the Administrator and after such hearing as he may prescribe, such recommendations, or any part of them, shall become a part of this code and shall have full force and effect as provisions hereof.

(1) *False Marking.*—The false marking or branding of any product of the industry which has the tendency to mislead or deceive customers or prospective customers as to the grade, quality, quantity, substance, character, nature, origin, size, finish, or preparations of any product of the industry is prohibited as an unfair method of competition.

(2) *False Advertising.*—The making or causing or permitting to be made or published, any false, untrue, or deceptive statement by way of advertisement or otherwise concerning the grade, quality, quantity, substance, character, nature, origin, size, or preparation of any product of the industry having the tendency and capacity to mislead or deceive purchasers or prospective purchasers is prohibited as an unfair method of competition.

(3) *Terms and Discounts.*—The maximum terms that shall operate in the following branches of the industry, namely, decorative flowers, wax flowers, flowers and feathers manufactured for the dress, cloak, and suit, negligee trade, raw fancy feathers, naturally prepared botanical products, and feather dyers, shall be two percent (2%) discount in ten (10) days c.o.m., or the equivalent thereof; on all other manufactured artificial flowers and feathers a maximum discount of eight percent (8%) in ten (10) days c.o.m., or the equivalent thereof at the rate of six percent (6%) per annum.

(4) *Return of Merchandise.*—No merchandise purchased and shipped in good faith and in accordance with the buyer's specifications may be returned for credit by any purchaser, unless returned within three (3) days.

(5) *Selling on Consignment.*—No merchandise shall be shipped on memorandum or on consignment for sale.

(6) *Gratuities.*—The giving of gratuities or gifts to buyers, whether in the form of money, goods, or privileges is prohibited.

(7) *Advertising.*—Allowance of discounts for advertising or for payment for space in newspapers, magazines, guides, or directories on behalf of any retailer to be used in promoting the sale of merchandise to the consumer is prohibited. The supplying of cuts, matrices, and window cards shall, however, not be included in such prohibition.

(8) *Assignments.*—No person shall take or receive from any customer, either before or after the delivery of merchandise, either directly or indirectly, an assignment of accounts receivable, or security in any form whatsoever, in payment of the purchase price of merchandise or as security therefor, without first notifying the Code Authority that such assignment or security has been or is about to be received, nor shall any person assign, sell, transfer, or mortgage its accounts receivable or chattels, either directly or indirectly, without first notifying the Code Authority that such transfer, sale, assignment, or mortgage has been or is about to be taken or given.

(9) *F.O.B. Shipments.*—All shipments to retailers shall be made f.o.b. city of manufacture.

(10) *False Invoicing.*—No sale shall be made by any person upon any other terms except as expressly set forth in the order, contract of sale, or the invoice pertaining to such sale.

(11) The regulation of style and design piracy.

Article VII

1. Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

2. No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organizatión of his own choosing; and

3. Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

4. This code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of Subsection (b) of Section 10 of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act and specifically, but without limitation, to the right of the President to cancel or modify his approval of this code or any conditions imposed by him upon his approval thereof.

5. Within each state, members of the industry shall comply with any laws of such state imposing more stringent requirements, regulating the age of employees, wages, hours of work, or health, fire or general working conditions, than under this code.

6. No goods shall be manufactured by any employer in any prison, prison camp, penitentiary, reformatory, or other penal institutions or in any place by means of prison labor.

7. No work shall be done or be permitted to be done in any basements, unsanitary buildings, buildings unsafe on account of fire risks, or otherwise dangerous. In any state in which buildings used in the industry, including dwellings, are subject to inspection by the Department of Labor of such state, or of the Government of the United States, no work shall be done in such buildings or dwellings without the provisions relating to such inspection having first been complied with, and proof of such compliance having been supplied to the Code Authority.

8. Any employer who at any time shall manufacture any article or articles subject to the provisions of this code, shall be bound by all the provisions of this code as to all employees engaged in whole or in part in such manufacture. In case any employee shall be engaged partly in such manufacture and partly in the manufacture of goods of another character, this code shall only apply to such portion of such employee's time as is applied to the manufacture of articles subject to this code.

9. Nothing in this code is designed to promote, nor shall it permit monopolies or monopolistic practices; nor it is designed to, nor shall it eliminate, oppress, or discriminate against small enterprises.

Articles VIII—Homework

1. No homework shall be permitted after May 1, 1934. After January 1, 1934, no employer shall employ more than fifty percent (50%) of the number of homeworkers employed by him as of September 1, 1933.

2. Until May 1, 1934, no work shall be done in any home unless and until evidence has been presented to the Code Authority, as agent for the Administrator, that all State, municipal, and other laws and regulations relating to homework have been complied with and unless the names and addresses of such homeworkers and their employers shall have been filed with the Code Authority.

3. The Code Authority shall file with the Administrator a list of the names and addresses of all homeworkers employed in the industry and shall indicate by whom all such homeworkers are employed.

4. No homeworker shall be engaged at the same time by more than one employer.

5. All homeworkers shall be paid on the same piece-rate basis as factory employees engaged in similar work.

6. Copies of Articles III, IV, and VIII of this code shall be supplied to all homeworkers.

Approved Code No. 29.
Registry No. 1603/02.

Approved Code No. 30

CODE OF FAIR COMPETITION

FOR THE

LINOLEUM AND FELT BASE MANUFACTURING INDUSTRY

As Approved on September 18, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Linoleum and Felt Base Manufacturing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said code of fair competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said code of fair competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations and findings of the Administrator, and do order that the said Code of Fair Competition be, and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
September 18, 1933.

29113°——296—64——34

To the PRESIDENT:

This is a report of the hearing of the Code of Fair Competition for the Linoleum and Felt Base Manufacturing Industry, conducted in Washington on September 1, 1933, in accordance with the provisions of the National Industrial Recovery Act.

CONDUCT OF THE HEARING

In the conduct of the hearing opportunity to be heard freely in public was afforded to every person who had filed a request for appearance, and all statutory and regulatory provisions were observed.

The Code which is attached was presented by the duly authorized and qualified representatives of the Linoleum and Felt Base Manufacturing Industry, representing, it is claimed, 100 percent of the industry.

No one spoke at the public hearing in protest of any provision of the Code proposed for this industry.

RÉSUMÉ OF CODE PROVISIONS

Any member of the industry is eligible for membership in the Linoleum and Felt Base Manufacturers' Association, proponents of the Code.

Members of the industry will render to the Administrator reports relative to hours of labor, wages, volume of production, and fiinished stocks on hand, and such additional reports as may be required.

The Code provides that no member of this industry shall cause or permit any employee, except executives and their personal secretaries, salesmen, research technicians, foremen, and assistant foremen, to work an average of more than 40 hours per week in any 26 weeks' period (i.e., not over 1,040 hours in any 26 weeks' period) and in no event, except shipping crews including truck drivers, more than 48 hours in any one week. In cases of emergency, laboratory technicians and mechanics engaged in repair work shall be exempt from the maximum hour limitations.

No member of this industry shall employ any minor under the age of sixteen years.

The minimum wage to be paid to any employees in this industry shall be at the rate of 40 cents per hour for male employees and 35 cents per hour for female employees. Female labor will receive the same pay as male labor for performing the same work under similar conditions.

EFFECT OF CODE ON WAGES AND EMPLOYMENT

The provisions of the proposed Code relating to wages and hours were put into effect by every concern in the industry on August 1, 1933, with the following results:

The number of wage earners increased 55 percent above the average number employed during the first six months of 1933. More than 2,000 employees were added to the payroll, bringing the number engaged in the industry to 5,888, a total that is slightly above the average number employed in 1929 in all plants now operating.

The total pay roll per hour for the entire industry increased 82 percent above the average paid during the first six months of 1933.

The average wage rate for male factory employees rose 18 percent to 51¼ cents an hour. This is 4 percent less than the average wage rate in effect in 1929.

SUMMARY OF OPINIONS ON CODE

The Code has the approval of the Legal Division of this Administration, the Industrial Advisory Board, the Consumers' Advisory Board, and the Division of Economic Research and Planning.

In giving approval of this Code the Labor Advisory Board makes a recommendation that statistics on overtime work in this industry be required.

Findings

I find that:

(a) The Code complies in all respects with the pertinent provisions of Title I of the Act, including, without limitation, subsection (a) of Section 7 and subsection (b) of Section 10 thereof; and that

(b) The Linoleum and Felt Base Manufacturers' Association imposes no inequitable restrictions on admission to membership therein, and is truly representative of the Linoleum and Felt Base Manufacturing Industry; and that

(c) The Code is not designed to promote monopolies or to eliminate or oppress small enterprises, and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

Recommendation

I hereby recommend the approval of the Code of Fair Competition for the Linoleum and Felt Base Manufacturing Industry.

Respectfully submitted.

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

LINOLEUM AND FELT BASE MANUFACTURING INDUSTRY

For the purpose of complying with the provisions of Title I of the National Industrial Recovery Act, and effectuating the policy of Congress as declared in said Act, insofar as applies to the within Industry, the following conditions and principles are adopted as a Code of Fair Competition (hereinafter referred to as the "Code") for the manufacturers of Linoleum and Felt Base Products.

Article I—Definitions

(a) "National Industrial Recovery Act," means the National Industrial Recovery Act approved by the President on June 16th, 1933.

(b) "Act," means National Industrial Recovery Act.

(c) "President," means the President of the United States of America.

(d) "Administrator," means the duly appointed representative of the President to administer the Industrial Recovery Act.

(e) "Association," means the Linoleum and Felt Base Manufacturers Association, of New York City.

(f) "The Industry," means and includes the business of manufacturing and selling Linoleum and Felt Base Floor Covering products.

(g) "Effective Date," means the second Monday after this Code is duly approved by the President.

Article II—Membership

Any member of the Industry is eligible for membership in the Association, and there shall be no inequitable restrictions on membership. The provisions of the Code shall be applicable to all members of the Industry.

Article III—Cancellation or Modification of Government Approval

This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of clause 10 (b) of the National Industrial Recovery Act, from time to time, to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

Article IV—Hours of Labor, Minors, Rates of Pay, and Other Conditions of Employment

Section 1. *Hours of labor.*—On and after the effective date no member of this Industry shall cause or permit any employee, except executives and their personal secretaries, salesmen, research technicians, foremen, and assistant foremen, to work an average of more than 40 hours per week in any 26 weeks' period (i.e., not over 1,040 hours in any 26 weeks' period) and in no event, except shipping crews, including truck drivers, more than 48 hours in any one week. Provided that in cases of emergency, laboratory technicians and mechanics engaged in repair work shall be exempt from the maximum hour limitations above provided. For the purposes of this section, the first 26 weeks' period for each employee in the employ of any member of this Industry at the effective date of this Code shall begin with that date, and the first 26 weeks' period for any employee thereafter employed by any member of this Industry shall begin with the date of employment of such employee by such member.

Sec. 2. *Minor Labor.*—On and after the effective date, no member of this Industry shall employ any minor under the age of sixteen years: Provided, however, that where a State law specifies a higher minimum age, no member of this Industry shall employ within such State any person below the age specified by such State law. It has not been the custom in this Industry to employ child labor.

Sec. 3. *Minimum Wage Rates.*—On and after the effective date, the minimum wage which shall be paid by members of this Industry to any employee except office employees, shall be at the rate of 40 cents per hour for male labor and 35 cents per hour for female labor. The above minimum rates of pay shall not in any way be considered as a discrimination by reason of sex and where in any case women do the same work, or perform substantially the same duties as men during the hours that they are legally permitted by State laws to be employed they shall receive the same rate of wage as men receive for doing such work or performing such duties. The minimum wage paid to any office employee shall be at the rate of $14.00 per week. Rates paid for hourly labor in excess of the minimum rates shall be increased in fair relation to the above minimum hourly wage rates. Said minimum hourly wage rates shall be maintained regardless of whether the employee is compensated on the basis of a time rate or on a piece-work performance: Provided, however, that when a State law specifies a higher minimum wage no member of this Industry shall employ within such State any person at a rate below the wage specified by such State law.

Sec. 4. *Employee organization and bargaining.*—(a) Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers or their agents, in the designation of such representatives or in self-organization, or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(b) No employee, and no one seeking employment in the Industry, shall be required as a condition of employment, to join any company union, or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

(c) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

Article V—Reports, Statistics

With a view to keeping the President informed as to the functioning of this Code of Fair Competition, and whether the Industry is adopting and maintaining appropriate action to effectuate the declared policy of the Act, and to provide for making available to the Administrator and members of the Industry information to assist in effectuating the policy of the Act, each member of the Industry shall furnish to the Administrative Agency hereinafter provided for or to the Administrator, reports relative to hours of labor, wages, volume of production and sales in units and/or dollars, and finished stocks on hand. Members of the Industry shall furnish such additional reports and data as may be required by the Administrator or by the Association subject to the approval of the Administrator and otherwise in the form and manner as hereafter may be directed by the Administrator or the Association, subject to the approval of the Administrator. All of such reports and data shall be duly certified if requested by the Administrator or the Association.

Article VI—Verification of Reports

All reports required by the Code to be filed with the Association shall be subject to verification by a competent and disinterested person, at such time or times, and by such person or persons as may be determined by the Association, subject to the approval of the Administrator. Provided, that if it should appear that any reports were not filed when and as required by the Code, or were inaccurate, the expense of such verifying work, subject to the approval of the Administrator, shall be paid by the member of the Association so in default.

Article VII—Administrative Agency

The Linoleum and Felt Base Manufacturers' Association is hereby designated the Agency to cooperate with the Administrator in administering, supervising, and promoting the performance of the provisions of this Code by the members of the Linoleum and Felt Base Industry.

Article VIII—Amendments

Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in the circumstances or experience may indicate. It is contemplated that from time to time, supplementary provisions to this Code or additional Codes will be submitted for the approval of the President to prevent unfair competition in price and other unfair and destructive competitive practices and to effectuate other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions thereof.

Approved Code No, 30.
Registry No. 1635/1/01

O

Approved Code No. 31

CODE OF FAIR COMPETITION

FOR THE

LIME INDUSTRY

As Approved on October 3, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Lime Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met.

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt the findings and approve the report and recommendations of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved, subject to the following condition:

(1) The National Lime Association shall, as soon as practicable, amend its bylaws by repealing that provision which requires that election to membership therein is dependent upon the nomination by two members and upon the majority vote of the Board of Directors of that Association.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
October 3, 1933.

29106°——296-65——34

SEPTEMBER 15, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval the Code of Fair Competition for the Lime Industry.

An analysis of the provisions of the Code has been made by the Administration. I find that the Code complies with the requirements of Clauses 1 and 2, Subsection (a) of Section 3 of the National Industrial Act.

I am, my dear Mr. President,
Very sincerely yours,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

LIME INDUSTRY

To effectuate the policy and purposes of the National Industrial Recovery Act the following provisions are submitted as a Code of Fair Competition for the Lime Industry; and, upon approval by the President, shall be the standard of fair competition for this Industry.

Article I—Definitions

Section 1. The term "Lime Industry" means the manufacture for sale of quicklime and such of its allied products as are natural affiliates.

Sec. 2. The term "employee" shall mean any person employed in any phase of the Lime Industry, in any capacity, in the nature of employee irrespective of the method of payment of his compensation.

Sec. 3. The term "employer" shall mean anyone for whose benefit such an employee is so engaged.

Sec. 4. The term "manufacturer" shall include any member of the Lime Industry who shall be subject to this Code.

Sec. 5. The term "district", unless the context otherwise requires, shall mean a Lime Industry District established in Schedule "A" of this Code.

Article II—Labor Provisions

Section 1. Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

Sec. 2. *Working Hours.*—On and after the effective date no employee (except outside salesmen) shall work in excess of eight (8) hours in any one day or in excess of forty (40) hours in any week; provided, however, that these limitations shall not apply in periods of seasonal peak demand or in the event of lack of storage facilities, or emergencies, but in no event shall the total working hours of any employee, averaged over a six (6) months' period, exceed forty (40) hours per week. All overtime work in excess of eight (8) hours per day shall be paid for at not less than one and one-half times

the hourly rate. These maximum hours shall not apply to foremen, superintendents, managers, officials, or others compensated on a regular salary basis in excess of $35.00 per week.

Sec. 3. *Rates of Wages.*—On and after the effective date, the minimum rate of wages for employees, excluding accounting, clerical, and office employees, shall not be less than thirty (30) cents per hour in all territory south of the northern boundary of Virginia, Tennessee, Arkansas (including the manufacturing section known as Southwestern Missouri), Oklahoma, New Mexico, and Arizona and in all other territory the minimum wage rate shall be not less than 37½ cents per hour. There shall be an equitable readjustment of compensation now in excess of the minimum wages herein established.

On and after the effective date, the minimum rate of wages for accounting, clerical, or office employees shall be not less than $15.00 per week in any city of over 500,000, or in the immediate trade area of such city; $14.50 per week in any city of between 250,000 and 500,000 population, or in the immediate trade area of such city; $14.00 per week in any city of between 2,500 and 250,000 population, or in the immediate trade area of such city; and $12.00 per week in towns of less than 2,500 population. Population shall be determined by the 1930 Federal census.

Employees who by reason of old age or physical infirmities are incapable of normal productive effort may be compensated at a rate not less than 80 percent of the foregoing minimum rates of pay, but the number of such employees shall not exceed 5 percent of the total number of employees from time to time employed.

Sec. 4. *Prohibition of Child Labor.*—On and after the effective date, employers shall not employ any person under the age of sixteen (16) years.

Article III—Marketing

Section 1. *Uniform Cost Accounting.*—The Trade Relations Committee (hereinafter described in Article V hereof) upon reasonable notice to the District Control Committees and acting upon their recommendations, shall immediately prepare and adopt for use in the Industry, and shall submit to the Administrator for his approval not earlier than ten (10) days after submitting the same to each District Control Committee (hereinafter described in Article V hereof), a standard uniform system or method of cost accounting. Upon such approval by the Administrator all manufacturers shall maintain at all times an accurate record of all costs in accordance with such system or methods or in such other manner as will clearly indicate and make available the information required thereby. Such system or method shall specify the items which shall be included in determining each manufacturer's cost.

Sec. 2. *Standard Forms.*—Each District Control Committee, in cooperation with the Trade Relations Committee, shall prepare immediately standard forms for quotations and contracts for use by manufacturers producing in the district to the end of standardizing such forms as far as possible in all districts, which forms shall specify the terms and conditions under which quotations and contracts for sale shall be made. When so prepared and approved by

the District Control Committees, copies of such forms shall be sent to the Trade Relations Committee, and shall be submitted by it to the Administrator for his approval. Upon the Administrator's approval thereof, no manufacturer in any district shall quote or sell lime or lime products on terms or conditions at variance from those specified in the forms approved for that district.

SEC. 3. *Methods of Selling.*

(a) *Establishment of Basing Points.*—The practice of determining delivered prices for lime in given markets, by the utilization of a basing point or points, plus the prevailing rail freight rates, has been a long-standing custom in the Industry.

Each District Control Committee (hereinafter in this Code provided for) may establish for its district a basing point or points (and change or revise the same from time to time as conditions warrant), which basing point or points shall be fair and reasonable as to all interested parties; provided, that in the event no such District Control Committee shall have been elected in any district within twenty days after the effective date of this Code, then such basing point or points shall be established for such district by the Trade Relations Committee acting upon the recommendations of the manufacturers therein.

(b) *Weighted Average District Costs.*—Each District Control Committee shall determine within its own district, and from time to time revise and promulgate for the guidance of the Industry, the weighted average cost of each industry product manufactured in such district. Such cost shall be based upon the costs of individual manufacturers, as provided for in Section I of this Article. In case of a district having no District Control Committee the manufacturers in such district shall report to the Trade Relations Committee, or its designated agency, necessary data to enable the Trade Relations Committee to determine weighted average costs for each industry product manufactured in such district, and the Trade Relations Committee shall determine such costs and promulgate the same for the guidance of the Industry. Such average costs shall be subject to the approval of the Administrator and the substantiating data shall be open to his inspection at all times. Such determination of cost shall be made in such manner that individual figures are kept confidential and shall not be available to competitors.

After such average cost of each industry product is so determined for any district, no manufacturer in the industry shall sell any such industry product for delivery in such district at less than such average cost, plus basing rail freight. Any sale in any such district by any manufacturer at less than such average cost, plus basing rail freight, shall be an unfair method of competition.

(c) *Price Publication.*—Each manufacturer in the industry shall, within ten (10) days after the effective date of this Code, file with the District Control Committees a list showing the basing point prices, and terms and conditions of sale for each of the products offered for sale in each district by such manufacturer and after the expiration of such ten-day period, every manufacturer shall at all times maintain on file with the District Control Committees a list showing the basing point prices and terms and conditions of sale except as herein provided. Each such list shall state the date upon

which it shall become effective, which date shall not be less than five (5) days after the date of filing such list; provided, however, that the first list of prices and terms and conditions of sale filed by any manufacturer, as above provided, shall take effect on the date of filing thereof. None of the prices and terms and conditions of sale shown in any list filed by any manufacturer, as herein provided, shall be changed except by the filing by such manufacturer with the District Control Committee of a new list of basing point prices and terms and conditions of sale which shall become effective on the effective date therein specified, which shall not be less than five (5) days after the date on which such new price list and terms and conditions of sale shall have been so filed. In case any district shall not have elected a District Control Committee, then the manufacturers selling within such district shall file their prices and terms and conditions of sale for such district with the Trade Relations Committee in the same manner and under the same conditions as those above stated for filing with the District Control Committees.

All such price lists and terms and conditions of sale filed with the District Control Committee shall be immediately distributed among the manufacturers within the district, and a copy filed with the Trade Relations Committee and all such price lists and terms and conditions of sale filed with the Trade Relations Committee shall be immediately distributed to all manufacturers in the Industry interested therein.

In the event that any manufacturer shall not receive sufficient notice of the filing by any other manufactuer of revisions in such other manufacturer's prices or terms and conditions of sale, as will enable him to meet such revisions of such other manufacturer on the effective date thereof, then if such manufacturer shall file with the appropriate committee such revisions in his prices and terms and conditions of sale as may be required to meet the revisions filed by such other manufacturer, within forty-eight hours after receipt of notice thereof, the revisions so filed by such manufacturer shall become effective on the same date as the revisions of such other manufacturer, or if they be already effective, shall become effective immediately.

The failure of any manufacturer to adhere to his prices, terms, and conditions of sale, filed as herein provided, and any other deviation from the provisions of this section, shall be an unfair method of competition.

(d) *Reports for the President.*—The Trade Relations Committee shall, prior to the expiration of the four-month period herein below specified, make to the President a report and recommendations as to the effect of the basing point and average cost provisions of this Code upon prices in the industry, upon such other matters as it may deem pertinent to properly inform the President upon the operations of this section, and upon such matters as may be requested by the President or the Administrator.

The foregoing provisions with regard to basing points and average costs herein above described are experimental and tentative so far as this Code is concerned, and shall continue in effect for a period of four months after the effective date of this Code in order to afford the President an opportunity to determine upon the recommenda-

tions of the representative or representatives appointed by the Administrator to the Trade Relations Committee as hereinafter provided (which recommendations shall be made periodically or as often as the said representative or representatives deem necessary or advisable but in any event not later than four (4) months after the approval date of this Code) and upon the report and recommendations of the Trade Relations Committee, whether such provisions will effectuate the purposes of Title I of said National Industrial Recovery Act and whether such provisions are beneficial or detrimental to the industry or to the public; subject, however, to the reserved power of the President to cancel or modify his approval thereof and subject also to the further proviso that the establishment and revision of the basing points and average costs and the operation of the foregoing provisions as to basing points and as to average costs shall at all times and in any particulars be subject to the review and disapproval of the Administrator. The President or the Administrator may call upon all manufacturers in the industry for such data and information as they may consider helpful for the foregoing purposes. Subject to the exercise at any time of any powers hereinbefore reserved to the President or the Administrator, the provisions of this section shall continue in effect as a part of this Code after the expiration of said four months' period.

Information of a confidential nature shall be collected through a confidential agency and be handled in such a way that the individual costs, profits, and other like data will not be reflected in any report or publication or made available to other members of the Industry.

Article IV—Unfair Methods of Competition

Section 1. *Departure from Agreed Working Conditions.*—The paying of lower than the minimum wages herein prescribed, or the exaction of hours of labor in excess of the maximum herein prescribed, shall be an unfair method of competition.

Sec. 2. *Selling Below Cost.*—In addition to the restrictions contained in Subsection (b) of Section (3) of Article III, it shall be an unfair method of competition for any manufacturer of lime or lime products to sell below his cost as defined in the standard uniform cost accounting system or method to be established for the industry as herein provided, except to meet a well-established competitive delivered market price for a product of similar grade and quality. If any manufacturer shall believe that any other manufacturer is selling at less than cost to meet an established delivered price, but that in the particular case such selling below cost constitutes an unfair marketing practice, such manufacturer shall have the right to file a written complaint with the Trade Relations Committee. The Trade Relations Committee upon receipt of such complaint shall cause to be made an appropriate investigation by such confidential agency as it may designate, which confidential agency shall make a full report thereon to the Administrator and shall file a summary of its conclusions with the Trade Relations Committee. The Administrator, upon receipt of such report shall, in cooperation with the Trade Relations Committee, take such further action thereon as he may deem appropriate, and shall have the power to direct the manufac-

turer or manufacturers concerned to correct any such unfair marketing practice found to exist.

SEC. 3. *Commercial Bribery.*—To give or permit to be given to the agents, employees, or representatives of customers, or prospective customers, or to agents, employees, or representatives of competitors' customers or prospective customers, money or anything of value as an inducement to cause their employers or principals to purchase or contract to purchase industry products, or to influence such employers or principals to refrain from dealing or contracting to deal with competitors, shall be an unfair method of competition.

SEC. 4. *Rebates, Subsidies, etc.*—To make allowances, such as bonuses, rebates, refunds, credits, unearned discounts, or subsidies of any kind, whether in the form of money, services, advertising, or otherwise for the purpose of securing business, shall be an unfair method of competition.

SEC. 5. *Lump Sum Bids and Contracts.*—To submit a bid or bids for two or more commodities, one of which is lime or a lime product, in which the unit price of each commodity is not clearly stated, shall be an unfair method of competition. Accepting orders or contracts for sale at a lump sum where the contract does not specify the exact quantity, quality, and unit price of the product purchased shall be an unfair method of competition.

SEC. 6. *Combination Sales.*—No manufacturer shall sell or offer to sell commodities other than lime or lime products at prices below the current price list established therefor by such manufacturer in order to influence the sale of his lime or lime products. Any violation of this provision shall be an unfair method of competition.

SEC. 7. *Inducing Breach of Contract.*—To willfully interfere with any existing contract between any other manufacturer and a wholesaler, retailer, consumer, or other party, involving or relating to the sale of industry products, such interference being for the purpose or with the effect of dissipating, destroying, or appropriating, in whole or in part, the business represented by such contracts, shall be an unfair method of competition.

SEC. 8. *Defamation of Competitors.*—To defame or disparage a competitor, directly or indirectly by words or acts which untruthfully call in question his business integrity, his ability to perform his contracts, his credit standing or the quality of his product, shall be an unfair method of competition.

SEC. 9. *Use of Old Packages.*—The sale by a lime manufacturer to any purchaser of bulk lime which he knows is for purposes of resale in containers, shall be an unfair method of competition.

SEC. 10. *Misrepresentation.*—To sell or offer for sale any industry product for the purpose or with the effect of deceiving customers or prospective customers as to the quantity, quality, or grade of such products, shall be an unfair method of competition.

SEC. 11. *False Branding.*—Marking, branding, and labeling products and making statements regarding products, the purpose or effect of which may be to mislead or deceive purchasers as to the quantity, quality, grade, or substance of the goods purchased, shall be an unfair method of competition.

SEC. 12. *Imitation of Trade Marks.*—To imitate or to simulate the trade mark, trade name, package, brand, or label of a competitor in

such degree as to deceive, or have a tendency to deceive, customers shall be an unfair method of competition.

Sec. 13. *Consigned Goods.*—The shipping of lime or lime products on consignment shall be an unfair method of competition.

Sec. 14. *Transactions with Jobbers, Distributors, or Brokers.*—It shall be an unfair method of competition for any manufacturer to create or enter into relations with any jobber, distributor, or broker except subject to the condition that such jobber, distributor, or broker shall agree to be bound by all the applicable provisions of this Code relating to the sale of the various types of lime.

Sec. 15. *Definition of Jobber, Distributor, or Broker.*—A jobber, distributor, or broker is hereby defined as any person, firm, or corporation (not a retail dealer) who is engaged in selling lime or lime products, either exclusively or with other materials, to retailers and/or consumers with whom he is not connected or related in business.

Sec. 16. *Shipments without Orders.*—To make shipments, other than those involving mere transfers of material to the warehouses or plants of the shipper, without in each case having an order from the customer for the shipment at the time of making same, shall be an unfair method of competition.

Sec. 17. *Protected Contracts.*—All bona fide contracts, and/or orders for shipment for specific jobs taken before or after the effective date of this Code may be protected at the price at which the contract and/or order was taken and materials sold under such protection shall be applied only on the contract and/or order for which the protection was given. Any shipment contrary to this provision shall be an unfair method of competition.

Sec. 18. *Duration of Agreements.*—(a) Except where otherwise necessary to meet governmental bid requirements, no manufacturer shall make any quotation which shall not expire within fifteen (15) days from date of quotation; provided, however, that any such quotation may be specifically renewed.

(b) *Chemical Lime.*—No manufacturer shall contract or agree to furnish chemical lime or chemical-lime products to any purchaser for more than a calendar quarter-annual period; nor shall he make any quotation, contract, or agreement for the sale of such products for any such calendar quarter-annual period, prior to the first day of the last month of the immediately preceding calendar quarter-annual period.

(c) *Building Lime.*—In instances where building lime is sold for specific jobs in lieu of making specific job contracts with dealers and processors, a purchase order at the prevailing price will be considered as a sufficient binding contract with the provision that if the price advances at any time, a specific job contract will be written within thirty (30) days after the price advance at the price prevailing at the date of the purchase order for the amount of lime still required.

Specific job contracts must be supported by the dealer's original order and record of prior deliveries and the contractor's written estimate of the balance required for completion. Where no specific job contract is made within 30 days after the price advance, then such jobs must take the advanced price.

(d) *Agricultural Lime Products.*—No manufacturer shall contract or agree to furnish agricultural lime or agricultural lime products to any purchaser for more than a calendar semiannual period, nor shall he make any quotation, contract, or agreement for the sale of such product for any such calendar semiannual period, prior to the first day of the month immediately preceding such calendar semiannual period.

(e) *Government, State, County, and Municipal Requirements.*—No manuufacturer shall submit a bid prior to ten days before the date specified for the opening of bids, and, unless a longer period therefor is specified in the proposal or by applicable law, every such bid shall specify that it shall be void if award shall not be made and contract executed within 30 days after date of the opening of bids; and only calendar quarterly contract shall be accepted, unless otherwise specified in the proposal or by applicable law.

Any deviation from the provisions of this section shall be an unfair method of competition.

Sec. 19. *False Classification.*—The classification of lime or lime products for the purpose of determining freight charges thereon, different from the classification adopted by the industry and accepted by the rail carriers, to secure a lower freight rate, shall be an unfair method of competition.

Sec. 20. *Substitution.*—The marketing and selling of a product having superior qualities and higher value, in packages of a recognized inferior and lower-priced product, and so marketing at a lower price, shall be an unfair method of competition.

Sec. 21. *Contingent Sales.*—The purchase of materials from a buyer of lime products, made contingent on the sale of lime by a member of the industry, shall be an unfair method of competition.

Sec. 22. *Splitting of Commissions.*—The splitting of commissions or other compensation received by an employee or agent of the seller, with the buyer, for the purpose or with the effect of influencing a sale, shall be an unfair method of competition.

Article V—Administration

Section 1. *Code Authority.*—To effectuate the policies of the National Industrial Recovery Act and to provide for administration of this Code within the industry in cooperation with the Administrator, the Trade Relations Committee of the National Lime Association, as that committee is from time to time constituted, is hereby established as a planning and fair-practice agency for the industry. To this committee the Administrator shall from time to time and for such periods as he may specify appoint thereto, as his representatives, or as representatives of such groups as he may designate, not more than three members without vote.

The President or the Administrator may upon complaint and after such hearing as he may prescribe, take such action as he may deem necessary to insure that the Trade Relations Committee is fairly representative of the districts and of the industry as a whole.

Sec. 2. *Trade Relations Committee.*—In addition to the powers and duties herein specifically conferred upon the Trade Relations Committee, it shall have the following powers and duties:

(a) The Trade Relations Committee shall have the right to establish its own rules for the conduct of its business.

(b) In order that the President may be informed of the extent of observance of the provisions of this Code and of the extent to which the declared policy of the National Industrial Recovery Act as stated herein is being effectuated in the Lime Industry, the Trade Relations Committee shall make such reports as the Administrator may require, periodically, or as often as he may direct, and each manufacturer shall, in the manner hereinafter provided, make such reports, to be sworn or unsworn as the Trade Relations Committee may specify, periodically or as often as it may direct, concerning wages, hours of labor, conditions of employment, number of employees, and other matter pertinent to the purposes of this Code as the Administrator, through the Trade Relations Committee, may from time to time require.

Each manufacturer subject to the jurisdiction of this Code and accepting the benefits of the activities of the Trade Relations Committee hereunder shall pay to the Trade Relations Committee his proportionate share of the amounts necessary to pay the cost of the assembly, analysis, and publication of such reports and data, and of the maintenance of the said Trade Relations Committee and its activities. Said proportionate share shall be based upon the total tonnage of quicklime and hydrated lime manufactured and sold during such representative period but not less than one year, as the Trade Relations Committee may select. The Trade Relations Committee may designate the National Lime Association or any other appropriate agency, to assist it in maintaining its accounts, determining such proportionate shares and in securing the collection thereof.

At the option of any District Control Committee, such reports may be collected and compiled by it for the district. In case any District Control Committee (as hereinafter provided) or a majority of the manufacturers in any unorganized district shall require it, such reports for that district shall be collected through a confidential agency appointed by such District Control Committee, or, in the case of an unorganized district, by the Trade Relations Committee. Such information shall be kept confidential as to individual reports.

The Trade Relations Committee shall compile immediately all such records in accumulated totals and averages by districts and for all districts and distribute the same to all members in the industry.

(c) The Trade Relations Committee may, from time to time, present to the Administrator recommendations based on conditions in the industry as they develop from time to time which will tend to effectuate the operation of the provisions of this Code, and the policies of the National Industrial Recovery Act, but before any such recommendations shall be presented to the Administrator they must be first submitted to all members of the Industry and receive the approval of members of the industry who in the preceding year produced at least sixty percent of the total industry tonnage produced in that year.

(d) The Trade Relations Committee shall cooperate with the Administrator in making such investigations as to the functioning and observance of any provisions of this Code as the Administrator

may request, through such confidential agency or agencies as he may designate. All information so collected shall be kept strictly confidential except as the same is reported to the Administrator and except as may be disclosed by the Administrator for the purpose of enforcing the provisions of the National Industrial Recovery Act.

(e) In order to facilitate the application and operation of the provisions of this Code, the Trade Relations Committee may issue interpretations thereof, subject to an appeal to the Administrator in the manner hereinafter provided.

(f) The Trade Relations Committee may from time to time appoint such subcommittee or designate such agencies, and may delegate to any of them such of its powers and duties, as it shall deem necessary or proper.

SEC. 3. *Lime Industry Districts.*—The Industry shall be divided into "Lime Industry Districts" which districts initially established are set forth in Schedule A to this Code. The Trade Relations Committee may from time to time revise such districts or any of them, subject to the approval of the manufacturers within the district or districts affected, and subject to the approval of the Administrator.

The manufacturers in each district may, at a meeting called for that purpose on notice to all manufacturers in such district, at which meeting each manufacturer shall be entitled to one vote, establish therefor, upon the majority vote of the manufacturers in attendance at such meeting, a District Control Committee to consist of such number of members as such manufacturers shall determine. In order to provide, as far as practicable, and as not otherwise required by this Code, for the administration of this Code within each district by the manufacturers therein, the District Control Committee, in addition to the duties and powers elsewhere in this Code conferred upon them, shall be charged with the power and duty of supervising and enforcing the provisions of this Code within their respective districts and may make such investigations as may be necessary for that purpose.

All information necessary for any such investigation shall be reported to a confidential agency selected by the District Control Committee and shall be kept confidential except when a violation of this Code is thereby disclosed.

Each District Control Committee may consider and prepare uniform merchandising plans to be recommended to the Trade Relations Committee containing such provisions as may be deemed necessary or proper to insure fair selling methods by the manufacturers in the district and to prevent unfair competitive practices, and to consider and prepare for recommendation to the Trade Relations Committee any system of standardization of products necessary or advisable to insure fair selling methods, and to advise with the Trade Relations Committee upon any other matter pertinent to the purposes or administration of this Code.

SEC. 4. *Amendments.*—Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in the circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions to this Code or additional Codes will be submitted for

the approval of the President to prevent unfair competition in price and other unfair and destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions thereof.

SEC. 5. *Appeals.*—(a) Any interested party shall have the right of complaint to the appropriate District Control Committee and of a prompt hearing and decision thereon in respect of any decision, rule, regulation, or course of action of such District Control Committee. Such complaint must be filed in writing with such District Control Committee within 30 days after receiving notice of such decision, rule, regulation, or course of action. The decision of such District Control Committee may be appealed by any interested party to the Trade Relations Committee.

(b) Any interested party shall have the right of complaint to the Trade Relations Committee and of a prompt hearing and decision thereon in respect of any decision, rule, regulation, or course of action of the Trade Relations Committee. Such complaint must be filed in writing with the Trade Relations Committee within a reasonable time after such decision, rule, regulation, or course of action is issued or taken.

(c) Any interested party shall have the right of appeal to the Administrator, under such rules and regulations as he may prescribe, in respect of any decision, rule, regulation, or course of action, issued or taken by the Trade Relations Committee.

(d) Any such complaint or controversy or any other question arising under this Code may, however, be submitted by the interested parties to arbitration under the Rules of the American Arbitration Association, and, in case of any submission to such arbitration, the decision of the arbitrators shall be final.

SEC. 6. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of Subsection (b) of Sec. 10 of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act and specifically, but without limitation, to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

SEC. 7. Within each state, members of the trade/industry shall comply with any laws of such state imposing more stringent requirements, regulating the age of employees, wages, hours of work, or health, fire, or general working conditions, than under this Code.

SEC. 8. By assenting to this Code, the members of the Lime Industry do not thereby consent to any modification thereof and they reserve the right to object individually or jointly to any such modification.

SEC. 9. This Code shall become effective on the tenth day after the date of its approval by the President.

Approved Code No. 31.
Registry No. 1026/01.

SCHEDULE A

Lime Industry Districts

District 1: Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, and that portion of New York east of the 77th meridian.

District 2: New Jersey, Delaware, Maryland, and that portion of Pennsylvania east of the 77th meridian.

District 3: West Virginia and that portion of New York and Pennsylvania west of the 77th meridian.

District 4: Virginia, North Carolina, and South Carolina.

District 5a: The Ohio hydrated finishing lime plants and factories located in the state of Ohio, composed of the following: Herzog Lime & Stone Co., Forest, Ohio, Kelley Island Lime & Transport Co., White Rock, Gibsonburg, and Tiffin, Ohio; National Gypsum Company, Luckey, Ohio; National Lime & Stone Co., Carey, Ohio; National Mortar and Supply Co., Gibsonburg, Ohio; Ohio Hydrate & Supply Co., Woodville, Ohio; Washington Building Lime Co., Woodville, Ohio; Woodville Lime Products Co., Woodville, Ohio; United States Gypsum Co., Genoa, Ohio; Gibsonburg Lime Products Co., Gibsonburg, Ohio.

District 5b: State of Ohio, except the hydrated finishing lime plants described in District 5a above.

District 6: Michigan.

District 7: Illinois, Indiana, and that portion of Missouri east of the 93rd meridian.

District 8: Wisconsin.

District 9: North Dakota, South Dakota, Minnesota, and Iowa.

Districts 10 & 11: Kentucky, Tennessee, Mississippi, Alabama, Georgia, and Louisiana east of the Mississippi River, Florida.

District 12: Nebraska, Kansas, Oklahoma, Arkansas, Louisiana west of the Mississippi River, and that portion of Missouri west of the 93rd meridian.

District 13: Texas.

District 14: Washington, Oregon, Idaho, Montana, and Wyoming.

District 15: California, Nevada, Utah, Arizona, Colorado, and New Mexico.

Approved Code No. 32

CODE OF FAIR COMPETITION

FOR THE

KNITTING, BRAIDING, AND WIRE COVERING MACHINE INDUSTRY

As Approved on October 3, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Knitting, Braiding, and Wire Covering Machine Industries, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said code of fair competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said code of fair competition complies in all respects with the pertinent provisions of title I of said act and that the requirements of clauses (1) and (2) of subsection (a) of section 3 of the said act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do approve the report and recommendations and adopt the findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:

Hugh S. Johnson,
Administrator.

The White House,
October 3, 1933.

29839——296-146——34

SEPTEMBER 20, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval, the Code of Fair Competition for the Knitting, Braiding, and Wire Covering Machine Industries.

An analysis of the provisions of the Code has been made by the Administration. I find that the Code complies with the requirements of Clauses 1 and 2, Subsection (a) of Section 3 of the National Industrial Recovery Act.

I am, my dear Mr. President,

Very sincerely yours,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

KNITTING, BRAIDING, AND WIRE COVERING MACHINE INDUSTRY

Article I—Purpose

To effectuate the policy of Title I of the National Industrial Recovery Act, during the period of the emergency, by reducing and relieving unemployment, improving the standards of labor, eliminating competitive practices destructive of the interests of the public, employees and employers and otherwise rehabilitating the Knitting, Braiding, and Wire Covering Machine Industries, the following provisions are established as a Code of Fair Competition for these Industries:

Article II—Definition

The term "Knitting Machine Industry," as used herein, is defined to mean manufacturers of knitting machines and parts used in these machines.

The term "Braiding and Wire Covering Machine Industry," as used herein, is defined to mean manufacturers of braiding machines, wire covering machines, and parts used in these machines.

The term "Industries," as used herein, means both the "Knitting Machine Industry" and "Braiding and Wire Covering Machine Industry," as defined above.

The term "employee," as used herein, includes any person engaged in any phase of the Industry, in any capacity, in the nature of employee irrespective of the method of payment of his compensation.

The term "employer," as used herein, includes anyone for whose benefit such employee is so engaged.

The term "effective date," as used herein, is defined as ten days after this Code shall have been approved by the President of the United States.

The term "administrator," as used in this Code, means the Administrator appointed by the President to administer Title I of the National Industrial Recovery Act.

Article III—Participation

Any employer may participate in the endeavors of the Knitting Machine Manufacturers' Association and/or the Braiding and Wire Covering Machine Association relative to the revisions of or additions to this Code by accepting the proper pro rata share of the

cost and responsibility of creating and administering it, either by becoming a member of one of the said associations or by paying to it an amount equal to the pro rata share of such member of the costs incident thereto. There shall be no inequitable restrictions placed upon admission to membership of either of the Associations referred to in this Code.

Article IV—Administration

To effectuate the policies of this Act a Committee is hereby designated to cooperate with the Administrator as a Planning and Fair Practice Agency for the Industries. This Committee shall consist of three members from each of the Associations referred to in this Code, selected by a fair method of selection and the seventh member of the Committee is to be designated by each of the two Associations in joint agreement. The President may also appoint three members of this Agency to serve without the power of voting. Such Agency shall collect necessary and pertinent information relative to the operation of this Code and shall from time to time present to the Administrator recommendations based on conditions in the Industry as they may develop which will tend to effectuate the operation of the provisions of this Code and the policy of the National Industrial Recovery Act. All action taken by this Agency shall be subject to the approval of the President and/or the Administrator.

Article V—Labor Regulations

(a) Employers in these Industries shall comply with the following requirements of Section 7 (a) of Title I of the National Industrial Recovery Act:

1. That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;
2. That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and
3. That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

(b) On and after the effective date the minimum wage that shall be paid by employers in the Industry to accounting, clerical, and office employees shall be at the rate of not less than $14.00 per week, and to all other employees (except learners during their initial 90 days, and apprentices, not to total more than 5 per cent of the average yearly number of employees) shall be at the rate of not less than 40 cents per hour regardless of whether the employee's compensation is otherwise based on a time rate or upon a piecework performance; provided, however, that where a State law provides a higher minimum wage, no person employed within that State shall be paid a

wage below that required by such State law, and, provided further, that in no case shall the compensation of any employees expressly excepted in this Section (b) be less than 80 percent of the minimum rates of pay herein established.

(c) On and after the effective date, employers in the Industry shall not operate on a schedule of hours of labor for their employees (except executives, supervisory staff, and outside salesmen) in excess of 40 hours per week; provided, however, that during an emergency or any period in which a concentrated demand upon any division of the Industry shall place an unusual and temporary burden for production upon its facilities, an employee of such division may be permitted to work not more than 48 hours per week in not more than 8 weeks of any six months' period; provided, further, that the total hours of work shall not average more than 40 hours per week in any six months' period. Where in any case an employee is worked in excess of 8 hours per day, time and one half shall be paid for the excess hours so worked.

(d) There shall be an equitable adjustment of wages above the minimums herein prescribed, to the end that so far as may be equitable the differentials which now exist between the wage rates paid to skilled workers and those paid for unskilled labor shall be preserved.

Article VI—Child Labor

On and after the effective date of this Code, employers in either or both of these Industries shall not employ any minor under 16 years of age; provided, however, that where a State law specifies a higher minimum age, no person below the age so specified by such law shall be employed within the State; and, provided further, that no minor under 18 years of age shall be employed on hazardous metal-working machinery.

Article VII—Unfair Methods of Competition

For all purposes of this Code, the acts described below shall constitute unfair methods of competition.

(a) To sell any product(s) or service(s) below the manufacturer's reasonable cost of such product(s) or service(s).

1. For this purpose cost is defined as the cost of direct labor plus the cost of materials, plus an adequate amount of overhead, including an amount for the use of any plant facilities employed as determined by cost-accounting methods recognized in their respective industries and approved by the committee constituted for the enforcement of this Code as provided in Article IV and the Administrator.

(b) To discriminate between purchasers of the same class.

(c) To engage in acts of commercial bribery.

(d) To give secret rebates.

(e) To accept old machines as part payment for new machines or parts.

(f) To sell machines other than f.o.b. factory.

(g) To copy or duplicate the machines of an established builder of Knitting, Braiding, and Wire Covering Machinery or parts for

recognized machines and sell them at prices under the reasonable cost of the original manufacturers as approved by the Planning and Fair Practice Agency and subject to review by the Administrator.

Article VIII—Terms of Sale

Cash terms shall be 30 days on machines and parts—no discount for cash shall be more than 2 percent and payment must be made within ten days. No agreement of sale shall be for a longer period than twelve months. Reasonable financing and interest charges are to be paid by the purchaser. Stocks or bonds of the purchasing company shall not be accepted in lieu of cash. All extended term sales to be covered by Conditional Sales Contract or legal lien. Initial cash payment shall not be less than 25 percent payable with order, or when machines are delivered. No machines shall be put out on a rental basis.

Article IX

It is expressly understood that no provision of this Code shall be interpreted in such a way as to condone or permit conduct or operations:

(a) Tending to permit monopolies.

(b) Permitting or encouraging unfair competition.

(c) Tending to eliminate or oppress small enterprises or to discriminate against small enterprises.

Article X

This Code and all the provisions thereof are expressly made subject to the right of the President. in accordance with the provision of Clause 10 (b) of the National Industrial Recovery Act, from time to time cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in the circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions to this Code or additional codes will be submitted for the approval of the President to prevent unfair competition in price and other unfair and destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions hereof.

Approved Code No. 32.
Registry No. 1333/1/02.

O

Approved Code No. 33

CODE OF FAIR COMPETITION

FOR THE

RETAIL LUMBER, LUMBER PRODUCTS, BUILDING MATERIALS, AND BUILDING SPECIALTIES TRADE

As Approved on October 3, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Retail Lumber, Lumber Products, Building Materials, and Building Specialties Trade, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of Clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do approve the report and recommendations and adopt the findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:

HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
October 3, 1933.

29866——296-147——34

SEPTEMBER 28, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval the Code of Fair Competition for the Retail Lumber, Lumber Products, Building Materials, and Building Specialties Trade.

An analysis of the provisions of the Code has been made by the Administration. I find that the Code complies with the requirements of Clauses 1 and 2, Subsection (a) of Section 3 of the National Industrial Recovery Act.

I am, my dear Mr. President,
Very sincerely yours,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

RETAIL LUMBER, LUMBER PRODUCTS, BUILDING MATERIALS, AND BUILDING SPECIALTIES TRADE

Statement in Transmittal

The National Retail Lumber Dealers Association, representing the Retail Lumber, Lumber Products, Building Materials, and Building Specialties Trade throughout the United States, pursuant to the authority of the National Recovery Act, and for the purposes thereof, hereby submits for the approval of the President, the following Code of Fair Competition.

By resolution of the Board of Directors June 17, 1933, concurred in by the following Associations:

1. Alabama Lumber & Building Material Association
2. California Retail Lumbermens Association—Northern Division
3. Carolina Retail Lumber & Building Material Dealers Association
4. Florida Lumber & Millwork Association
5. Georgia Retail Lumber & Building Supply Association
6. Illinois Lumber & Material Dealers Association
7. The Retail Lumber Dealers Association of Indiana
8. Kentucky Retail Lumber Dealers Association
9. Louisiana Retail Lumber & Building Material Dealers Association
10. Michigan Retail Lumber Dealers Association
11. Middle Atlantic Lumbermens Association
12. Mississippi Retail Lumber Dealers Association
13. Mountain States Lumber Dealers Association
14. Nebraska Lumber Merchants Association
15. New Jersey Lumbermens Association
16. New York Lumber Trade Association
17. Northeastern Retail Lumbermens Association
18. Northwestern Lumbermens Association
19. The Ohio Association of Retail Lumber Dealers
20. Retail Lumber Dealers Association of Western Pennsylvania
21. Southwestern Lumbermens Association
22. Tennessee Lumber, Millwork & Supply Dealers Association
23. Lumbermens Association of Texas
24. Utah Lumber Dealers Association
25. Virginia Lumber & Building Supply Dealers Association
26. Western Retail Lumbermens Association
27. West Virginia Lumber & Builders Supply Dealers Association

28. Wisconsin Retail Lumbermens Association
29. Chicago Retail Lumber Dealers Association
30. Wood Products Institute of Greater St. Louis
31. Lumbermens Club of Arizona
32. California Retail Lumbermens Association—Southern Division

Article I—Purposes

To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are submitted as a Code of Fair Competition for the Lumber, Lumber Products, Building Materials, and Building Specialties Trade, and upon approval by the President, shall be the standard of fair competition for this trade.

Article II—Definitions

1. *Lumber, Lumber Products, Building Materials, and Building Specialties.*—The term " lumber, lumber products, building materials, and building specialties " as used in this Code is broadly defined to include all those products used in building and construction work with the following exceptions, which are known to the public and trade as builders' supplies and are included in the Code of Fair Competition for Dealers in Builders Supplies.

Brick, Mortars, Casement and Steel Sash, Cement and Cement Products, Cement Pipe, Ceramic Tile, Clay Roof Tile, Common Brick, Cut Stone, Dampers and Fireplace Accessories, Drain Tile, Face Brick, Fire Brick and Clay, Glazed Structural Tile, Gypsum Products (except Gypsum Wallboard), Hollow Tile, Lime and Lime Products, Mesh Reinforcement, Metal Lath and kindred products, Mineral Aggregates, Mortar and Cement Colors, Molding Plasters, Roof and Flooring Slates, Sewer Pipe, Flue Lining and other Clay Products, Structural Terra Cotta, and Waterproofing Compounds.

2. *Dealer.*—For the purpose of administering this Code, a dealer is defined, but without limitation, as a person who maintains an adequate and permanent plant or plants which are properly equipped for service to the public, with office, with storage yard or warehouse, kept open during business hours, with such handling facilities and sales service as are commensurate with the nature of the business, and who carries a sufficient stock of lumber and building materials (for the purpose of selling at retail in small or large quantities and not for his own consumption) to supply the general requirements of the community.

3. *Person.*—" Person " as used herein includes, without limitation, any individual, firm, partnership, corporation, association, trust, trustee, or receiver subject to the jurisdiction of this Code.

4. *Employee.*—The term " employee " as used herein includes any person employed by any enterprise engaged in selling at retail lumber or lumber products, building materials, or building specialties as herein defined in any capacity in the nature of employee irrespective of the method of payment of his compensation.

5. *Employer.*—The term " employer " as used herein includes anyone for whose benefit such an employee is so engaged.

Article III—Jurisdiction

All persons engaged in the business of selling to contractors or consumers lumber, lumber products, building materials, and building specialties shall be subject to the provisions of this Code and of the approved rules and regulations issued thereunder and shall be compelled to adhere thereto under such penalties as may be prescribed by the law.

Article IV—Hours of Labor

The maximum hours of labor of employees of persons subject to the jurisdiction of this Code shall not exceed forty (40) per week in any of the forty-eight (48) States or the District of Columbia, with the five exceptions noted below:

A. Executives employed in a managerial capacity who are paid thirty-five ($35.00) Dollars or more per week; outside salesmen and night and Sunday watchmen, and branch-yard managers, each branch yard to be restricted to one branch-yard manager.

B. The maximum hours of labor of employees of dealers employing not more than two (2) persons in towns of less than 2,500 population, which towns are not part of a larger trading area as defined in Article V, shall be forty-eight (48) per week; provided at least sixty-six and two thirds (66⅔) percent of the sales volume of said dealers is to persons engaged in agriculture; and provided further that such employees may work more than forty-eight (48) hours per week if paid time and a half (based on minimum hourly wage for the forty-hour week as provided in Article V) for all hours in excess of forty-eight (48).

C. Within each State persons subject to the jurisdiction of this Code shall comply with any laws of such State imposing more stringent requirements regulating the age of employees, wages, hours of work, health, fire, or general working conditions than are imposed by this Code.

D. Yard foremen shall be permitted to work up to forty-four (44) hours in any one week. Hours of labor beyond this maximum are to be paid for on basis of time and one half for every hour worked.

E. The hours for truck drivers and their helpers shall not exceed forty-four (44) in any one week except where contracts now in effect arrived at through collective bargaining are based on longer hours. In such latter cases the hours shall not exceed forty-eight (48) in any one week and the employers shall increase the hourly rate to the same proportion that the contract hours bears to forty-eight hours.

Employers shall not reclassify employees so as to defeat the purposes of the Act.

The maximum number of hours shall be reviewed by the Code Authority three months from the effective date, and if business conditions warrant it the weekly number of hours which employees shall work will be shortened so that employment may be spread further.

Article V—Minimum Wages

The weekly wages of all employees receiving more than the minimum wages specified in this Article shall not be reduced, notwith-

standing any reduction in the number of working hours of such employees.

Except to night and Sunday watchmen and subject to the exceptions noted below, employers shall pay in cities of 500,000 population or more not less than the minimum rate of wage per hour specified opposite the division in which such cities are located, nor less than 5 cents per hour less than the minimum rate of wage per hour hereinbelow specified opposite each such division in cities of less than 500,000 population or more than 75,000 population, nor less than 10 cents per hour less than the minimum rate of wage per hour specified opposite each such division in cities of less than 75,000 population, unless such cities are in a trade area as hereinafter defined. For the purposes of this paragraph, population shall be determined by reference to the 1930 Federal Census. The minimum rate per hour herein provided for shall be applicable to the immediate trade areas of cities as defined by the Chamber of Commerce of such cities.

Division 1. Alabama—35 cents per hour.
" 2. California—Northern Division, 45 cents per hour.
" 3. North and South Carolina—35 cents per hour.
" 4. Florida—35 cents per hour.
" 5. Georgia—35 cents per hour.
" 6. Illinois—45 cents per hour.
" 7. Indiana—45 cents per hour.
" 8. Kentucky—35 cents per hour.
" 9. Louisiana—35 cents per hour.
" 10. Lower Peninsula of Michigan—45 cents per hour.
" 11. Eastern Portion of Pennsylvania, Seven Southern Counties of New Jersey, Delaware, Maryland, and the District of Columbia—45 cents per hour except for Delaware, Maryland, and District of Columbia, which shall be 40 cents per hour.
" 12. Mississippi—35 cents per hour.
" 13. Colorado, Wyoming—40 cents per hour.
New Mexico—35 cents per hour.
" 14. Nebraska—45 cents per hour.
" 15. Fourteen Northern Counties of New Jersey—45 cents per hour.
" 16. The City of New York—50 cents per hour.
" 17. New York (Except the City of New York), Vermont, New Hampshire, Maine, Massachusetts, Connecticut, Rhode Island, and McKean County, Pennsylvania—45 cents per hour.
" 18. Minnesota, North Dakota, South Dakota, Iowa—45 cents per hour.
" 19. Ohio—45 cents per hour.
" 20. Western Portion of Pennsylvania—45 cents per hour.
" 21. Arkansas, Kansas, Missouri, Oklahoma:
Arkansas—35 cents per hour.
Missouri (Except St. Louis and St. Louis County)—45 cents per hour.
Kansas—45 cents per hour.
Oklahoma—40 cents per hour.

Division 22. Tennessee—35 cents per hour.
" 23. Texas—35 cents per hour.
" 24. Utah—40 cents per hour.
" 25. Virginia—35 cents per hour.
" 26. Montana, Idaho, Washington, Oregon, Nevada—40 cents per hour.
" 27. West Virginia—35 cents per hour.
" 28. Wisconsin and Upper Peninsula of Michigan—45 cents per hour.
" 29. Cook County, Illinois—45 cents per hour.
" 30. St. Louis and St. Louis County, Missouri—45 cents per hour.
" 31. Arizona—35 cents per hour.
" 32. California—Southern Division—40 cents per hour.

Rates of wages for labor used in the handling and delivery of lumber and building material above the minimum provided in this Article within each metropolitan or urban area shall, as to all dealers in each respective area, be not less than such rates as shall be agreed upon by the majority of all dealers subject to this Code in each trading area, after the approval thereof by the Code Authority and by the Administrator.

Clerical and office employees.—The weekly wage for Clerical and Office Employees whose maximum hours are forty (40) shall not be less than that provided by the hourly rates in Article V.

The weekly wage for Clerical and Office Employees provided for by Paragraph B of Article IV shall be the same as employees whose maximum hours are forty (40) per week and provided that time and one half shall be paid for hours in excess of forty-eight (48) and provided that no such employee shall receive less than $12.00 for such 48 hour week.

All of the above rates subject to following exceptions:

1. Office workers under nineteen (19) years of age and with less than six months' experience and persons partially disabled shall be paid not less than 75% of the minimum wage herein specified, provided that the total number of persons so defined shall not exceed ten (10) percent of the total number of yard, office, and service employees.

2. Persons employed as provided for by Paragraph (B), Article IV, shall be paid not less than the minimum hourly rates for forty (40) hours and time and one half for all hours in excess of forty-eight (48), provided that no such employee shall receive less than $12.00 for such forty-eight (48) hour week.

3. It is agreed that the rates hereinabove set forth establish a guaranteed minimum rate of pay regardless of whether the employee is compensated on the basis of a time rate or on a piecework rate. Each employer shall report to the Administrator adjustments made in his piece rate schedule.

Article VI—Child Labor

It is expressly provided that no employee under sixteen years of age shall be employed.

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No employee under eighteen years of age shall be employed in handling lumber and building materials, nor employed as an operator of or as an off bearer from any woodworking machinery.

Article VII—Administration

To further effectuate the policies of the Act, a Code Authority (which is referred to as the Code Authority) is hereby set up to cooperate with the Administrator in the administration of this Code.

1. *Organization and Constitution of the Code Authority.*—For the purpose of the administration of this Code, the National Retail Lumber Dealers Association shall establish and empower a suitable agency herein referred to as the Code Authority to assist the National Recovery Administration in administering the provisions of this Code. The Code Authority shall consist of one member from each of the constituent Divisions of the Association to be elected by fair and reasonable methods by the respective Divisions; it shall be empowered to elect two additional members at large to the aforesaid Code Authority. The Administrator may appoint not more than three (3) nonvoting members of said Code Authority to serve as his representatives thereon or as representatives of such other groups as he may see fit to designate.

The Code Authority shall establish Divisions of the lumber and building material trade and shall appoint appropriate agencies (as stated in Article VII, Section 3) for the administration of this Code in each Division or Subdivision; the Code authority shall delegate to said agencies all necessary power and authority for the administration of this Code within the Divisions and Subdivisions, including the adoption of Divisional and Subdivisional rules and regulations not inconsistent with this Code and subject to the approval of the Administrator, but shall reserve and retain the power to administer the provisions of this Code.

The aforesaid Code Authority shall be empowered to act in respect of all matters before the Code Authority and within its jurisdiction. The Code Authority shall have the powers and duties as provided herein, provided, however, that the aforesaid Code Authority shall reserve the power to make final recommendation as to any matters relating to the administration of this Code; and in addition thereto it shall—

A. Make rules and regulations and interpretations, including Rules of Fair Competition necessary for the administration of this Code, which rules, regulations, and interpretations shall be subject to the approval of the Administrator, and designate such agents and delegate such authority to them as may be necessary to effectuate the purposes and to administer the provisions of this Code.

B. From time to time require such reports from Divisions as in its judgment or in the judgment of the Administrator shall be necessary to advise it adequately of the Administration and operation of the provisions of this Code.

C. Upon complaint of interested Divisions, or upon request of the Administrator, or upon its own initiative make such inquiry and investigation as to the operation of the Code as may be necessary.

D. The Code Authority shall be charged with the administration of the provisions of this Code, and with the duties through agents or otherwise of hearing and adjusting complaints, considering proposals for amendment of this Code, making recommendations thereon, and otherwise administering its provisions.

E. The Code Authority shall be empowered to consider and make a recommendation with respect to any breach of this Code or any dispute arising as a result of same. This Code Authority may, if it sees fit, cite any dealer operating within its jurisdiction to the Administrator, for such action as the law may provide. The Code Authority shall empower and authorize each Division to maintain an Arbitration Committee of such number as it may decide; such committee may include one person who is not an Association member. Any breach of this Code or any dispute arising as the result of this Code within the jurisdiction of a Division may be referred to the Divisional Committee for consideration and recommendation. This Divisional Committee after full hearing and upon finding any dealer operating within the jurisdiction of said Division guilty of breach as reported may cite such dealer to the administrator for such action as the law may provide.

F. The Code Authority may delegate any of its authority to the Executive Committee hereinafter provided for.

G. The provisions of Schedule A shall, so far as they differ from provisions of this Code, be controlling in Division 29.

2. *Joint Dealers in Lumber and Builders Supplies.*—For the administration of this Code in the case of dealers in lumber, lumber products, building materials, and building specialties, whether in whole or in part, who are members of the National Federation of Builders Supply Associations and who are not also members of the National Retail Lumber Dealers Association, the Code Authority shall appoint as its agent and representative the same agent or representative as shall have been appointed by the Code Authority of the Builders Supplies Trade.

3. *Divisions.*—For the purpose of the administration of this Code, the Code Authority shall divide the country into 32 Divisions as set forth below:

1. Alabama—Alabama Lumber & Building Material Association.
2. California—(Northern Division) California Retail Lumbermens Association.
3. North and South Carolina—Carolina Retail Lumber & Building Material Dealers Association.
4. Florida—Florida Lumber & Millwork Association.
5. Georgia—Georgia Retail Lumber and Building Supply Association.
6. Illinois—(Except Cook County) Illinois Lumber and Material Dealers Association.
7. Indiana—The Retail Lumber Dealers Association of Indiana.
8. Kentucky—Kentucky Retail Lumber Dealers Association.
9. Louisiana—Louisiana Retail Lumber & Building Material Dealers Association.
10. Lower Peninsula of Michigan—Michigan Retail Lumber Dealers Association.

11. Eastern Portion of Pennsylvania, Seven Southern Counties of New Jersey, Delaware, Maryland, and the District of Columbia—Middle Atlantic Lumbermens Association.

12. Mississippi—Mississippi Retail Lumber Dealers Association.

13. Colorado, Wyoming, New Mexico—Mountain States Lumber Dealers Association.

14. Nebraska—Nebraska Lumber Merchants Association.

15. New Jersey (Fourteen Northern Counties)—New Jersey Lumbermens Association.

16. The City of New York—New York Lumber Trade Association.

17. New York (Except the City of New York), Vermont, New Hampshire, Maine, Massachusetts, Connecticut, Rhode Island, and McKean County, Pennsylvania—Northeastern Retail Lumbermens Association.

18. Minnesota, North Dakota, South Dakota, Iowa—Northwestern Lumbermens Association.

19. Ohio—The Ohio Association of Retail Lumber Dealers.

20. Western Portion of Pennsylvania—Retail Lumber Dealers Association of Western Pennsylvania.

21. Missouri (Except St. Louis and St. Louis County), Arkansas, Oklahoma, Kansas—Southwestern Lumbermens Association.

22. Tennessee—Tennessee Lumber, Millwork & Supply Dealers Association.

23. Texas—Lumbermens Association of Texas.

24. Utah—Utah Lumber Dealers Association.

25. Virginia—Virginia Lumber & Building Supply Dealers Association.

26. Montana, Idaho, Washington, Oregon, Nevada—Western Retail Lumbermens Association.

27. West Virginia—West Virginia Lumber & Builders Supply Dealers Association.

28. Wisconsin and Upper Peninsula of Michigan—Wisconsin Retail Lumbermens Association.

29. Cook County, Illinois—Chicago Retail Lumber Dealers Association.

30. St. Louis and St. Louis County, Missouri—Wood Products Institute of Greater St. Louis.

31. Arizona—Lumbermens Club of Arizona.

32. California (Southern Division) California Retail Lumbermens Association.

The Code Authority may establish other Divisions and define the territories to be covered by them. Such Divisions shall be afforded representation on the Code Authority.

4. *Failure to Perform.*—If any established Divisions shall fail to perform its obligations as outlined herein, the Code Authority may upon complaint act as a Division Committee for the purpose of securing the adoption of standards and performance conforming to the provisions of the Code. Due advance notice shall be given to the Division or Divisions of such proposals and a reply requested. Divisions affected shall be notified of the action taken in the premises and shall thereafter promptly comply with such determination.

Proposals regarding matters affecting more than one Division may be initiated by any Division, and shall be submitted for consideration to the Code Authority, and its determination shall be binding upon such Division or Divisions.

5. *Executive Committee.*—The Code Authority shall appoint, from its own membership, an Executive Committee of five (5) members. The Executive Committee shall exercise such authority as may have been delegated to it by the Code Authority except that the Executive Committee shall not make recommendations for the amendment of this Code unless recommendations for such amendments have been approved in writing by two thirds (⅔) of the members of the Code Authority.

The Executive Committee shall serve as the executive agency of the Code Authority.

Communications and conferences of the retail lumber and building material trade with the President or with his agents concerning the amendment of this Code or any of its provisions or any matters relating thereto may be through the Executive Committee.

6. *Joint Interpretation Committees.*—The Code Authority shall empower and authorize each division to create, in cooperation with the appropriate division under the Code of Fair Competition for Dealers in Builders Supplies, a Joint Interpretation Committee with equal representation of such number as the respective Divisions shall determine; this committee shall be empowered to interpret the provisions of the trade-practice rules of the Code of Fair Competition for Dealers in Builders Supplies and of this Code insofar as such rules affect dealers in lumber and building material. This Committee shall coordinate trade-practice regulations of divisions and subdivisions under the Codes of Fair Competition aforesaid whenever necessary. The interpretation and decisions of this Joint Committee shall be subject to appeal as hereinafter provided.

The Code Authority shall create a National Joint Interpretation Committee with equal representation in cooperation with the appropriate jurisdictional authority under the Code of Fair Competition for Dealers in Builders Supplies consisting of such number as the Code Authority of this Code and the jurisdictional authority under the Code of Fair Competition for Dealers in Builders Supplies shall jointly determine. This Committee shall review appeals made from determination of the joint interpretation committees created by the agencies of the respective Divisions as aforesaid. The decision of such Joint Interpretation Committee shall be subject to review, as prescribed by the Administrator, in accordance with law.

7. *Reports and Expenses.*—In order that the President may be informed of the observance of the provisions of this Code and of the extent to which the declared policy of the National Industrial Recovery Act is made effective in the lumber and building material trade, the Code Authority shall make such reports as the Administrator may require periodically or as often as he may direct. Persons subject to the jurisdiction of this Code shall, at its request, make to the Code Authority or to the respective Divisions such sworn or unsworn reports as the Code Authority deems necessary

on volumes of sales, value of inventory, cost of doing business, number of employees, wage rates, hours worked, and other data pertinent to the purposes of this Code.

Any and all information furnished to the Code Authority shall be deemed confidential and shall not be divulged to any member of the industry except in summary, but shall be available to the Administrator upon request or to the Code Authority or to any Divisional or Subdivisional agency where necessary to administer the provisions of this Code.

In addition to information required to be submitted to the Code Authority, there shall be furnished to government agencies such statistical information as the Administrator may deem necessary for the purpose recited in Section 3 (a) of the National Industrial Recovery Act.

The Code Authority shall admit or cause to be admitted to participation in this Code any person on terms of equality with all other persons participating therein; and each person subject to the jurisdiction of this Code and accepting the benefits of the activities of the Code Authority shall pay his proportionate share of the amounts necessary to furnish such benefits.

The reasonable share of the expense of the initiation, approval, and administration of this Code to be borne by persons subject thereto shall be determined by the Code Authority, subject to review by the Administrator, upon the basis of volume of business and such other factors as it may deem equitable to take into consideration.

When the administration of this Code is delegated by the Code Authority of this Code to the agent appointed by the appropriate authority of the Code of Fair Competition for Dealers in Builders' Supplies the pro rata cost of administration shall be the same as for all other dealers in lumber, lumber products, building materials, and building specialities, but shall be paid to the appropriate authority of the Code of Fair Competition for Dealers in Builders' Supplies to be used by them in the administration of this Code and the Code of Fair Competition for Dealers in Builders' Supplies.

8. *Certificate of Compliance.*—Each person subject to this Code shall submit to the Code Authority or to its authorized administering agency within each Division upon demand, but not more frequently than monthly, an affidavit properly executed before a Notary Public, certifying that he has complied with the provisions of this Code as to rates of wages, hours of labor, and all other rules of this Code as set forth in this Code. These affidavits shall be filed with the Code Authority or with the authorized administering agency of the respective Divisions and shall be available at all times to the inspection of the President of the United States or his authorized representative.

9. *Accounting.*—Each dealer subject to the jurisdiction of this Code shall maintain such simplified, unified system of accounting as the Code Authority may deem adequate to provide the necessary facts for the development of cost data and for the determination of the cost of doing business and as the Administrator may approve. The factors to be included in any determination of cost under this Code shall be approved by the Administrator.

ARTICLE VIII—UNFAIR METHODS OF COMPETITION

1. *Terms of Sale.*—The appropriate agencies established by the various Divisions shall have the authority to formulate uniform rules and regulations governing terms of sale and collection of accounts within their respective jurisdiction subject to the approval of the Code Authority and the Administrator. The failure to adhere to such terms of sales and enforce collections thereunder is hereby declared to be an unfair method of competition.

2. *Conditions of Sale—Estimates and Quotations.*—A. All prices, terms, and conditions of sale as developed under the uniform cost accounting system or established by appropriate rule or regulation within any trade area shall be published by each dealer within each trade area and shall be filed with the Code Authority or its delegated agent. Any deviation from such published prices, terms, and conditions of sale until new prices, terms, and conditions of sale shall have been published and filed shall be construed as unfair methods of competition.

B. A dealer, upon request of the Code Authority, shall furnish to the said Code Authority or its duly constituted agent a ist of items included in estimates or quotations showing the exact quantity, grade, species, quality, or brand of each item of merchandise and the exact sales price of each unit listed and proof of the quantity delivered.

3. *Breach of Contract.*—The wilful interference by any dealer by any means whatsoever with any existing sale between any dealer and his customer which has the effect of attracting business away from the dealer interfered with is hereby declared to be an unfair method of competition.

4. *Commercial Bribery.*—The granting of gratuities, special discounts, secret rebates, advertising allowances, free samples of commercial size, special services, the issuance of false invoices or quotations, or the granting of undue allowances or other special inducements is hereby declared to be an unfair method of competition.

5. *Guaranteed Products.*—Any statement which shall be made, either oral, written, or printed, for the purpose of having the effect of misleading or deceiving purchasers with respect to the quantity, quality, grade, brand, or substance of the goods purchased is hereby declared to be an unfair method of competition.

6. *Substitution.*—A. The practice of selling or offering for sale nonstandard grades, sizes, dimensions, or classifications of lumber and building materials as standard or of substituting inferior grades, sizes, dimensions, or classifications of lumber and building materials below specifications for the purpose of evading the provisions of this paragraph, is hereby declared to be an unfair method of competition.

B. The failure to include in retail bids and estimates the true grades and species of materials to be supplied and the failure to supply the true grades and species estimated or bid upon is hereby declared to be an unfair method of competition.

7. *Grade Marking.*—(a) When the provisions for the marking or branding of lumber and timber products, as required by Article XVI (b) and (c) of the code of Fair Competition of the Lumber and Timber Products Industries, approved by the President August 19,

1933, shall be put into effect, as provided therein, the purchase of lumber or timber products not marked or branded in accordance with said provisions is hereby declared to be an unfair method of competition.

(b) No person engaged in the distribution of lumber and timber products at retail shall change, obliterate, remove, make substitution for, or otherwise disturb the marks or brands placed on lumber and timber products in accordance with said provisions, excepting only as such marks or brands are removed in the normal processes of planing and fabricating. The violation of this rule is hereby declared to be an unfair method of competition.

8. *Cost.*—No person shall sell lumber, lumber products, building materials or building specialties as herein defined, below cost. For the purpose of this paragraph, cost is defined to include the actual cost of merchandise to the seller plus actual overhead. Overhead shall include actual disbursed expense involved in selling and delivering merchandise as determined by accounting methods approved by the Code Authority and the Administrator, in accordance with Article VII, paragraph 9 of this Code, and shall be computed by the statistical mode method. If at any time the Code Authority desires to change this method of computing costs, application shall be made to the Administrator for a revision of the factors to be included in the determination of costs, or for a revision of the methods by which such factors are determined, or both, or if at any time the Administrator, upon his own initiative, desires to change this method of computing costs, he may make such appropriate revisions thereof as he may deem necessary.

9. *Defamation of Competitors.*—Defamation of competitors, disparaging statements, directly or indirectly by words or acts which untruthfully reflect on a competitor, his service, credit standing, quality of merchandise, or conditions of employment, is hereby declared to be an unfair method of competition.

10. *Interference with Employees.*—Inducing a competitor's salesman or credit man to leave his employment for the purpose of injuring a competitor's business, is hereby declared to be an unfair method of competition.

11. *Transit Stock.*—The purchase or acceptance of lumber, lumber products, building materials, or building specialties, shipped on consignment or placed in transit via rail or water thirty days after the approval of this Code without a previous order or contract therefor by a purchaser subject to the provisions of this Code shall constitute an unfair method of competition.

Article IX—General

1. *Collective Bargaining.*—All employees shall have the right to collective bargaining on the basis set up in Section 7 (a) of the National Industrial Recovery Act, and employment shall be on the basis prescribed as follows:

A. That employees shall have the right to organize and bargain collectively, through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of

labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

B. That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

C. That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

2. *Special Agreements.*—Voluntary agreements, or proposed voluntary agreements, between dealers engaged in the distribution of lumber and building materials or between and among organizations or groups in the lumber and building material trade or in which such dealers, organizations, or groups propose to participate as provided in Title I, Section 4 (a) of the National Industrial Recovery Act, shall be not in conflict with the provisions of this Code or with any approved rule issued thereunder.

Such agreements or proposed agreements shall be submitted to the Code Authority and if not disapproved by it within thirty days as being in conflict with the provisions of this Code, they may thereafter be submitted to the President for approval, but no dealer engaged in the distribution of lumber and building materials shall participate in any such agreement which has been determined by the Code Authority to be in conflict with the provisions of this Code.

3. *Monopolies.*—This Code shall not be construed, interpreted, or administered so as to permit monopolies or monopolistic practices and shall not be availed of for that purpose.

The provisions of this Code shall not be so construed, interpreted, or administered as to eliminate or oppress small enterprises or to discriminate against them.

4. *Membership.*—No inequitable restrictions on admission to membership shall be imposed by the National Retail Lumber Dealers Association or any of its constituent Divisions hereinafter referred to.

5. *Arbitration.*—The use of arbitration in the settlement of commercial disputes between employers or between buyers and sellers under the arbitration rules of the American Arbitration Association is recognized as an economical and effective method of adjusting business controversies. Any complaint, difference, controversy, or question of fair competition which may arise between a member of this trade and a member of any other industry or trade under or out of this Code, of a code of Fair Competition adopted by such other industry, or any question involving a conflict between provisions of this Code and of any other Code affecting this industry, may be submitted to arbitration under the rules of the American Arbitration Association.

6. *Amendment, Cancellation, and Modification.*—A. Amendments to this Code may be proposed to the Code Authority by any Division and when approved by the said Code Authority shall be effective, upon the approval of the President.

B. This Code or any of its provisions shall be cancelled or modified and any approved rule issued thereunder shall be ineffective to the

extent necessary to conform to any action by the President under Section 10 (b) of the National Industrial Recovery Act in cancellation or modification of any order, approval, license, rule, or regulation pertaining thereto.

C. Any decision, rule, regulation, order, or finding made, or course of action followed, pursuant to the provisions of this Code may be cancelled or modified by the Administrator upon complaint of any interested party through the Code Authority, or upon his own initiative, whenever he shall determine such cancellation or modification necessary to effectuate the provisions of the National Recovery Act.

7. *Supplemental Code Provisions.*—Supplemental Code provisions affecting or pertaining to Divisions and Subdivisions may be filed with the Code Authority and if not inconsistent with the provisions of this Code may be recommended by it to the Administrator. When approved by the Administrator such supplements shall have the same force and effect as any other provisions of this Code.

8. *Appeal.*—Any interested party shall have the right of complaint to any subdivision agency and of prompt hearing and decision thereon in respect of any decision, rule, regulation, order, finding, or course of action of said agency. Such complaint and hearing shall be in accordance with such rules and regulations as said agency may prescribe. The decision of said agency may be appealed by any interested party to the division agency.

Any interested party shall have the right of complaint to any division agency and of prompt hearing and decision thereon under such rules and regulations as said agency may prescribe in respect of any decision, rule, regulation, order, finding, or course of action of said agency. The decision of said agency may be appealed by any interested party to the Code Authority.

Any interested party shall have the right of complaint to the Code Authority and of prompt hearing and decision thereon, under such rules and regulations as it shall prescribe in respect of any decision, rule, regulation, order, finding, or course of action of the said Code Authority. The decision of said Code Authority may be appealed by any interested party to the Administrator.

Any party desiring to appeal from action by the Code Authority shall within ten (10) days after said judgment or decision serve written notice upon the Code Authority of his intention to appeal and file a copy of said notice with the Executive Committee for transmittal to the Administrator of the National Industrial Recovery Act, requesting a date and place for hearing said appeal.

9. *Violations.*—Violation by any person subject thereto of any provision of this Code or of any approved rule issued thereunder, or of any agreement entered into by him under this Code, or any false statement or report made to the President or to the Code Authority, or to any Division or Subdivision agency established under this Code, shall after determination thereon by the Administrator, constitute an unfair method of competition and the offender shall be subject to the penalties provided by the National Industrial Recovery Act.

Article X—Effective Date

This Code and the amendments thereto shall become effective on the tenth day after its approval by the President.

Approved Code No. 33.
Registry No. 313-04.

SCHEDULE A

Supplemental Code—Provisions Applicable to Division 29 (Cook County, Illinois) Only

WAGES AND HOURS OF LABOR

1. When the aggregate volume of business of the lumber retailers at that time in business in Cook County, Illinois, who were in business as lumber retailers in Cook County, Illinois, in the calendar year 1926, shall reach 50% of the volume of business done by such dealers in said year 1926, all the retail lumber dealers in Cook County, Illinois, shall reorganize their office and yard forces not then connected with any Union, so as to increase wages and salaries and give employment to more persons. For the present, as to employees who are members of Labor Unions, agreements regarding wages and hours of employment shall be continued so long as they remain mutually satisfactory. Pending the increase in volume of business to the 50% hereinbefore referred to, the Emergency Control Committee, hereinafter referred to, shall undertake to formulate plans in respect to the limitation of hours of labor, minimum wage, and other working conditions, so that as price realization and volume of business increase salaries and wages can be concurrently increased, and, where necessary, labor conditions improved. The standards established by the Emergency Control Committee as hereinafter described and approved by the Administrator shall be binding on all retail lumber dealers in Cook County, Illinois, including standards as to maximum hours of labor, minimum rates of pay, and working conditions. The provisions of this section are in addition and not in substitution for the provisions of Articles IV and V of this Code.

MEMBERSHIP IN THE CHICAGO RETAIL LUMBER DEALERS ASSOCIATION

2. Any employer regularly engaged in the retail lumber business in Cook County, Illinois, may become a member of the Chicago Retail Lumber Dealers Association. Each member shall be entitled to one vote only. All applications for membership shall be made in writing to the Secretary; the Emergency Control Committee shall act on such applications speedily and no applicant shall be refused election who is an employer in Cook County, Illinois, as the term employer is defined in this Code.

In the case of members, other than individuals, such firms or corporations shall, from time to time, notify the Secretary as to what individual or individuals will represent them at meetings. The word "firm" shall include common-law trusts. Such individuals shall be eligible to membership on the Emergency Control Committee.

EMERGENCY CONTROL COMMITTEE

3. The administration and promotion of this Code in Division 29 is vested in a Coordinating Committee of Seven, the title of which is Emergency Control Committee, and which is to be selected geographically, so far as possible, from among the members of the Association. When a member of the Committee ceases to represent the firm or corporation which he represented when he was elected to the Committee his membership in the Committee shall cease. Within ten days after this Code becomes effective a meeting of the members of the Association shall be called by J. W. Embree, Jr., who is hereby named the Convener for that purpose, at which the members of said Emergency Control Committee shall be elected by fair and reasonable methods by the members of the Association present. To which committee there shall be elected one of the three National Recovery Administrator members of the Code Authority provided for in Section I, Art. VII.

A majority of the members of the Association shall be necessary to constitute a quorum. At such meeting the members of the Association present may adopt rules and regulations for the conducting of the business of the Chicago Retail Lumber Dealers Association during the emergency, which rules and regulations, however, shall be in furtherance of and not in conflict with the provisions of this Code, and shall be subject to the approval of the Administrator. The Emergency Control Committee shall also act as a fact-finding committee, the purpose of which shall be to develop such information as the President of the United States, the National Recovery Administration, or the Federal Trade Commission may require in order to carry out the provisions of the Act.

The officers of the Emergency Control Committee shall be a President, a Vice President, a Secretary, a Treasurer, and such other officers, agents, and employees as the Emergency Control Committee shall thereafter find to be necessary. Such Secretary and Treasurer shall, by such election, become and be, respectively, the Secretary and Treasurer of the Chicago Retail Lumber Dealers Association. The President, Vice President, and Treasurer shall be retail lumber dealers and members of the Emergency Control Committee. The Secretary need not be either a member of the Committee or a retail lumber dealer.

At any time after this Code shall have been in effect for six months a special meeting of the Association may be called by a petition in writing filed with the Secretary and signed by not less than 25% of the members of the Association, at which meeting any member or members of the Emergency Control Committee may, by a majority vote of those present, be deprived of his office as a member of such committee, and his successor may be elected. Such petition shall name the date and place of the meeting and the Secretary shall issue the call by mailing a copy thereof to each member within 48 hours after such petition is filed in his office. Unless a member of the Emergency Control Committee is so superseded he shall continue to serve as such member until June 16, 1935, unless prior to that time he ceases to be or to represent an employer in Cook County, Illinois.

Vacancies in the Emergency Control Committee caused by death, resignation, ceasing to be an employer dealer in Cook County, Illinois, or ceasing to represent the employer which he represented at the time of his election, shall be filled by the majority of the members of the Emergency Control Committee then remaining in office and persons elected to fill vacancies shall, except as otherwise herein provided, serve until June 16, 1935.

SPECIFIC POWERS

4. *Consumer Protection.*—The Emergency Control Committee shall provide means for policing sales so that the consumer shall receive the kind, the species, the grade, and the feetage of lumber covered by his purchase contract.

Sales shall also be policed through the employment in said County of a lumber institute, free and independent of the control of any employer or group, or association of such employers in the Chicago area or elsewhere, which institute on the application of any prospective consumer or customer for lumber shall, without expense to such customer or consumer, advise him as to the proper lumber to be purchased by him to meet the stated needs and requirements of said prospective customer.

5. *Reports.*—Each employer in Cook County, Illinois, shall make such reports to the Emergency Control Committee as it may require for the administration and promotion of the provisions and purposes of this Code in Cook County, Illinois.

6. *Expense.*—Employers subject to the jurisdiction of Schedule A of this Code who are complying with the requirements of this Code and of this Schedule A and who agree in writing, either individually or through the Chicago Retail Lumber Dealers Association of which they are members, to abide by the requirements of this Code and of this Schedule A, and to pay their reasonable share of the expenses incident to the initiation, approval, and administration thereof, shall be entitled to the benefits of the activities of the Code Authority and of the Emergency Control Committee thereunder and to make use of the National Recovery Administration Code insignia.

The reasonable share of the expenses of initiation, approval, and administration of this Code and this Schedule to be borne by employers subject thereto shall be determined by the Code Authority and the Emergency Control Com-

mittee, subject to review of the Administrator, upon the basis of volume of business, and such other factors as may be deemed equitable to be taken into consideration.

ETHICS

7. The following are specifically stated as unfair methods of competition:

(a) The consignment of unordered lumber to a possible buyer: the forwarding of lumber which has not actually been sold.

(b) The effecting of adjustment of claims with purchasers of lumber in such manner as to grant secret allowances, secret rebates, or secret concessions.

(c) In the event of change in published prices of lumber, the giving in any form of adjustments, allowances, discounts, credits, or refunds to purchasers or sellers of lumber, for the purpose of, or with the effect, of altering retroactively the price quoted, in such a manner as to create price discrimination.

(d) The pre-dating or the post-dating of any invoice or contract for the purchase or sale of lumber.

(e) Terms of Sale shall be open and strictly adhered to. The payment or allowance in connection with any sale of secret rebates, refunds, credits, or unearned discounts, whether in the form of money or otherwise, or extending to certain purchasers such services or privileges not extended to all purchasers under like terms and conditions.

(f) Attempts to purchase business, or obtain information concerning a competitor's business, by gifts or bribes.

(g) The intentional misrepresentation of quality suitable for purchases, or making, or causing, or permitting to be made, or publishing, or any false, untrue, misleading, or deceptive statement, by way of advertisement, invoice, or otherwise, concerning the size, quantity, character, nature, preparation, or origin of any lumber bought or sold.

(h) The making of, causing or permitting to be made, of any false or deceptive statement, either written or oral, of or concerning the business policy of a competitor, his product, selling price, financial, business, or personal standing.

(i) The unauthorized use, either in written or oral forms, of trade marks, trade names, slogans, or advertising matter already adopted by a competitor.

(j) Inducing or attempting to induce, by any means or device whatsoever, the breach of contract between a competitor and his customer during the term of such contract.

PROVISION TO PREVENT MONOPOLIES AND MONOPOLISTIC PRACTICES

8. No methods except those of ordinary competition shall be resorted to to prevent shipments of lumber into Cook County, Illinois, from other distributing points. This provision is in addition to the provisions contained in this Code under the article entitled "Ethics."

Approved Code No. 34

CODE OF FAIR COMPETITION

FOR THE

LAUNDRY AND DRY CLEANING MACHINERY MANUFACTURING INDUSTRY

As Approved on October 3, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Laundry and Dry Cleaning Machinery Manufacturing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
October 3, 1933.

29112°——296-66——34

SEPTEMBER 25, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval the Code of Fair Competition for the Laundry and Dry Cleaning Machinery Manufacturing Industry.

An analysis of the provisions of the Code has been made by the Administration. I find that the Code complies with the requirements of clauses 1 and 2, subsection (a) of Section 3 of the National Industrial Recovery Act.

I am, my dear Mr. President,
Very sincerely yours,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

LAUNDRY AND DRY CLEANING MACHINERY MANUFACTURING INDUSTRY

To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions upon approval by the President shall be the standard of fair competition for the Laundry and Dry Cleaning Machinery Manufacturing Industry.

Article I—Definitions

The term "Laundry and Dry Cleaning Machinery Manufacturing Industry," as used herein, is defined to mean the manufacture for sale of all laundry and dry cleaning apparatus, machinery, appliances, and parts thereof other than small machinery, apparatus, appliances, and parts thereof for use in the home.

The term "employee," as used herein, includes any person engaged in any phase of the Industry, in any capacity, in the nature of employee irrespective of the method of payment of his compensation.

The term "employer," as used herein, shall include every person promoting or actively engaged in the manufacture for sale of the products of the Laundry and Dry Cleaning Machinery Manufacturing Industry, as herein defined.

The term "person," as used herein, shall include, but without limitation, natural persons, partnerships, associations, trusts, trustees, trustees in bankruptcy, receivers and corporations.

The term "effective date," as used herein, is defined to be the eleventh day after this Code shall have been approved by the President of the United States.

Article II—Employment

The following provisions are conditions of this Code:

(1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employees of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(2) That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

(3) That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

Article III—Wages

(a) On and after the effective date employers shall not employ any person under the age of 16 years; provided, however, that where a State law provides a higher minimum age, no person below the age specified by such State law shall be employed within that State.

(b) On and after the effective date the minimum wage shall be paid by employers to any employee engaged in the production of the products of the Laundry and Dry Cleaning Machinery Manufacturing Industry and in labor operations directly incident thereto shall be 40 cents per hour; provided, however, that casual and incidental labor and learners may be paid not less than 80 percent of such minimum wage, but the total number of casual and incidental laborers and learners shall not exceed 5 percent of the total number of employees covered by the provisions of this paragraph (b) and, provided further, that after three months of work learners shall be paid not less than the minimum wage herein provided and, provided, also, that female employees employed during the same hours of the day and for the same class of work as male employees shall be paid at the same rate of pay as such male employees.

(c) On and after the effective date the minimum wage that shall be paid by any employer to all other employees shall be at the rate of $14.00 per week; provided, however, that office boys or girls, learners, and casual employees may be paid not less than 80 percent of such minimum wage but the total number of such office boys or girls, learners, and casual employees shall not exceed 5 percent of the total number of employees covered by the provisions of this paragraph (c).

(d) Not later than ninety (90) days after the effective date each employer in the Laundry and Dry Cleaning Machinery Manufacturing Industry shall report to the Administrator through the supervisory agency the action taken by such employer in adjusting the hourly wage rates for all employees receiving more than the minimum rates provided in paragraph (b) of this Article.

(e) Employers shall not reclassify employees so as to defeat the purposes of the Act.

(f) This Article guarantees a minimum wage whether employment is on a basis of hourly rate or piece-work performance.

Article IV—Hours

On and after the effective date employers shall not operate on a schedule of hours:

(a) For employees engaged in the production of products of the Laundry and Dry Cleaning Machinery Manufacturing Industry and in labor operations directly incident thereto, in excess of 36 hours per week.

(b) For all other employees, except executive, administrative, and supervisory employees, and service staff and traveling sales staff, in excess of 40 hours per week.

Provided, however, that these limitations shall not apply to those branches of the Laundry and Dry Cleaning Machinery Manufacturing Industry in which seasonal or peak demand places an unusual

and temporary burden for production or installation upon such branches; in such cases no employee shall be permitted to work more than an aggregate of 72 hours in any calendar six-months' period in excess of the limitations hereinbefore provided, and, provided further, that such limitations shall not apply in cases of emergency; and, further provided, that in no case shall the average for any six-months' period be more than 36 hours for employees covered by the provisions of paragraph (a) above and 40 hours for employees covered by the provisions of paragraph (b) above. At the end of each calendar month every employer shall report to the Administrator, through the supervisory agency, hereinafter provided for, in such detail as may be required, the number of man-hours worked in that month for emergency reasons and the ratio which said emergency man-hours bear to the total number of man-hours of labor during said month.

Where in any case an employee is worked in excess of eight hours per day, time and one-half shall be paid for the excess hours so worked.

Article V—Administration

Laundry and Dry Cleaners Machinery Manufacturers' Association is hereby designated the agency for promoting the performance of the provisions of this Code by the members of the Laundry and Dry Cleaning Machinery Manufacturing Industry. With a view to keeping the President of the United States and the Administrator informed as to the observance or nonobservance of this Code and as to whether the Laundry and Dry Cleaning Machinery Manufacturing Industry is taking appropriate steps to effectuate in all respects the declared policy of the National Industrial Recovery Act, the supervisory agency shall make such reports as the Administrator may direct, periodically or as often as he may request, and each employer shall prepare and furnish, when required by the supervisory agency, to such organization or person as the supervisory agency may designate, an earnings statement and balance sheet in a form approved by the supervisory agency, or acceptable to any recognized stock exchange. Each employer shall, likewise, prepare and file with such person or organization as the supervisory agency may designate and at such times and in such manner as may be prescribed, statistics of plant capacity, volume of production, volume of sales in units and dollars, orders received, unfilled orders, stocks on hand, inventory, both raw and finished, number of persons employed, wage rates, employee earnings, hours of work, costs, prices quoted, prices received, contracts made, and such other similar data or information as the supervisory agency may from time to time require to administer this Code.

Article VI—Supervisory Agency

To administer and supervise, and to facilitate the enforcement of the provisions of this Code, there shall be a committee of six members connected with the Industry called the Supervisory Agency, and the President or the Administrator may appoint not more than three additional members without vote. The Committee shall be elected

at a meeting of employers called immediately after the approval by the President of this Code and held immediately prior to the effective date thereof. The meeting shall be called by the Laundry and Dry Cleaners Machinery Manufacturers' Association and notice thereof shall be sent by telegraph and registered mail to all known manufacturers of laundry and dry-cleaning machinery. The notice shall specifically state that voting at the meeting may be in person or by proxy. The members of the committee shall be elected by a vote of the employers present in person or by proxy at such meeting, passed in two ways: (a) by a majority vote of employers present in person or by proxy as such, and (b) by a seventy-five (75) percent vote by employers present in person or by proxy, weighted on the basis of one vote for each $50,000 of sales of products of the Industry made in the calendar year 1932, as reported to the Secretary of the Laundry and Dry Cleaners Machinery Manufacturers' Association, but each employer shall have at least one vote. Vacancies in the committee due to death or resignation or because a member thereof has ceased to be connected with the Industry shall be filled by the remaining members of the committee.

If formal complaint is made to the Laundry and Dry Cleaners Machinery Manufacturers' Association or to the supervisory agency that the provisions of this Code have been violated by any employer, the supervisory agency shall make such investigation as in its opinion is necessary.

Article VII—Statistics—Confidential

Except as otherwise provided in the National Industrial Recovery Act, all statistics, data, and information filed in accordance with the provisions of Article V shall be confidential and the statistics, data, and information of one employer shall not be revealed to any other employer except that for the purpose of facilitating the administration and enforcement of the provisions of this Code, any and all statistical data furnished in accordance with the provisions of this Code shall be available to the Supervisory Agency by its duly authorized representative (who shall not be in the employ of any employer affected by this Code) and to the Administrator.

Article VIII—Code Open to All Employers

Any member of the Laundry and Dry Cleaning Machinery Manufacturing Industry is eligible for membership in the Laundry and Dry Cleaners Machinery Manufacturers' Association and there shall be no inequitable restrictions on such membership. Any employer shall be entitled to vote on and share in the benefits of the activities of the supervisory agency and may participate in any endeavors of the Laundry and Dry Cleaners Machinery Manufacturers' Association in the preparation of any revisions of, or additions or supplements to, this Code by accepting his proper pro rata share of the reasonable cost of creating and administering it, as determined by the supervisory agency subject to review by the Administrator.

Article IX—Accounting and Costing

Every employer shall use an accounting system and a costing system which conforms to the principles of and is at least as detailed and complete as the uniform and standard method of accounting and the uniform and standard method of costing to be formulated or approved by the supervisory agency and subject to review by the Administrator, with such variations therefrom as may be required by the individual conditions affecting any employer or group of employers and as may be approved by the supervisory agency and made supplements to the said formulated or approved methods of accounting and costing.

Article X—Selling Below Cost

No employer shall sell or exchange any product of his manufacture at a price or upon terms or conditions that will result in the customer paying for the goods received less than the cost to the seller determined in accordance with the uniform and standard method of costing hereinabove prescribed; provided, however, that discontinued types or inventories which should be converted into cash may be disposed of in such manner and on such terms and conditions as the supervisory agency may approve and as are necessary to move such product into buyers' hands.

Article XI—Price Lists

As it has been the generally recognized practice in the Laundry and Dry Cleaning Manufacturing Industry to sell its products on the basis of printed price lists, with discount sheets and fixed terms of payment, each employer shall within ten (10) days after the effective date file with the supervisory agency a price list and discount sheet individually prepared by him showing his current prices, discounts, and terms of payment, and the supervisory agency shall immediately send copies thereof to all known manufacturers of laundry and dry-cleaning machinery. Employers who begin to sell the products of the Industry after the effective date shall file with the supervisory agency 10 days before making any quotations a price list and discount sheet showing current prices, discounts, and terms of payment, and the supervisory agency shall immediately send copies thereof to all known manufacturers of laundry and dry-cleaning machinery. Revised price lists or discount sheets covering any specific product may be filed from time to time by any employer with the supervisory agency to be effective on the date specified therein, which shall be not less than 10 days after such filing, and copies thereof shall be immediately sent to all known employers who thereupon may file, if they so desire, revisions of their price lists or discount sheets to meet such revised price lists or discount sheets which shall become effective upon the date when the revised price list or discount sheet first filed shall go into effect.

No employer shall sell directly or indirectly by any means whatsoever any product of the Industry at a price lower or at discounts

greater or on more favorable terms of payment than those provided in his current price lists and discount sheets on file with the supervisory agency.

Article XII—Trade-in Allowances

No employer shall make any allowance for apparatus, machinery, or appliances taken in trade in excess of the amount fixed in the standard list of trade-in allowances approved from time to time by the supervisory agency and filed in the office of the Secretary of the Laundry and Dry Cleaners Machinery Manufacturers' Association.

No employer shall sell, as is and where is, any apparatus, machinery, or appliances taken in trade for less than the amount of the trade-in allowance to the buyer from whom taken.

Article XIII—Terms of Payment

Terms of payment on apparatus, machinery, and appliances shall not exceed three (3) per cent, cash discount for payment in thirty (30) days or sixty (60) days net from date of invoice.

Terms of payment on service and parts shall not exceed two (2) percent cash discount for payment by the tenth of the month following shipment, sixty (60) days net from date of invoice.

No invoice shall be dated later than five (5) days after the date of shipment covered by the invoice.

No invoice shall be rendered to a customer for less than a minimum charge of fifty cents (50¢).

Interest shall be charged on all accounts beginning sixty (60) days after date of invoice at a rate of interest not less than six (6) percent per annum.

Article XIV—Deferred Payment Plan Sales

No employer shall sell any laundry apparatus, machinery, or appliances or parts thereof to any new laundry plant upon a deferred payment plan unless the initial cash payment is at least thirty-three and one-third (33⅓) percent of the list price of the article sold, less the amount of any trade-in allowance. The deferred payment period shall not exceed thirty (30) months. A new laundry plant is defined as one conducted by a person not theretofore operating a laundry plant at the same location.

No employer shall sell any drycleaning apparatus, machinery, or appliances or parts thereof to any new drycleaning plant upon a deferred payment plan unless the initial cash payment is at least fifteen (15) percent of the list price of the article sold, less the amount of any trade-in allowance. The deferred payment period shall not exceed thirty (30) months. A new drycleaning plant is defined as one conducted by a person not theretofore operating a drycleaning plant at the same location.

No employer shall sell any apparatus, machinery, or appliances or parts thereof to any existing laundry and/or drycleaning plants upon a deferred payment plan unless the initial cash payment is at least ten (10) percent of the list price of the article sold, less the

amount of any trade-in allowance. The deferred payment period shall not exceed thirty-six (36) months.

On all deferred payment sales to new laundry and/or drycleaning plants not less than twenty (20) percent of the deferred balance shall be paid in equal monthly payments (beginning within sixty (60) days of date of shipment) during a period not in excess of one third (1/3) of the deferred payment period, and the remaining eighty (80) percent shall be paid in equal monthly payments over the remainder of the deferred payment period. On all other deferred payment sales the deferred balance shall be paid in equal monthly payments beginning within sixty (60) days after date of shipment.

Interest at the rate of not less than six (6) percent per annum shall be charged upon the deferred balance.

Shipments may be made f.o.b. the nearest plant to the buyer of any manufacturer of similar apparatus, machinery, or appliances, except that f.o.b. points on the Pacific Coast shall be Los Angeles, San Francisco, and Seattle. The buyer shall pay freight in cash in addition to the down payment.

The following discounts, based upon the invoice price, shall be applicable to deferred-payment sales on which all payments are made promptly upon the dates fixed, and may be deducted by the buyer from the amount of the last payment:

On deferred-payment sales paid in full within twelve (12) months, two (2) percent.

On deferred-payment sales paid in full within eighteen (18) months, one and one half (1½) percent.

On deferred-payment sales paid in full within twenty-four (24) months, one (1) percent.

On deferred-payment sales paid in full within thirty (30) months, one half (½) of one (1) percent.

Cartage and setting in position ready for connection shall be charged to the buyer and shall be paid in cash in addition to the down payment and freight. Supervisory service may be given without compensation. Price lists for the Pacific Coast shall include cartage and setting in position ready for connection at the f.o.b. points, Los Angeles, San Francisco, and Seattle.

Article XV—Guaranty of Manufacturer

No employer shall make any guaranty on apparatus, machinery, appliances, and parts thereof for a period in excess of six months from the date of installation. Every employer shall file with the supervisory agency ten (10) days after the effective date a copy of his standard form of guaranty.

Article XVI—Service Provisions

Except in the case of service given during the guaranty period, time and one half shall be charged for overtime and holidays. Overtime shall begin at 5:00 p.m. and end at 8:00 a.m. on the following day, Monday to Friday, inclusive. It shall begin at noon on Saturday and end at 8:00 a.m. on Monday. It shall begin at 5:00 p.m. on the day preceding a holiday and end at 8:00 a.m. on the day following the holiday.

Travel time of any service employee between 8:00 a.m. and 5:00 p.m., transportation and living expenses, shall be for account of the customer.

Article XVII—Experimental and Trial Installations

A probationary period for experimenting with new types of apparatus, machinery, and appliances shall not extend for more than one year from the installation of the unit first installed, and such installations shall be limited to ten (10) different plants and in number to ten (10) units.

Trial periods to prove a sales point shall not exceed sixty (60) days from the date of installation. The terms of sale provided in this Code shall be the terms of sale in the trial order and shall become effective when the apparatus, machinery or appliance on trial is accepted. If the apparatus, machinery or appliance on trial is not accepted by the end of the trial period, it shall be removed by the manufacturer installing it. With the exception of identification machinery and equipment, no employer shall have more than five installations of each type of apparatus, machinery, or appliance on a trial basis at any one time.

Every employer making a probationary or trial installation shall within five days after such installation notify the supervisory agency of such installation and shall show in such notification the number and type of units installed, the date on which installed, and the name and address of the plant in which installed.

Article XVIII—Distributor's Resales

No employer will sell to or through any distributor who does not agree to resell the products of the Industry only in accordance with the provisions of this Code.

Article XIX—Export Sales

The provisions of this Code covering sales are not to apply to direct export sales of any product of the Industry or to sales of any product destined ultimately for export or to sales of parts used in the manufacture of products for export. The term "export" shall include shipments to foreign countries and to such territories and possessions of the United States as may be determined by the supervisory agency.

Article XX—Unfair Competitive Practices

The following are declared to be unfair methods of competition in the Laundry and Dry Cleaning Machinery Manufacturing Industry:

1. The secret payment or allowance, in connection with any sale, of rebates, refunds, commissions, or unearned discounts, whether in the form of money or otherwise, or secretly extending to certain purchasers special services or privileges not extended to all purchasers under like terms and conditions.

2. Directly or indirectly to give or permit to be given, or to offer to give, money or anything of value to agents, employees, or representatives of customers or prospective customers, or to agents, employees, or representatives of competitors' customers or prospective customers, to influence their employers or principals to purchase or contract to purchase industry products from the maker of such gift or offer, or to influence such employers or principals to refrain from dealing or contracting to deal with competitors.

3. Wilfully inducing or attempting to induce the breach of existing contracts between competitors and their customers by any false or deceptive means whatsoever, or interfering with or obstructing the performance of any such contractual duties or services by any such means.

4. Wilfully enticing away the employees of competitors with the purpose and effect of unduly hampering, injuring, or embarrassing competitors in their businesses.

5. Defamation of competitors by falsely imputing to them dishonorable conduct, inability to perform contracts, questionable credit standing, or by other false representations or the false disparagement of the grade or quality of their goods.

6. The making, or causing, or permitting to be made or published, of any false, untrue, or deceptive statement by way of advertisement or otherwise concerning the grade, quantity, quality, substance, character, nature, origin, size, or preparation of any product of the Industry.

7. Withholding from or inserting in the invoice statements which make the invoice a false record, wholly or in part, of the transaction represented on the face thereof.

8. Intimidating customers of alleged infringers by the owner of a patent or trade mark.

Article XXI—Rights of President

The President may from time to time cancel or modify any order, approval, license, rule, or regulation issued under Title I of the National Industrial Recovery Act.

Article XXII—Amendments and Additions

Such of the provisions of this Code as are not required by the National Industrial Recovery Act to be included herein, may, with the approval of the President of the United States, be modified or eliminated as changed circumstances or experience may indicate. This Code is intended to be a basic Code and study of the trade practices of the Laundry and Dry Cleaning Machinery Manufacturing Industry and will be continued by the Laundry and Dry Cleaners Machinery Manufacturers' Association with the intention of submitting to the Administrator for approval, from time to time, additions or supplements to this Code, such additions or supplements, however, to conform to and be consistent with the provisions of this Code.

Article XXIII—Segregation of Industry

If any employer of labor in the Laundry and Dry Cleaning Machinery Manufacturing Industry is also an employer of labor in any other Industry, the provisions of this Code shall apply to and affect only that part of his business which is included in the Laundry and Dry Cleaning Machinery Manufacturing Industry.

Approved Code No. 34
Registry No. 1399-1-10

Approved Code No. 35

CODE OF FAIR COMPETITION

FOR THE

TEXTILE MACHINERY MANUFACTURING INDUSTRY

As Approved on October 3, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Textile Machinery Manufacturing Industry, and hearings have been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of Clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do approve the report and recommendations and adopt the findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
October 3, 1933.

September 21, 1933.

The President,
The White House.

My Dear Mr. President: I have the honor to submit and recommend for your approval the Code of Fair Competition for the Textile Machinery Manufacturing Industry.

An analysis of the provisions of the Code has been made by the Administration. I find that the Code complies with the requirements of Clauses 1 and 2, Subsection (a) of Section 3 of the National Industrial Recovery Act.

I am, my dear Mr. President,

Very sincerely yours,

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

TEXTILE MACHINERY MANUFACTURING INDUSTRY

Article I—Definitions

Section 1. The terms " the Textile Machinery Manufacturing Industry " and " the Industry ", as used herein, are defined to mean the manufacture for sale of complete machines and parts thereof and accessories therefor used in textile establishments for the actual manufacture of yarn and/or woven fabrics or for finishing or dyeing, whether as a final process or as a part of a larger and further process.

Sec. 2. The term " employee ", as used herein, includes any person engaged in any phase of the Industry, in any capacity, in the nature of employee irrespective of the method of his compensation.

Sec. 3. The term " employer ", as used herein, includes anyone for whose benefit such an employee is so engaged.

Sec. 4. The term " members ", as used herein, is defined to include natural persons, partnerships, associations, or corporations.

Sec. 5. The term " President ", as used herein, is defined to mean the President of the United States of America.

Sec. 6. The term " Code ", as used herein, is defined to mean the within Code as approved by the President or as amended, revised, or altered pursuant to the provisions hereof and of the National Industrial Recovery Act.

Sec. 7. The term " the National Industrial Recovery Act ", as used herein, is defined to mean the Act approved by the President on June 16, 1933, and the term "Administrator ", as used herein, is defined to mean the administrator duly appointed and acting under said Act.

Sec. 8. The term " effective date ", as used herein, is defined to mean the second Monday after the approval of this Code by the President.

Sec. 9. The term "Association ", as used herein, means National Association of Textile Machinery Manufacturers, an existing association for the benefit of all members of the Industry located within the United States.

Article II—Purpose of the Code

Section 1. The Code is adopted pursuant to Title I of the National Industrial Recovery Act.

Sec. 2. The purpose of the Code is to effectuate the policy of Title I of the National Industrial Recovery Act.

Article III—Participation in the Code

Participation in the endeavors of the Association relative to revisions or additions to this Code shall be based on the following:

(1) payment of the pro-rata share of the cost and administration of the Code by becoming a member of the Association; or (2) payment of an equitable pro-rata share of the expense of the administration of the Code (such pro-rata share to be determined on the basis of the number of persons employed).

Article IV—Labor Provisions

(1) Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(2) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

(3) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

Article V—Minors

On and after the effective date, employers in the Industry shall not employ any person under the age of sixteen (16) years; provided, however, that where a State law provides a higher minimum age, no person below the age specified by such State law shall be employed within that State, and, provided further, that no employee between sixteen (16) and eighteen (18) years of age shall work on or in connection with any metal or woodworking, or other moving machinery, or on heat process, or in any other hazardous occupations.

Article VI—Wages

Section 1. On and after the effective date, the minimum wage that shall be paid by employers in the Industry:

(a) To accounting, clerical, and office employees, shall be at the rate of not less than $14.00 per week; and

(b) To all other employees (except outside helpers and shippers south of the Potomac River, learners during their initial 90 days, apprentices, and watchmen), shall be at the rate of not less than 35 cents per hour, regardless of whether the employee's compensation is otherwise based on a time rate or upon a piece-work performance.

(c) There shall be an equitable adjustment of wages above the minimums herein prescribed to the end that, so far as may be equitable, the differentials which now exist between the wage rates paid to skilled workers and those paid to unskilled labor shall be at least maintained.

(d) It is further provided that where a State law provides a higher minimum wage no person employed within that State shall be paid a wage below that required by such State law.

The minimum wage that shall be paid by employers in the Industry to outside helpers and shippers south of the Potomac River, learners during their initial 90 days, apprentices, and watchmen, shall be not less than the hourly rate which prevailed for the same class of labor on July 15, 1929, and in any event not less than 30 cents per hour.

Article VII—Hours of Work

Section 1. On and after the effective date, employers in the Industry shall not operate on a schedule of hours of labor for their employees (except executives, supervisory staff, receiving more than $35.00 per week, and outside salesmen) in excess of 40 hours per week; provided, however, that during any period in which a concentrated demand upon any division of the Industry shall place an unusual and temporary burden for production upon its facilities, an employee of such division may be permitted to work not more than 48 hours per week in not more than 8 weeks of any six months' period; provided, however, that the total hours of work shall not average more than 40 hours per week in any six months' period. Where in any case an employee not expressly excepted above is worked in excess of 8 hours per day, time and one half shall be paid for the excess hours so worked.

Sec. 2. Repair and maintenance crews, engineers, and electricians may, on and after the effective date, work a tolerance of 10 percent in excess of the aforesaid maximum hours per week; provided, that time and one half shall be paid for the excess hours so worked.

Sec. 3. No employee shall be regularly employed more than six (6) days in any seven-day period.

Article VIII—Administration

Section 1. To effectuate the policies of Title I of the National Industrial Recovery Act, a Code Authority is hereby designated to cooperate with the Administrator as a Planning and Fair Practice Agency for the Textile Machinery Manufacturing Industry. This Code Authority shall consist of nine representatives of the Textile Machinery Manufacturing Industry elected by a fair method of selection to be approved by the Administrator. This Code Authority may also consist of not more than three members, without vote, to be appointed by the President of the United States. Such agency is designated for the purpose of administering, supervising, and promoting the performance by employers of the provisions of this Code and for otherwise effectuating the policy of the Act.

The Code Authority shall issue and enforce such rules and regulations, impose upon employers such restrictions, with the approval of the Administrator, and designate such agents and delegate such authority to them as may be necessary or convenient to effectuate the purposes of this Code and the Act. The Code Authority may make such rules as to meetings, notices, waivers of notices, and other procedural matters as it may from time to time determine. The Code Authority may, to such extent as it may determine, act by and through such divisions of the Industry as it may designate (based

upon groupings of members having a common interest and common problems) and representative committees of such divisions.

SEC. 2. To further effectuate the policies of Title I of the National Industrial Recovery Act, the Code Authority is constituted the Industry's agent to cooperate with the Administrator with respect to future planning and fair practice. The Code Authority may from time to time present to the Administrator recommendations based on conditions in the Industry as they may develop from time to time which will tend to effectuate the operation of the provisions of the Code and the policy of Title I of the National Industrial Recovery Act. Such recommendations, when approved by the Administrator, shall have the same force and effect as any other provisions of this Code.

SEC. 3. The Code Authority is also authorized to cooperate with the Administrator in making investigations as to the functioning and observance of any of the provisions of this Code and to report them to the Administrator.

SEC. 4. The Code Authority is also authorized to investigate and inform the Administrator on behalf of the Industry, in the manner provided in Clause 3 (e) of the National Industrial Recovery Act, with respect to the importation of competitive articles.

SEC. 5. Members shall furnish to said Code Authority, in such form and at such intervals as said Code Authority may prescribe, such reports of information and statistics regarding the working hours of employees and the wages of employees as said Code Authority shall require.

Members of any division designated by said Code Authority shall furnish to the committee chosen from and representing their division, as and when requested by such committee, reports with respect to prices, discounts, terms of sale, sales, and other allied matters concerning that part of the business of said members which qualifies them for said division; such reports to be in such form and to cover such intervals of time as the committee may from time to time determine. Except as otherwise provided in the National Industrial Recovery Act, reports furnished in accordance with this paragraph shall be confidential, and the data of one employer shall not be revealed to any other employer; provided, however, that for the purpose of administering or enforcing this Code the Code Authority, through its duly authorized representatives, shall have access to any and all such reports.

ARTICLE IX—GENERAL

SECTION 1. If any employer under this Code is also an employer of labor in any other Industry, the provisions of this Code shall apply to and effect only that part of his business which is included in the Textile Machinery Industry.

SEC. 2. Violation by any member of the Industry of any provision hereof or of any approved rule or regulation issued hereunder is an unfair method of competition.

SEC. 3. No provision of the Code shall be interpreted or applied in such a manner as to promote monopolies, permit or encourage unfair competition, or eliminate, oppress, or discriminate against small enterprises.

Article X—Trade Practice

Section 1. No builder of textile machinery shall sell or exchange in the United States market, except in fulfilment of contracts formed before the effective date, any product (not secondhand) of its manufacture at a price, or upon terms or conditions, that will result in the customer paying therefor less than the seller's cost, as determined in accordance with standard accounting practices. In the event that complaint shall be made by a member of the aforesaid Code Authority, alleging violation of this paragraph by a member of the same division of the Industry, said Code Authority shall appoint a special committee to investigate and report.

Sec. 2. No person shall sell a machine, or parts therefor, copied or duplicated by such person from a machine, or parts therefor, made by an established builder of textile machinery, at a selling price under the reasonable cost.

Sec. 3. Agents and/or importers of foreign manufacturers of textile machinery, sold in the United States in competition with textile machinery made by domestic manufacturers, shall be subject to all provisions of this Code covered by Articles VIII and X.

Sec. 4. Secret rebates, of every kind and however accomplished, are absolutely prohibited.

Sec. 5. Transportation charges: All machinery shall be sold f.o.b. factory.

Sec. 6. Sales for cash: The purchase price shall be payable not later than thirty (30) days from date of shipment.

Sec. 7. Sales on deferred payments (except as provided in Section 8 below): The Purchase price, in any contract with respect to machinery sold in the United States market, shall be payable as follows:

The initial cash payment on account of said price shall be not less than 25% of said price and shall be paid not later than 30 days from date of shipment; the balance of the purchase price shall be payable over a period not in excess of two years following the average date of shipments under such contract. The rate of interest payable on such deferred payments shall not be less than 5% per annum. Stocks or bonds of the purchaser shall not be accepted as payment, in whole or in part, of the purchase price.

No machinery shall be sold on terms other than cash, unless the title to or a lien on such machinery is retained by the seller until the purchase price therefor shall have been paid in full.

Sec. 8. With the unanimous approval of his divisional committee, any employer may sell on deferred payments on terms other than those provided in Section 7 above.

Sec. 9. Arbitration: The use of arbitration in the settlement of commercial disputes between employers or between buyers and sellers under the arbitration rules of the American Arbitration Association is recognized as an economical and effective method of adjusting business controversies.

Article XI—Amendment, Cancellation, and Termination

Section 1. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the

provision of Clause 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation, issued under Title I of said Act, and specifically subject to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

SEC. 2. Such of the provisions of this Code as are not required to be included herein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions to this Code or additional codes will be submitted for the approval of the President to prevent unfair competition in price and other unfair and destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions hereof.

SEC. 3. This Code shall continue in effect for a period of ninety (90) days after the effective date and thereafter until terminated as hereinafter provided. Subject to statutory provisions then in effect, this Code may be terminated at any time after said ninety-day period. When so terminated, all obligations and liabilities under the Code shall cease, except those for unpaid dues and assessments theretofore duly made.

Approved Code No. 35.
Registry No. 1333-1-08.

Approved Code No. 36

CODE OF FAIR COMPETITION

FOR THE

GLASS CONTAINER INDUSTRY

As Approved on October 3, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Glass Container Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
October 3, 1933.

29110°——296-68——34

September 25, 1933.

The President,
The White House,
Washington, D.C.

My Dear Mr. President: I have the honor to submit and recommend for your approval, the Code of Fair Competition for the Glass Container Industry.

An analysis of the provisions of the Code has been made by the Administrator. I find that the Code complies with the requirements of the National Industrial Recovery Act.

I am, my dear Mr. President,

Very sincerely yours,

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

GLASS CONTAINER INDUSTRY

Article I—Purpose

To effectuate the policy and purpose of the National Industrial Recovery Act the following provisions are established as a Code of Fair Competition for the Glass Container Industry.

Article II—Definitions

Section 1. The term " the industry " means and includes the business of producing and selling glass bottles, glass jars, and glass accessories for glass bottles and glass jars.

Sec. 2. The term " member of the industry " means any employer engaged in the industry as herein defined.

Sec. 3. The term " the Association " means the Glass Container Association of America, a membership corporation including in its membership manufacturers of glass bottles and glass jars and manufacturers of allied articles.

Sec. 4. The term " the President " means the President of the United States of America.

Sec. 5. The term " administrator " means the duly appointed representative of the President of the United States to administer the National Industrial Recovery Act.

Sec. 6. The term " employer " means any enterprise engaged in the industry as herein defined.

Sec. 7. The term " employee " means any person employed by a member of the industry as herein defined.

Sec. 8. The term " plant " means a plant engaged in the industry as herein defined.

Sec. 9. The term " majority vote " shall be defined upon the following bases:

(a) A majority vote of the members of the Industry either present or by proxy; and

(b) A vote of the members of the industry, either present or by proxy, having at least seventy-five percent (75%) of the total registered productive capacity of all members of the Industry.

(c) At each meeting of the members of the Industry fifty-one percent (51%) of the members of the Industry shall constitute a quorum.

Article III—Labor Provisions

Section 1. (a) Employees shall have the right to organize and bargain collectively through representatives of their own choosing and shall be free from interference, restraint, or coercion of employ-

ers of labor or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(b) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

(c) Employers shall comply with maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

Sec. 2. No member of the Industry shall employ a minor under the age of sixteen (16) years, and no person under 18 years of age shall be employed or allowed to work on or in connection with any hazardous manufacturing processes.

Sec. 3. (a) The maximum number of working hours for factory employees in the Industry shall not be in excess of forty (40) hours per week averaged over a six months' period, and not in excess of forty-eight (48) hours in any one week. For the purpose of this section the balance of the year 1933, from the effective date of this Code to December 31, 1933, inclusive, shall be considered the first period. Subsequent periods shall begin on January 1st and July 1st, to end on June 30 and December 31, respectively.

(b) The maximum number of working hours for office or branch employees in the Industry shall not be in excess of an average of forty (40) hours per week over any one month period, and not in excess of forty-eight (48) hours in any one week. Provided, however, that the provisions of this section shall not apply to executives and supervisors, outside salesmen, technical and laboratory staffs, watchmen, and those employed in emergency maintenance and emergency repair work.

Sec. 4. Where skilled employees are not available, upon the approval of the Code Authority, the maximum hours for skilled employees may be in excess of the maximum hours herein specified for a period not to exceed three months after approval of this Code.

Sec. 5. No employee shall be permitted to work for two or more employers for a longer period in any week than is specified herein for a single employer.

Sec. 6. (a) On and after the effective date of this Code, the minimum wage shall be not less than forty (40¢) cents per hour, unless the hourly rate for the same class of work on July 15, 1929, was less than forty (40¢) cents per hour, in which case the minimum wage shall be not less than thirty (30¢) cents per hour.

(b) The minimum wage herein specified shall be applicable whether employees are compensated on the basis of a time rate or a piecework rate. Female employees employed during the same hours of the day and upon the same work as that performed by male employees shall receive compensation equal to that of such male employees.

(c) The provisions of this section shall not be applicable to apprentices and learners; provided, however, that the total number of such apprentices and learners shall not constitute more than five (5%) percent of the total number of employees subject to the provisions of this Code in any one plant; and provided further, that the

wages paid to such apprentices and learners shall not be less than eighty (80%) percent of the minimum rates of pay specified in this Code; and, provided further, that the period of apprenticeship or learning shall not exceed three months.

Sec. 7. The existing amounts by which wages in the higher-paid classes of employees, up to employees receiving thirty-five ($35) dollars per week, exceed wages in the lower-paid classes of employees, shall be maintained. Provided, however, that where the foregoing provision results in rates that are inequitable as between plants, for the same work, revision of wage rates for higher-paid classes shall be adjusted in a reasonable manner, subject to the supervision of the Code Authority.

Sec. 8. Any employee other than executives and supervisors who receive more than thirty-five dollars ($35) per week and outside salesmen, shall be paid overtime at the rate of time and a half for all hours in excess of 40 hours per week averaged over a six months' period.

Sec. 9. Within each State members of the Industry shall comply with any laws of such State imposing more stringent requirements regulating the age of employees, wages, hours of work, or health, welfare, or general working conditions, than are imposed by this Code.

Sec. 10. Employers shall not reclassify employees so as to defeat the purposes of the National Industrial Recovery Act.

Article IV—Administration

Section 1. To effectuate the policies of the National Industrial Recovery Administration and to provide for administration of this Code within the Industry, a Code Authority of five members shall be established by the Industry and upon request of the Administrator not more than three nonvoting representatives of the Administrator. All members of the Industry as herein defined shall be entitled to participate in the selection of such members of the Code Authority. Such election shall be by a majority vote as defined in Section 10 of Article II.

Sec. 2. In addition to the powers and duties herein specifically conferred upon the Code Authority it shall have the following powers and duties:

(a) The Code Authority shall be charged with the supervision, administration, and enforcement of this Code and may to the extent permitted by the National Industrial Recovery Act and subject to review by the Administrator, issue such rules, regulations, and interpretations, and impose upon the persons subject to the jurisdiction of this Code such restrictions as may be necessary to effectuate the purposes of this Code. The Code Authority shall have the right to establish its own rules for the conduct of its business.

(b) In order that the President may be informed of the extent of observance of the provisions of this Code and of the extent to which the declared policy of the National Industrial Act is being effectuated in the Industry as herein defined, the Code Authority shall make such reports as the Administrator may require, and each employer shall make such sworn or unsworn reports to the Code Authority periodi-

cally, as it may direct, on wages, hours of labor, conditions of employment, number of employees, production, shipments, sales, stocks, prices and other matters pertinent to the purposes of this Code as the Code Authority may require. In addition to information required to be submitted to the Code Authority, there shall be furnished to government agencies such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the National Industrial Recovery Act. Each employer subject to the jurisdiction of this Code and accepting the benefits of the activities of the Code Authority thereunder shall either become a member of the Association or pay to the Code Authority his proportionate share of the amounts necessary to defray the cost of the assembly, analysis, and publication of such reports and data, and of the maintenance of the said Code Authority and its activities. Said proportionate share shall be based upon value of net sales.

(c) Any and all information furnished to the Code Authority shall be deemed confidential and shall not be divulged to any member except in summary, but shall be available to the Administrator upon request.

(d) The Code Authority may designate the Glass Container Association or any other appropriate agency, to assist it in maintaining its accounts, determining such proportionate shares and in securing the collection thereof.

(e) The Code Authority may from time to time appoint such subcommittees or designate such agencies, and may delegate to any of them such of its powers and duties, as it shall deem necessary or proper in order to effectuate the provisions and purposes of this Code.

(f) The Code Authority shall receive, and if it shall approve, shall present for the approval of the President, any proposals for supplementary provisions or amendments of this Code or additional Codes, applicable to the industry defined herein or to any part thereof, with respect to wages, hours, trade practices or related matters or conditions in the Industry.

Sec. 3. (a) Any interested party shall have the right of complaint to the Code Authority and of a prompt hearing and decision thereon in respect to any decision, rule, regulation, or other course of action of such Code Authority. Such complaint must be filed in writing with the Code Authority within a reasonable period of time after said decision, rule, regulation, or course of action is issued or taken. The decision of the Code Authority may be appealed by any interested party to the Administrator.

(b) Any interested party shall have the right of appeal to the Administrator, under such rules and regulations as he may prescribe, in respect to any decision, rule, regulation, or other course of action, issued or taken by the Code Authority.

Sec. 4. Any decision, rule, regulation, order, or finding made or course of action followed pursuant to this Code, may be cancelled or modified by the Administrator whenever he shall determine such action necessary to effectuate the provisions of Title I of the National Industrial Recovery Act.

Article V—Cost Accounting

Each member of the Industry shall use an adequate cost accounting system. The Code Authority shall recommend for use in the Industry a uniform and adequate cost accounting plan which shall be adaptable to the cost accounting procedure of the Industry, and which shall be approved by the Administrator. Such plan shall specify the factors which shall be included in determining the delivered costs of each member of the Industry. Sales by any member of the Industry below such costs except to meet competition are hereby prohibited.

Article VI—Trade Provisions

Section 1. The rules of fair trade practice for the Glass Container Industry, as set forth in Schedules "A", "B", and "C" attached hereto, are specifically made a part of this Code.

Sec. 2. Any violation of the trade practice provisions set forth in Schedules "A", "B", and "C", hereof, or hereafter approved by the President shall constitute a violation of this Code.

Sec. 3. Where the costs to a member of the Industry of executing contracts entered into prior to approval of this Code by the President, are increased by the application of the provisions of this Code, it is equitable and promotive of the purposes of the National Industrial Recovery Act that appropriate adjustments of such contracts to reflect such increased costs be determined by arbitral proceedings or otherwise. The Code Authority shall assist in effecting such adjustments.

Article VII—Production and Capacity

The present capacity of the Industry is far in excess of present or prospective needs. Therefore, each member of the Industry shall register with the Association the melting area in square feet of its present tank or furnace equipment. Prior to the installation of new melting areas or the enlargement of present melting areas by any member of the Industry, or persons engaging in the production of bottles or jars, except for the replacement of similar tank or furnace melting areas, such members or persons shall report to the Code Authority, and the Code Authority shall make such recommendations to the Administrator as may seem necessary to effectuate the policy of the National Industrial Recovery Act.

Article VIII—General

Section 1. No provisions of this Code shall be construed, interpreted, or applied in such a manner as to—

(a) Promote monopolies or monopolistic practices;
(b) Promote or encourage unfair competition;
(c) Eliminate or oppress small enterprises;
(d) Discriminate against small enterprises.

Sec. 2. Any member of the Industry shall be eligible to membership in the Association and there shall be no inequitable restrictions imposed upon such membership.

SEC. 3. The President may from time to time cancel or modify any order, approval, license, rules, or regulations issued under Title I of the National Industrial Recovery Act, and specifically, without limitation, may cancel or modify his approval of this Code or any conditions imposed by him upon his approval hereof.

ARTICLE IX—VIOLATIONS

Violation by any person of any provision of this Code or of any rule or regulation issued thereunder, or any false statement or report made to the President or the Code Authority, after decision thereon by the Administrator pursuant to Article IV of this Code, shall constitute an unfair method of competition and the offender shall be subject to the penalties provided by the National Industrial Recovery Act.

ARTICLE X—EFFECTIVE DATE

This Code shall become effective ten (10) days after it is approved by the President.

Approved Code No. 36.
Registry No. 1022-1-02.

SCHEDULE "A"

TRADE PRACTICES

SECTION 1. (a) It becomes necessary to conduct the industry in an orderly way and to maintain competitive conditions in order that the provisions and intent of the National Industrial Recovery Act may be effectuated. Therefore, so long as the industry is operating below 70% of yearly registered capacity for such period as the Administrator may approve, the principle of sharing available business equitably among the members of the industry shall be recognized, not to restrict production but to maintain a reasonable balance between production and consumption of glass containers and to assure adequate supplies thereof.

(b) When the industry is operating at 70% of average yearly registered capacity for such period as is approved by the Administrator, the principle of sharing available business shall be reconsidered by the industry and its recommendation transmitted to the Administrator for his approval.

(c) If at any time a majority of the industry as defined in Section 10, Article II, shall vote against the principle of sharing available business equitably among the members of the industry, this Code shall be amended as the members of the industry may determine and as the Administrator may approve.

(d) To make this principle effective, the Code Authority shall formulate a plan for equitable allocation of production to each member in the industry or who may hereafter enter the industry and shall submit such plan to the Administrator for his approval. Such plan shall give due consideration to productive capacity and past performance and shall recognize the greater difficulties to be met by the smaller producers in the industry in operating on a curtailed basis, and such other factors as the Administrator may direct. After the Administrator has approved such plan, the Code Authority shall from time to time, but not less frequently than each six months, prepare an estimate of expected consumption of glass containers. Upon the basis of such estimate the Code Authority shall make equitable allocations to each member in the Industry in accordance with the plan so approved. Each member of the Industry shall be entitled to be registered by the Code Authority and shall be assigned an allotment. The Code Authority shall take such steps as may be reasonably adapted to give notice to all persons operating that such allocation will be made. After such allotments have been assigned, no person shall produce glass containers in excess of his allotment.

(e) The Code Authority shall issue interpretations and promulgate rules and regulations necessary for the enforcement of this Schedule "A", to prevent evasion, and to secure the equitable application thereof.

(f) The Code Authoirty shall so administer the provisions of this Schedule "A" as to prevent loss of export business to the glass-container industry as the result of the operation of this Schedule "A."

(g) Any member of the industry unable for any reason to accept his allotment under this Schedule "A" shall file his reasons therefor with the Code Authority, who shall immediately organize a Board of Arbitration composed of one member appointed by the Code Authority, one member representing the complainant member of the industry, and one member selected by the two members so appointed. If the two members so appointed are unable to agree upon the selection of the third member, the Administrator shall appoint a disinterested third member. The decision of this Arbitration Board may be appealed as the Administrator, in accordance with law, may prescribe.

SCHEDULE "B"

Unfair Trade Practices

Section 1. Inducing or attempting to induce by any unfair means whatsoever any party to an existing contract with a member of the industry to violate such contract shall constitute an unfair trade practice.

Sec. 2. The defamation of a competitor by words or acts, imputing to his dishonorable conduct, inability to perform contracts, or questionable credit standing, or the false disparagement of the substance, grade, or quality of his goods, is an unfair trade practice.

Sec. 3. Imitation of a competitor's trade mark, trade name, or exclusive and established design of product or package intended to identify the maker or vendor of the product shall constitute an unfair trade practice.

Sec. 4. The sale or offer for sale of any product of the industry with intent to deceive customers or prospective customers as to quantity, quality, substance, or size of such product shall constitute an unfair trade practice.

Sec. 5. The marking or branding of products of the Industry for the purpose or with the effect of misleading or deceiving purchasers or consumers with respect to the quantity, quality, grade or substance of the goods purchased, shall constitute an unfair trade practice.

Sec. 6. The payment or allowance in connection with any sale of secret rebates, refunds, credits, or unearned discounts, whether in the form of money or otherwise, or extending to certain purchasers confidential prices, special services, or privileges not extended to all purchasers of the same class under like terms and conditions, shall constitute an unfair trade practice.

Sec. 7. Commercial bribery or the making of promises to any purchaser or prospective purchaser of any product, or to an officer, employee, agent, or representative, of any such purchaser or prospective purchaser, of any bribe, gratuity, gift, or other payment or remuneration, directly or indirectly, without the consent of the representatives' employer or principal, shall constitute an unfair trade practice.

SCHEDULE "C"

Six-Day Week

Section 1. (a) No plant shall operate more than six (6) days per week; provided, however, that any member of the Industry may operate a plant or plants seven (7) days per week to meet emergency needs for containers required for seasonal products, where the limitation to six (6) days would result in curtailment of employment or loss of perishable commodities.

(b) Each instance of seven (7) days work per week shall be reported immediately to the Code Authority and the reason therefore shall be clearly specified. Any such operation, not required by the necessities as herein described but for the purpose of gaining a competitive advantage, shall constitute a violation of this Code.

Approved Code No. 37

CODE OF FAIR COMPETITION

FOR THE

BUILDERS SUPPLIES TRADE INDUSTRY

As Approved on October 3, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Builders Supplies Trade, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of title I of said act and that the requirements of clauses (1) and (2) of subsection (a) of section 3 of the said act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do approve the report and recommendations and adopt the findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
October 3, 1933.

29865—296-148——34

SEPTEMBER 28, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval the Code of Fair Competition for the Builders Supplies Industry.

An analysis of the Code has been made by the Administration. I find that the Code complies with the requirements of clauses 1 and 2, subsection (a) of section 3, and subsection (a) of section 7 of the National Industrial Recovery Act.

I am, my dear Mr. President,

Very sincerely yours,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

BUILDERS SUPPLIES TRADE INDUSTRY

To effectuate the policy of Title I of the National Industrial Recovery Act, the following provisions are submitted as a Code of Fair Competition for Dealers in Builders Supplies and upon approval thereof by the President shall be the standards of fair competition for the Industry.

I—Definitions

Builders Supplies.—The term " Builders Supplies " as used herein is broadly defined as those products used in building and construction work and commonly designated as fire resistant. The term " building supplies " as used herein specifically comprehends the following products:

Brick Mortars, Casement and Steel Sash, Cement and Cement Products, Cement Pipe, Ceramic Tile, Clay Roof Tile, Common Brick, Cut Stone, Dampers and Fireplace Accessories, Drain Tile, Face Brick, Fire Brick and Clay, Glazed Structural Tile, Gypsum Products, Hollow Tile, Lime and Lime Products, Mesh Re-enforcement, Metal Lath and kindred products, Mineral Aggregates, Mortar and Cement Colors, Molding Plasters, Roof and Flooring Slates, Sewer Pipe, Fine Lining and other Clay Products, Structural Terra Cotta and Waterproofing compounds.

Dealer.—For the purposes of administering this Code a dealer in builders supplies shall be defined, but without limitation, as any member of the industry not directly engaged in manufacturing, contracting, or in financing construction operations (except in the case of the individual home-owner building for his own use), possessing Warehouse facilities and other equipment commensurate with the needs of the market which he serves; who maintains an office open to serve the public throughout the entire year; who constantly warehouses an adequate line of builders supplies in sufficient quantity and variety to supply the normal needs of his community from his own stock.

Member of the Industry.—The term " Member of the Industry " as used herein shall include any business enterprise engaged in the sale of builders supplies to contractor or consumer.

Builders Supply Industry.—The term " Builders Supply Industry " as used herein shall include any business enterprise engaged in the sale of builders supplies to contractor or consumer.

Employee.—The term " employee " shall include any person employed by any person engaged in the Builders Supply Industry, irrespective of the nature of payment of his compensation.

Employer.—The term " Employer " as used herein includes any one by whom any such employee is compensated or employed.

Code Authority.—The term "Code Authority" as used throughout this Code refers to the Administrative Committee of this Code as established in Article VI hereof.

President.—The term "President" as used herein refers to the President of the United States or his duly authorized representative.

II—Rights of Labor

1. (a) Employees shall have the right to organize and bargain collectively through representatives of their own choosing and shall be free from the interference, restraint, or coercion of employers or their agents in the designation of such representatives or in such self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(b) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

2. (a) Employers shall comply with the maximum hours of labor, minimum rates of wages, and other working conditions which shall be approved or prescribed by the President. An employer shall so administer work in his charge as to provide the maximum practicable continuity of employment for his work force.

(b) Employers shall not reclassify employees so as to defeat the purposes of the Act.

III—Hours of Labor

The maximum hours of labor of employees of persons subject to the jurisdiction of this Code, shall not exceed forty (40) hours in any one week in any of the forty-eight (48) states or the District of Columbia, with the four exceptions noted below:

(a) Executives employed in a managerial capacity who are paid Thirty-five ($35.00) Dollars or more per week; outside salesmen, night and Sunday watchmen, and branch yard managers, each branch yard to be restricted to one branch manager.

(b) The maximum hours of labor of employees of dealers employing not more than two (2) persons in towns of less than 2,500 population which towns are not part of a larger trading area as defined in Article IV, shall be forty-eight (48) hours per week; provided at least sixty-six and two thirds (66⅔%) percent of the sales volume of said dealers is to persons engaged in agriculture; and provided further that such employees may work more than forty-eight (48) hours per week if paid time and a half (based on minimum hourly wage for a forty (40) hour week as provided in Article IV for all hours in excess of forty-eight (48).

(c) Yard foremen, truck drivers, and their helpers shall be permitted to work up to forty-four (44) hours in any one week. Hours of labor beyond this maximum shall be paid on a basis of time and one half for every hour worked.

The maximum number of hours shall be reviewed by the code Authority three months from the effective date, and if business con-

ditions warrant it, the weekly number of hours which employees shall work will be shortened so that employment may be spread further.

IV—Rates of Wages

The weekly wages of all employees receiving more than the minimum wages specified in this Article shall not be reduced, notwithstanding any reduction in the number of working hours of such employees.

(a) Except to night and Sunday watchmen and subject to the exceptions noted below, employers shall pay in cities of 500,000 population or more not less than the minimum rate of wage per hour specified opposite the division in which such cities are located, nor less than 5 cents per hour less than the minimum rate of wage per hour hereinbelow specified opposite each such division in cities of less than 500,000 population or more than 75,000 population, nor less than 10 cents per hour less than the minimum rate of wage per hour specified opposite each such division in cities of less than 75,000 population, unless such cities are in a trade area as hereinafter defined. For the purposes of this paragraph, population shall be determined by reference to the 1930 Federal Census. The minimum rate per hour herein provided for shall be applicable to the immediate trade areas of cities as defined by the Chamber of Commerce of such cities.

Alabama, Georgia, Florida, North Carolina, South Carolina, Kentucky, Louisiana, Mississippi, Tennessee, Texas, Virginia, West Virginia, Arkansas, New Mexico, and Arizona, 35¢ per hr.

Delaware, Maryland, District of Columbia, Colorado, Wyoming, Oklahoma, Utah, Montana, Idaho, Washington, Oregon, Nevada, and southern division of California, 40¢ per hr.

California (northern division), Illinois, Indiana, Pennsylvania, New Jersey, Nebraska, New York (except New York City), Vermont, New Hampshire, Maine, Massachusetts, Connecticut, Rhode Island, Minnesota, North Dakota, South Dakota, Iowa, Ohio, Missouri, Kansas, Wisconsin, Michigan, 45¢ per hr.

City of New York, 50¢ per hr.

It is agreed that the rates hereinabove set forth establish a guaranteed minimum rate of pay regardless of whether the employee is compensated on the basis of a time rate or on a piecework rate. Each employer shall report to the Administrator adjustments made in his piece-rate schedule.

(b) The weekly wage for Clerical and Office Employees whose maximum hours are forty (40) shall not be less than that provided by the hourly rates in Article IV a.

(c) The weekly wage for Clerical and Office Employees provided for by Paragraph (b) of Article III shall be the same as employees whose maximum hours are forty (40) per week and provided that time and one half shall be paid for hours in excess of forty-eight (48) and provided that no such employee shall receive less than $12.00 for such 48-hour week.

(d) Rates of wages for labor used in the handling and delivery of material above the minimum provided in paragraph (a) within each metropolitan or urban area shall, as to all dealers in each respec-

tive area, be not less than such rates as shall be agreed upon by the majority of all dealers in builders' supplies in each trading area, after the approval thereof by the Code Authority and by the Administrator.

(e) The weekly wages of persons employed for a maximum greater than forty (40) hours per week as provided by paragraph (b) of Article III of this Code shall not be increased by reason of their employment for more than forty (40) hours per week, provided such employees shall be paid time and one half (based on minimum hourly wage of a forty (40) hour week as provided in this Article) for all hours worked in excess of forty-eight (48).

V—Child Labor

(a) The minimum age for employees in the Builders Supply Industry shall be the legal limit as provided by the laws of the State in which the operation is located, but in no instance less than eighteen (18) years.

(b) Persons subject to the jurisdiction of this Code shall comply with any law of any Governmental unit imposing more stringent requirements regulating wages, hours of work, health, fire, or general working conditions than are imposed by this Code.

VI—Administration and Enforcement

The administration of this Code, which shall govern the fair competitive practices of all members of the industry as defined in Article I, Section (a) of this Code, shall be under the direction of the Code Authority. The Code Authority shall be elected from the Directors of the National Federation of Builders Supply Associations by such directors and shall be composed of seven (7) members. The Administrator, if he so elects and after consultation with the Code Authority, may appoint not more than two additional members of the Code Authority. The Administrator may also appoint not more than three (3) non-voting members of said Code Authority, who shall serve as representatives of and advisors to the President.

The Code Authority shall appoint appropriate agencies for the Administration of this Code and shall delegate to such agencies all necessary authority for the Administration of this Code, including the authority to approve such rules and regulations as may not be inconsistent with this Code which shall apply to all dealers within such trading area after such rules and regulations have been approved by the National Recovery Administration. However, the Code Authority shall reserve the power to administer the provisions of this Code.

For the administration of this Code in the case of dealers in builders supplies, whether in whole or in part, who are members of the National Retail Lumber Dealers Association but who are not also members of a federated group of the National Federation of Builders Supply Association, the Code Authority shall appoint as its agent or representative the same agent or representative as shall have been appointed by the Code Authority for the Code of Fair Competition for the Retail Lumber and Building Material Trade for the adminis-

tration of the Code of Fair Competition for which it is the controlling authority.

The Code Authority, in conjunction with the National Recovery Administration, is empowered to act as follows:

(a) To appoint within each federated group, in cooperation with the appropriate division under the Code of Fair Competition for the retail lumber and building material trade, a joint Interpretation Committee, with equal representation, of such number as may be deemed advisable. This Committee shall be empowered to interpret the provisions of the trade practice rules of the Code of Fair Competition for the retail lumber and building material trade and of this Code insofar as such rules affect dealers in lumber and builders supplies. This Committee shall coordinate trade practice regulations of Subdivisions under the Codes of Fair Competition aforesaid wherever necessary. The interpretations and decisions of this Joint Committee shall be subject to the appeal as hereinafter provided for.

The Code Authority shall appoint a National Joint Interpretation Committee in cooperation with the Code Authority for the Retail Lumber and Building Material trade, with equal representation, of such number as the two Code Authorities shall jointly determine. This Committee shall review appeals from the decision of the Joint Interpretation Committee appointed within the Federated groups. The decisions of such Joint Interpretation Committee shall be subject only to review as prescribed by the Administrator in accordance with the law.

(b) To obtain from all dealers, either directly or through authorized agents, such data as to volume and character of business and such reports as shall in its judgment be necessary to the proper administration of the provisions of this Code.

(c) To make such inquiry and investigation as it may deem desirable as to the operation of this Code, and to make such reports as the Administrator may direct, periodically, or as often as he may request. In addition to information required to be submitted to the code authority, there shall be furnished to government agencies such statistical information as the Administrator may deem necessary for the purpose recited in Section 3 (a) of the National Industrial Recovery Act.

(d) Directly, or through properly authorized agents, to hear and adjust complaints; to arbitrate disputes; to consider proposals for change and amendment to this Code and to make appropriate recommendation to the Administrator.

(e) Upon approval by the Administrator, to ratify such territorial divisions within each federated association to be known as metropolitan or urban trade areas or to establish such areas, if necessary, and, directly or through its agents, to administer such rules and regulations, not inconsistent with this Code, and subject to the approval of the Administrator as may be agreed upon by the majority of dealers within such trade areas so approved or established.

(f) To consider and take such action as may be appropriate with reference to any infraction of this Code or as to any dispute arising from its operations. When such authority has been delegated by the Code Authority to an agent the parties at interest shall have

the right of appeal to the Code Authority if they so desire and the findings of the Code Authority shall be subject to review as prescribed by the Administrator in accordance with the law.

(g) For cause and after complaint, the Code Authority or its authorized agent shall be vested with the authority to hear any dealer in builders' supplies in order to make effective the purposes and intent of this Code, prior to citing such dealer to the Administrator for such action as the law may provide.

(h) To prepare and maintain, either directly or through its agents, a current and complete list of dealers in builders' supplies, which list shall be available only to the inspection of the Code Authority and the President.

(i) No inequitable restriction on admission to membership shall be imposed by the National Federation of Builders Supply Associations or by any of its federated groups, and no changes or modifications in the Articles of Agreement or bylaws shall be adopted by the National Federation of the Builders Supply Associations or by any of its federated groups which will tend to make such associations or federated group not truly representative of the industry as herein defined.

VII—Cost of Administration

The reasonable cost of initiation, approval, and administration of this Code shall be assessed on a pro rata basis upon members of the industry and accepting the benefits of the activities of the Code Authority under this Code, and shall be based upon the total volume of sales of builders supplies as defined within this Code. The Code Authority or its authorized agent shall determine the appropriate sum due from each such member of the industry, such determination to be subject to review by the Administrator.

Members of the industry, who comply with the requirements of this Code and who agree in writing, either individually or through the federated group of which they are members, to abide by the requirements of this Code and to pay their reasonable share of the expense of initiation, approval, and administration thereof, shall be entitled to the benefit of the activities of the Code Authority thereunder and to make use of the National Recovery Administration Code Insignia.

The Code Authority shall be charged with the collection of this sum or it may delegate the collection to proper agents.

(Explanatory Note: When the administration of this Code is delegated by the Code Authority of this Code to the agent appointed by the Code Authority for the Code of Fair Competition for Retail Dealers in Lumber, Lumber Products, Building Material, and Building Specialties, the pro rata cost of Administration shall be the same as for all other dealers in Builders Supplies but shall be paid to the last-mentioned Code Authority to be used by them in the Administration of this Code.)

VIII—Affidavits of Compliance

Each dealer in builders supplies shall submit to the Code Authority or its authorized agent upon demand, but not more frequently

than monthly, an affidavit properly executed before a Notary Public, certifying that he has complied with the provisions of this Code setting forth the schedule of rates of wages, hours of labor, and maintenance of all other rules as set forth within this Code. These affidavits shall be filed with the Code Authority and shall be available at all times to the inspection of the President.

IX—Uniform Cost Accounting

(a) It is the judgment of the Builders Supply Industry that accurate knowledge of costs is indispensable to the proper administration of the provisions of this Code. Each dealer in builders' supplies subject to the jurisdiction of this Code may install such simplified uniform system of accounting as may be recommended by the Code authority (or its properly authorized agent) and approved by the Administrator.

(b) No member of the industry shall sell any material below cost. Cost shall be interpreted as the actual cost of merchandise, plus every element of expense involved in completing the sale and delivery of merchandise to the customer.

In determining the cost involved in completing the sale and delivery of merchandise to the purchaser, commonly known as overhead, the statistical mode shall be applied.

(c) All prices, terms, and conditions of sale as developed under the uniform cost accounting system or established by appropriate rule or regulation within any trade area shall be published by each dealer within each trade area and shall be filed with the Code Authority or its delegated agent. Any deviation from such published prices, terms, and conditions of sale until new prices, terms, and conditions of sale shall have been published and filed shall be construed as unfair competitive practice.

(d) No employer shall sell builders' supplies as herein defined, below cost. For the purpose of this paragraph, cost is defined to include the actual cost of merchandise to the seller plus actual overhead. Overhead shall include actual disbursed expense involved in selling and delivering merchandise as determined by accounting methods approved by the Code Authority and the Administrator, in accordance with Article IX, Paragraph (a), of this Code, and shall be computed by the statistical mode method. If at any time the Code Authority desires to change this method of computing costs, application shall be made to the Administrator for a revision of the factors to be included in the determination of costs, or for a revision of the method by which such factors are determined or both, or if at any time the Administrator, upon his own initiative, desires to change this method of computing costs he may make such appropriate revisions thereof as he may deem necessary.

X—Rules of Fair Practice

(a) No dealer in builders' supplies shall make or permit of any secret rebate, refund, credit, or unearned discount, in the form of money, or otherwise; nor shall he give premiums or extend to certain

purchasers any special service or privilege not extended to all purchasers under like terms and conditions.

(b) Uniform contracts and maximum terms of sale shall be established by the Code Authority or its authorized agent after approval thereof by the Administrator for each trade area and any deviation from these contracts or any terms of sale in excess of such maximum terms shall constitute an unfair competitive practice.

(c) The acceptance of any secret rebate, refund, or concession by any dealer which is not accorded to all similar dealers from any source of supply shall constitute an unfair competitive practice.

(d) No dealer in builders' supplies shall defame a competitor by word or action which shall falsely impute to him dishonorable conduct or intent nor shall he falsely disparage the quality of his material.

(e) No dealer in builders' supplies shall willfully interfere with another dealer by any means or device whatsoever in any existing contract or order when such interference is for the purpose or has the effect of destroying or appropriating the patronage, property, or business of another dealer.

(f) No dealer in builders' supplies shall offer or give commissions, prizes, premiums, gifts or excessive entertainment to anyone in connection with the sale, purchase or use of any product distributed by dealers in builders' supplies or as an inducement to such sale, purchase, or use.

(g) Inducing a competitor's salesman or credit man to leave his employment for the purpose of injuring a competitor's business shall constitute an unfair competitive practice.

(h) No dealer in builders' supplies shall mark or brand products of any industry for the purpose of, or with the effect of, misleading or deceiving purchasers with respect to quality, quantity, size, grade, or substance of the materials purchased.

(i) No dealer in builders' supplies shall sell any article at less than cost, nor shall he permit of delivery concession for the purpose, directly or indirectly, or with the effect of furthering the sale of some other product.

(j) No dealer in builders' supplies shall agree or guarantee to furnish sufficient quantities of building material for any building or construction operation at a lump-sum price. To quote such lump-sum bid shall constitute an unfair trade practice.

XI—Monopolies

It is not the purpose or intent of this Code, and no provision of this Code shall be so interpreted or administered, as to eliminate or oppress small enterprises or to discriminate against them or to promote a monopoly or monopolistic practices.

XII—Effective Date

All provisions of this Code shall become effective and operative ten (10) days after the Code is approved by the President of the United States.

XIII—Change in the Code

(a) A change in this Code may be recommended to the President of the United States after it shall have been approved by a majority of the representatives selected by all of the Federated Associations, which group shall serve as the Board of Directors for the National Federation of Builders Supply Associations.

(b) This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of the Clause 10-B of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

(c) Any decision, rule, regulation, order, or finding made or course of action followed pursuant to the provisions of this Code may be cancelled or modified by the Administrator upon complaint of any interested party through the Code Authority or upon his own initiative whenever the Administrator shall determine such action necessary to effectuate the provisions of Title I of the National Recovery Act.

Supplements, amendments, or additions of this Code may, from time to time, be submitted for the approval of the President of the United States.

Respectfully submitted for the acceptance and approval by the President of the United States.

National Federation of Builders Supply Associations,
(Signed) L. I. MacQueen,
Chairman of Code Committee.

Approved Code No. 37.
Registry No. 1013/3/02.

Approved Code No. 38

CODE OF FAIR COMPETITION

FOR THE

BOILER MANUFACTURING INDUSTRY

As Approved on October 3, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Boiler Manufacturing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of title I of said act and that the requirements of clauses (1) and (2) of subsection (a) of section 3 of the said act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved, except that subparagraph (a) of article VII must be eliminated.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
October 3, 1933.

SEPTEMBER 27, 1933.

THE PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval, the Code of Fair Competition for the Boiler Manufacturing Industry.

An analysis of the provision of the Code has been made by the Administration, I find that the Code complies with the requirements of Clauses 1 and 2, Subsection (a) of Section 3 of the National Industrial Recovery Act.

I am, my dear Mr. President.

Very sincerely yours,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

BOILER MANUFACTURING INDUSTRY

Article I—Purpose

To effectuate the policy of Title I of the National Industrial Recovery Act, the following provisions are submitted as a code of fair competition for the Boiler Manufacturing Industry, and upon approval by the President shall be the standard of fair competition for this Industry.

Article II—Definitions

The term " boiler manufacturing industry " shall be held to comprise all persons engaged in the manufacturing of all types of steel steam boilers for stationary and marine use (except boilers for locomotives and such boilers as may be specifically covered by codes approved hereafter by the President) stokers of 36 square feet of grate area and over, pulverized fuel equipment, superheaters, air preheaters, and economizers, and Class One welded pressure vessels, as defined in the unfired pressure vessel section of the Boiler Code of the American Society of Mechanical Engineers, and, with the approval of the Administrator, such other affiliated groups as may request inclusion.

The term " employer " as used herein shall mean any member of the industry.

The term " employee " as used herein shall mean any person employed in any phase of the industry, however compensated.

The provisions of this Code shall become effective on the second Monday after the approval by the President.

Article III—Application

The American Boiler Manufacturers Association representing the industry hereby accepts and agrees to be bound by the following and/or other regulations established by the A.B.M.A. Committee of Industrial Recovery (duly constituted by the American Boiler Manufacturers Association in convention assembled June 5, 1933, as the agency for the preparation and administration of this Code), and approved by the President of the United States, and enforced impartially on all manufacturers in the industry whether members of this Association or not.

Article IV—Child Labor

No member of this Industry shall employ any person under 16 years of age, provided, however, that where a State law provides a higher minimum age no person below the minimum provided by such State law shall be employed in that State.

Article V—Hours

Section 1. (a) No employer shall employ, in any labor operations, any person more than 40 hours per week, five consecutive days and eight consecutive hours per day, except as provided under paragraph (b), provided, however, that where it is necessary to work less than 40 hours per week, the hours may be divided by agreement between the employer and the employees to a lesser number of days per week, but in no case shall the hours exceed nine per day.

(b) In cases of emergency production, repair, or erection work that cannot be met by the employment of additional men and it becomes necessary, in order to protect life or property, to exceed the hours scheduled in (a), all such excess time shall be paid for at the rate of not less than one and one half times the hourly rate for shop work and not less than double time for all repair, renewal, and construction and/or erection work.

(c) No new apprentices shall be employed in the Industry except that the Administrator may grant the employment of such new apprentices if in his judgment the existing surplus of unemployed labor is absorbed in reasonably steady employment.

(d) For all other employees except executive, administrative and supervisory employees, and travelling and commission salespeople, the time worked shall not be in excess of 40 hours per week.

Sec. 2. No employee shall be employed or permitted to work for one or more employers in the industry in the aggregate in excess of the prescribed number of hours in a single week; provided, however, that if any employee works for more than one employer for an aggregate period in excess of such maximum without the connivance of any one of such employers, said employee shall not be held to have violated this paragraph.

Article VI—Wages

Section 1. (a) The minimum wage that shall be paid by any employer to any employee of the Boiler Manufacturing Industry in labor operations directly incident thereto shall be 34¢ per hour for the Southern territory and 40¢ per hour for all other portions of the United States. The Southern territory is located South of the States of Maryland, West Virginia, and Kentucky, and East of the Mississippi River.

(b) Old or partially disabled employees, and watchmen are not included in the above labor provisions, except that they shall in no case be paid less than 80% of the above minimum, and provided that the total number of such employees shall not exceed 2% of the total number employed by any one employer, or where less than one hundred persons are employed such employer shall be entitled to two (2) employees of this class.

(c) The minimum wage that shall be paid by any employer to all employees, other than those covered in Section (a) except commission salespeople, shall be at the rate of $15.00 per week, provided, however, that office boys and girls may be paid not less than 80% of such minimum wage, but the total number of such office boys or girls shall not exceed in any calendar month 5% of the total number

of all employees covered by the provisions of this paragraph (c) and provided further, that where a State law provides a higher minimum wage, no person shall be paid a lower wage than that required by such law, within that State.

Sec. 2. Any system of contracting shop work by which an employee undertakes to do a piece of work at a specific price and engages other employees to work for him is prohibited by this Code.

Sec. 2. The wage differentials for all operations shall be equitably readjusted, and in no case shall they be decreased. No unfair advantage shall be taken of any employee in making this code effective. Each member of the industry shall report all such readjustments to the Code Authority within 30 days of the effective date.

Sec. 4. No employer shall contract for the fabrication and/or erection of any product of this Industry with any employer or employee, except when such employer or employee agrees to comply with the labor provisions of this Code during the performance of the contract.

Sec. 5. Each employer shall post in each workshop and central notice board in his factory, Articles V and VI of this Code.

Article VII—Statutory Provisions

All employers in the Industry shall comply with the following provisions of the National Industrial Recovery Act:

1. That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

2. That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

3. That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

(a) Nothing in this Code is to prevent the selection, retention, and advancement of employees on the basis of their individual merit.

Article VIII—Participation

1. Any member of the industry may participate in the endeavors of the A.B.M.A. Committee of Industrial Recovery in the preparation of any revisions of, or additions or supplements to, this Code by accepting the proper pro rata share (in the proportion of dollar billings by each in the industry to the total dollar billings of this industry or in such other manner as the A.B.M.A. Committee of Industrial Recovery may deem advisable, subject to the approval of the Administrator) of the cost and responsibility of administering this Code; provided, however, that no inequitable restriction upon membership in the Association shall at any time be imposed.

2. The Association and its members bind themselves in every way to carry out the spirit as well as the letter of this Code.

3. This Code is adopted in a spirit of fairness to all concerned, and it is the intention of the members of the industry to accord to those from whom they purchase the same treatment that they expect to receive from those to whom they sell.

Article IX—Administration

1. To facilitate the effective administration of this Code, and to provide the Administrator with requisite data as to the observance or nonobservance thereof, the A.B.M.A. Committee of Industrial Recovery is hereby designated as a Planning and Fair Practice Agency to cooperate with the Administrator in the enforcement of this Code. The Administrator may also appoint one or more representatives to serve with the Committee in an advisory capacity. Such appointees to have no vote. Such Committee shall have the following powers and duties, all of which shall at all times be subject to the approval of the Administrator:

(a) To collect from the members of the industry the reports and data provided for in this Code, or in any supplement thereof, which may hereafter be adopted. These reports and data shall be submitted to a full-time Manager (or his Deputy) who shall be appointed by the Committee. All such reports and data shall be kept confidential by such Manager (or his Deputy) excepting insofar as may be necessary for the effective enforcement of this Code, but shall be available to the Administrator and his representatives.

(b) In addition to information required to be submitted to the Committee, there shall be furnished to government agencies such statistical information as the Administrator may deem necessary for the purpose recited in Section 3 (a) of the National Industrial Recovery Act.

(c) To authorize the Manager (or his Deputy) to make such investigations as in its opinion may be necessary to effectuate the proper administration of this Code.

(d) To make reasonable rules and regulations designed to help effectuate the purposes of the Code.

(e) To hear complaints and, if possible, adjust the same.

Article X—Fair Practice

1. In the conduct of its business, each member of the industry shall use a method of cost accounting which recognizes and includes all items entering into costs, as set forth in the Standard Accounting and Cost System adopted by The Machinery Builders Society, 4th Edition, revised September 1933, such system of accounting to be subject to the approval of the Administrator.

2. No member of this Industry shall sell any combination of products, except repair and replacement parts, manufactured by him, or by any owned or controlled subsidiary. at a price less than the sum of his established selling prices for all items included in such combination.

3. No member of the Industry shall make payment or allowance of rebates, refunds, credits, or unearned discounts, whether in the form of money or otherwise, or extend to certain purchasers services or privileges not extended to other purchasers under like terms and conditions.

4. The settlement of old accounts for less than the full amount as a consideration for accepting a proposal is prohibited under the meaning of clause 3.

5. No member of the Industry shall make a deposit for the privilege of receiving plans and specifications and the opportunity to bid on a contract without an agreement by the issuer that such deposit will be returned to said member of the Industry when the contract has been awarded or when said plans and specifications have been returned by said member to the issuer.

6. The Committee will recommend to the Administrator forms of contract which, when approved, will be standard in all respects, except that they will not attempt to describe the equipment quoted upon. They will standardize the wording of all general conditions, warranties, terms, and deferred payments, guarantees of performance (if any) bonus and penalty clauses (if any), etc. These forms of contract and no others shall be used by the industry except in cases where Federal, State, or Municipal laws necessitate otherwise.

7. No member of the industry shall make a guarantee of maintenance because of the impossibility of defining and maintaining the conditions under which such a guarantee can honestly be made. Guarantees of performance are permissible when conditions, under which such guarantees are to be met, are definitely stated. Guarantees of workmanship and material are quite proper. No member of the industry shall promise a better performance or make a higher guarantee than his previous experience leads him to believe he can obtain.

8. No member of the industry shall accept a contract containing a penalty clause either for performance of the apparatus sold or for time of delivery, unless the contract shall also contain a clause providing a bonus to the contractor at the same rate as the rate of penalty, except in cases where Federal, State, or Municipal laws necessitate otherwise.

9. No member of the industry shall accept a contract containing a clause providing for liquidated damages, except in cases where Federal, State, or Municipal laws necessitate otherwise.

10. Where purchaser's specifications include a bonus clause for performance, efficiency, etc., in excess of that guaranteed, no member of the industry shall deduct from the price any bonus or portion thereof which he anticipates will be earned by reason of his obtaining a better performance or efficiency than that guaranteed.

11. Where purchaser's specifications include a penalty clause for performance, efficiency, etc., less than that guaranteed, no member of the industry shall make a guarantee in excess of that which he expects to obtain anticipating the acceptance of a penalty as a basis for reducing the cost to the purchaser.

12. No member of the industry shall circulate threats of suit for infringement of patents or trade marks among customers of a competitor not in good faith but for the purpose of harassing and intimidating customers.

13. No member of the industry shall disseminate false or misleading information relative to competitor's products, selling prices, credit standing, ability to perform work, or labor conditions among competitor's employees.

14. No member of the industry shall make false or misleading statements as to time of delivery, performance, facilities, equipment, or ability to perform work.

15. No member of the industry shall attempt to induce the breach or abandonment of any contract between a manufacturer and his customer.

16. No member of the industry shall be a party to commercial bribery in any form or under any condition.

17. No member of the industry shall enter into a written or oral agreement with any person that one or more clauses of the contract or the specification will not be enforced, thereby receiving an unfair advantage over competitors.

18. No member of the industry shall purchase patents from customers, their officers, engineers, or employees, for the purpose of influencing sales to such customers.

19. No member of this industry shall cause or permit any conduct by any one of his employees or agents which would constitute a violation of this Code.

Article XI—Monopolies

No provision in this Code shall be interpreted or applied in such a manner as to:

1. Promote or permit monopolies or monopolistic practices;
2. Permit or encourage unfair competition;
3. Eliminate, discriminate against, or oppress small enterprises.

Article XII—Rights of President

This Code is hereby made expressly subject to the right of the President, pursuant to Section 10(b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval license, rule, or regulation issued under Title I of said Act, and specifically, but without limitation, to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon such approval.

Article XIII—Amendments

Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated upon the application of the A.B.M.A. Committee of Industrial Recovery as changes in circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions to this Code or additional Codes will be submitted by the A.B.M.A. Committee of Industrial Recovery for the approval of the President to further effectuate the purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions hereof.

Approved Code No. 38.
Registry No. 1103/ /01.

O

Approved Code No. 39

CODE OF FAIR COMPETITION

FOR THE

FARM EQUIPMENT INDUSTRY

As Approved on October 3, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Farm Equipment Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved, except that the second paragraph of Article VIII must be eliminated.

FRANKLIN D. ROOSEVELT.

Approval recommended:
HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
October 3, 1933.

29902——296-150——34

SEPTEMBER 27, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval the Code of Fair Competition for the Farm Equipment Industry.

An analysis of the provisions of the Code has been made by the Administration. I find that the Code complies with the requirements of clauses 1 and 2 subsection (a) of Section 3 of the National Recovery Act.

I am, my dear Mr. President,
Very sincerely yours,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

FARM EQUIPMENT INDUSTRY

Article I—Purpose

Section 1. The purpose of this Code is to reduce and relieve unemployment and to prevent unfair practices of competition in the Industry destructive of the interests of the public, employees, and employers.

Article II—Definitions

Section 1. As used in the Code the term " farm equipment " includes all equipment used in farm operations except automobiles, motor trucks, household utilities, barn and barnyard equipment, poultry equipment, and farm hardware such as hand rakes, shovels, spades, and hoes.

The term " industry " includes the manufacture and/or assembly and/or sale (other than at retail) of any such farm equipment and repair parts therefor whether manufactured by the maker of such equipment or others.

The term " employer " means but without limitation any individual, partnership, association, or corporation (including owned or controlled subsidiaries or affiliates) conducting any such operation.

The term " association " means National Association of Farm Equipment Manufacturers, an Illinois corporation.

The term " Executive Committee " or " Committee " means the Executive Committee (as from time to time constituted) of the Association.

The Code shall become effective on the third Monday after the Code has been approved by the President and the term " effective date " shall refer to such third Monday.

Article III—Participation

Section 1. Membership in the Association shall be open to all employers in the Industry and no inequitable restrictions shall be imposed on admission to membership.

Article IV—Administration

Section 1. The Executive Committee of the Association is hereby constituted a coordinating agency for the Industry and shall act for it in the administration of this Code with the following powers:

(a) To collect from employers in the Industry all data and statistics required by this Code or by the President of the United States, or his agents, under the National Industrial Recovery Act.

(b) To represent the Industry in conferring with the President of the United States or his agents or any other federal governmental authority with respect to the administration of this Code and in respect of the National Industrial Recovery Act and any regulations issued thereunder. The Administration may appoint a representative or representatives to meet with said Committee from time to time as such representatives may request, and all data and statistics collected as aforesaid shall be made available to them.

(c) To hear and attempt to adjust complaints arising under the Code.

(d) To coordinate the administration of this Code with such Codes, if any, as may be adopted by any subdivision of this Industry or any related Industry, with a view to providing joint and harmonious action on all matters of common interest.

(e) To authorize any person or persons to perform any of the foregoing duties subject to the supervision of the Committee.

Article V—Hours of Labor and Rates of Pay

Section 1. No employer shall employ in the Industry any person under the age of 16 years.

Sec. 2. The demand for farm implements is subject to fluctuations not prevailing in any other industry. There is but one customer for these implements, the farmer, whose ability to buy is conditioned upon the price and quality of his crops. The farm demand even in times of comparative farm prosperity is greatly varied and often obliterated by unforseeable weather conditions and pests, such as boll weevil, blask rust, Hessian fly, grasshopper, corn borer, chinch bug, and the like. At least 75 percent of the variations in farm yields is due to these causes. Likewise, a large emergency demand for other implements is often created by the same conditions. For example, the failure of the wheat crop in the southwest may result in unexpected corn planting, for which special implements must be provided, almost over night. To meet the farmers' immediate demands a considerable variation in factory hours has always been essential and must be permitted.

(a) On and after the effective date no employer shall work any accounting, clerical, service, sales, express. or delivery employees in the industry on a schedule of more than 48 hours in any one week or more than 40 hours a week on a six months' average.

For the purpose of adjusting operations to comply with the six months' average requirement any employer may adopt for each location such six-month period as is most appropriate for the business there conducted.

(b) On and after the effective date all employees mentioned in paragraph (a) of this Section shall be paid at a rate of not less than $15.00 per week in any city of over 500,000 population, or in the immediate trade area of such city; and at a rate of not less than $14.50 per week in any city of between 250,000 and 500,000 population, or in the immediate trade area of such city; and at a rate of not less than $14.00 per week in any city of between 2,500 and 250,000 population, or in the immediate trade area of such city; and in towns of less than 2,500 population all wages of such em-

ployees shall be increased by not less than 20 percent, provided that this shall not require wages in excess of $12.00 per week.

(c) No employees of the classes mentioned in paragraph (a) of this Section shall have their compensation reduced on account of any reduction in the weekly hours of employment made to conform with the requirements of paragraph (a) of this Section.

(d) The provisions of this Section do not apply to employees receiving more than $35.00 per week and paragraph (a) hereof does not apply to outside salesmen, collectors, field service men and service-parts foremen.

Sec. 3. Factory workers as used in this Section shall not include any employee of the classes mentioned in Section 2 (a) of this Article.

(a) On and after the effective date of this Code employers shall not operate on a schedule of hours of labor for their factory employees in the Industry in excess of 40 hours in any one week.

As to employees engaged in the preparation, care, and maintenance of plant, machinery, and production facilities, there shall be a tolerance of 10 percent, and the schedule of hours of labor shall not apply to such employees in the case of emergency work. Any emergency time in any plant shall be reported monthly to the Association. 10 percent tolerance above 40 hours shall also be permitted for other factory workers where necessary to take care of seasonal peaks or special demands. In all cases, however, the average over a six months' period shall be not more than 40 hours per week.

The limitations as to hours of labor shall not apply to employees in a supervisory capacity receiving more than $35.00 a week or to field service men.

(b) On and after the effective date of this Code, the minimum wage that shall be paid by employers to any of their factory workers in the Industry shall be at the following rates:

	Cents per hour
Zone A	40
Zone B	35
Zone C	30

Zone A is defined as cities of more than one million population, together with all industrial cities, towns, and villages in the same immediate manufacturing area. Zone C, the states of Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Tennessee, Kentucky, Arkansas, Louisiana, Texas, and points east of the Mississippi River south of Louisville, Kentucky; also all communities elsewhere in the United States of less than fifteen thousand population in which a majority of the adult male population is not engaged in manufacturing. Zone B, all territory in the United States except Zones A and C.

Where females perform the same work and duties as men the minimum rate of wages for females shall be the same as for men. Where females and youths perform different and light types of work the minimum wage rate may be five cents an hour lower than those specified above.

(c) The hourly rates of pay and the base rates for piecework for all factory workers paid at rates higher than the above minimum, and lower than $30.00 per week, shall not be less than 85 percent

of the rates paid by the same employer or his predecessor in business for the same class of work at the same place on July 15, 1929; provided, that no employer shall be required hereby to pay a higher rate than other employers for the same class of work in the same immediate manufacturing area.

All employers who have not heretofore adjusted wages to conform with these provisions shall do so within 15 days after the effective date of this Code.

Sec. 4. Exceptions to the above minimum rates are learners for a period up to ten weeks, messengers and office boys who shall receive not less than 80 percent of the minimum; and employees disabled by old age or other causes; but the total number of such excepted employees shall not exceed 5 percent of the total number of employees of any employer. The provisions, as to rates of wages, shall not apply to apprentices or learners working part time in conjunction with any public educational system.

Sec. 5. Within each state employers shall comply with all such state laws imposing more stringent requirements regulating the age of employees, wages, hours of work or health, fire or general working conditions than under this Code.

Sec. 6. The foregoing provisions in regard to wages of factory employees establish guaranteed minimum rates of pay regardless of whether the employee is compensated on the basis of a time rate or piecework performance, or otherwise.

Sec. 7. No employee shall be classified in any one of the excepted classes hereinabove defined unless he performs functions identical with those performed by employees thus classified on June 16, 1933.

Sec. 8. The maximum hours hereinabove provided mark the total number of hours during which any employee may be employed, whether by one or more employers; provided, however, that if any employee should work for more than one employer for an aggregate period in excess of such maximum, without the knowledge or connivance of any one of such employers, such employer shall not be deemed to have violated this section.

Sec. 9. Population shall be governed by the United States census of 1930.

Article VI—Statistics

Section 1. In addition to information required to be submitted to the Code authorities there shall be furnished to government agencies such statistical information as the Administrator may deem necessary for the purpose recited in Section 3 (a) of the National Industrial Recovery Act.

Sec. 2. Not later than the 28th day of each month each employer shall report to the secretary of the Association, in terms of percentage, the proportion which its aggregate sales of products in the Industry during the previous month bear to the corresponding sales of the same month of the previous year, and also the proportion which corresponding sales from the preceding January first to and including the previous month bear to those for the same period of the previous year. As part of the same report, the proportions which collections for the previous month and for the current year from January first to and including the previous month bear to col-

lections for the corresponding periods of the previous year shall also be reported in terms of percentage. Such statistics shall be available to all members of the Association, but the names of the employers reporting shall not be divulged.

Article VII—Trade Practices

Section 1. Within ten days after the effective date of this Code each employer in the Industry shall file with the Association a complete list of its prices (to jobbers and dealers), including delivery points, finance plans, terms and discounts, and thereafter shall file all changes therein as and when made. It shall be an unfair method of competition for any employer to give any concession directly or indirectly, by any means, from its lists of prices, delivery points, finance plans, terms, and discounts so filed as long as the same remain in force, and no change shall become effective in advance of filing the same with the Association which shall make such information available to employers in the Industry making competitive lines. Stationary grain separators shall not be sold on longer terms than 28 months from date of delivery to the user thereof; all other farm equipment shall not be sold on longer terms than two years from date of delivery to the user thereof and no part of a deferred payment shall be extended except for actual inability of the purchaser to make payment; and no understanding for renewal or extension of any payment shall be made prior to the sale of the merchandise to the user.

Sec. 2. The manufacture and sale of farm equipment produced by prison labor displaces a corresponding amount of free labor. Further, the products of such prison labor are customarily sold at prices below the cost of similar articles produced by private industry employing free labor and subject to taxes and other ordinary business expenses. The increased wages prescribed by this Code cannot be maintained against the competition of such prison-made products. To protect free labor against such competition, it is hereby declared to be an unfair act of competition and a violation of this Code to sell and ship prison-made products across state lines at lower prices than similar goods made by free labor can be sold under the provisions of this Code.

Sec. 3. So long as the maker of any trade-marked machine or implement (or his successor in business) continues to make and supply repair parts therefor, it shall be an unfair method of competition for any other person to make and supply repair parts for such machines or implements unless (a) the name of the maker of such repair parts is plainly marked on each part (or if this is impracticable on the package or tag) and unless (b) said parts are otherwise marked, packaged, and sold without imitative labels, and in such a manner as to clearly indicate to the ultimate user that they are not made by the maker of the original machine or implement.

Sec. 4. It shall be an unfair method of competition to sell below current delivered cost. In determining overheads (production, selling, collection and distribution), the percentages applicable to the year 1926 may be used if lower than current figures.

Any employer in the Industry who wishes to sell a product at less than cost (either generally or in certain territory) (a) to introduce a product new to its lines, or (b) so that its line shall be sufficiently varied to adequately compete with other employers in the Industry, or (c) so that the line of its dealers shall be sufficiently complete to adequately compete with other dealers, may do so provided (1) that it may not sell any such product for a less price or on more liberal terms than the price and terms in the same territory of its competitor who sells for the lowest price which is not less than cost; (2) that such employer in the Industry first notifies the Association of the product and territory involved.

This Section does not apply to obsolete merchandise or to merchandise which is substantially shopworn.

Sec. 5. The preceding provisions of this Article do not apply to second-hand merchandise except that full payment shall be required within two years from date of delivery.

Sec. 6. As trade practices in foreign countries are governed by foreign laws and as foreign manufacturers are not subject to this Code, it is understood the provisions of this Article do not apply to export trade.

Sec. 7. No person shall take part in any method of competition defined as unfair in this Code.

Article VIII

As required by Section 7 (a) of the Act, the following provisions are conditions of this Code: "(1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor or their agents in designation of such representatives or in self-organization, or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; (2) that no employee and no one seeking employment shall be required as a condition to employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and (3) that employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President."

Without in any way attempting to qualify or modify, by interpretation, the foregoing requirements of the National Industrial Recovery Act, employers in this Industry may exercise their right to select, retain, or advance employees on the basis of individual merit, without regard to their membership or nonmembership in any organization. (*See Note on p. 7.*)

Article IX

This Code is hereby made expressly subject to the right of the President, pursuant to Section 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act, and particularly, but without limitation, to cancel or modify his approval of this Code or any conditions imposed by him upon such approval.

Article X

No person consenting to this Code shall be held to have consented to any modification thereof or to any particular interpretation of the National Industrial Recovery Act if invalid.

Article XI

This Code may be amended by appropriate action of the Industry and approval of the President. This Code and any amendments thereof shall remain in effect until November 1, 1934, unless sooner terminated by action or approval of the President. It is contemplated from time to time supplementary provisions to this Code or additional codes will be submitted for the approval of the President to prevent unfair competition in price and other unfair and destructive competitive practices, and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act.

Any proposals for amendments to this Code or supplemental agreements with respect to wages, hours, trade practices, or any other matters, shall be first submitted to the Committee, which shall consider the same and confer with employers in the Industry affected thereby to the extent the Committee deems advisable. The Committee, as representing the entire Industry, shall have no power to approve or recommend any amendments or supplemental agreements, but may arrange for a hearing before the President or his agents or other Federal governmental authorities on any proposal which a substantial proportion of the Industry, or the division thereof affected by the proposal, desires to present, and shall notify all members of the Association of the time and place of the hearing.

Approved Code No. 39.
Registry No. 1303/1/04.

Approved Code No. 40

CODE OF FAIR COMPETITION

FOR THE

ELECTRIC STORAGE AND WET PRIMARY BATTERY INDUSTRY

As Approved on October 3, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Electric Storage and Wet Primary Battery Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of title I of said act and that the requirements of clauses (1) and (2) of subsection (a) of section 3 of the said act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations and findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:

Hugh S. Johnson,
Administrator.

The White House,
October 3, 1933.

29109°——296-69——34

October 2, 1933.

The President,

The White House.

My Dear Mr. President: I have the honor to submit and recommend for your approval, the Code of Fair Competition for the Electric Storage and Wet Primary Battery Industry. The Code has been approved by the Industrial Advisory Board, the Labor Advisory Board, and the Consumers' Advisory Board.

An analysis of the provisions of the Code has been made by the Administration, and a complete report is being transmitted to you.

I find that the Code complies with the requirements of clauses (1) and (2), subsection (a) of section 3 of the National Industrial Recovery Act.

I am, my dear Mr. President,

Very sincerely yours,

Hugh S. Johnson,

Administrator.

CODE OF FAIR COMPETITION

FOR THE

ELECTRIC STORAGE AND WET PRIMARY BATTERY INDUSTRY

Article I—Purpose

I. To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are submitted as a Code of Fair Competition for the Electric Storage and Wet Primary Battery Industry, and upon approval by the President, shall be the standard of fair competition for this industry.

Article II—Definitions

1. The term Electric Storage and Wet Primary Battery Industry as used herein includes the manufacture of the following products:

(a) Automotive Storage Batteries for Starting and Lighting Service and Radio Receiving Storage Batteries and Parts and Accessories therefor.

(b) All Electric Storage Batteries not included in (a) and Parts and Accessories therefor.

(c) All Wet Primary Batteries and Parts and Accessories therefor.

2. The term "employee", as used herein, includes any person engaged in any phase of the industry in any capacity in the nature of employee irrespective of the method of payment of his compensation.

3. The term "employer", as used herein, includes anyone for whose benefit such an employee is so engaged.

4. The term "member of the industry" includes any manufacturer who shall be subject to the Code.

5. The term "member of the Code" includes any member of the industry who shall expressly signify assent to this Code.

6. The term "effective date", as used herein means the second Monday after this Code shall have been approved by the President of the United States, except Schedules I and II of the Code, which shall become effective thirty days thereafter.

7. The term "expiration date", as used herein, means the termination of the National Industrial Recovery Act or the earliest date prior thereto on which the President shall by proclamation, or the Congress shall by joint resolution, declare that the emergency recognized by Section I of the National Industrial Recovery Act has ended.

8. The term "Association", as used herein, means National Battery Manufacturers Association, Inc., a trade association having its office in New York City.

9. The term "Code Authority", as used herein, means the Committee or its successors as provided for by Article VI.

10. The term "the President" means the President of the United States of America.

11. The term "the Act" means the National Industrial Recovery Act as approved by the President, June 16, 1933.

12. The term "the Administrator" means the Administrator appointed by the President under the Act and at the time in office.

Article III—Hours

A. No factory employee engaged in processing and in labor incident thereto, except supervisors receiving not less than $35.00 per week, shall work or be permitted to work in excess of an average of 40 hours per week in any calendar year; nor in excess of 48 hours in any one week; nor in excess of 8 hours in any one day except as hereinafter provided. When necessary to avoid economic waste in continuous processes, employees engaged in such processes (not to exceed 10% of the factory employees) will be permitted a tolerance of 10% over the maximum hours per day, except that such tolerance shall not be permitted to increase the maximum hours per week, nor the average hours per week in any calendar year.

B. No other employee, except managerial and executive staffs and technical engineers and outside salesmen, receiving not less than $35.00 per week, shall work or be permitted to work in excess of an average of 40 hours per week in any calendar year.

C. The maximum hours fixed in the foregoing sections shall not apply to employees on emergency maintenance and repair work, but in any such special cases at least time and one third shall be paid for hours worked in excess of the maximum hours per week herein provided.

D. No employee shall work or be permitted to work for a total number of hours in excess of the number of hours prescribed for each week, whether employed by one or more employers.

Article IV—Wages

A. No factory employee engaged in processing and in labor incident thereto, shall be paid at a rate less than 40¢ per hour; unless the rate per hour for the same class of labor on July 15, 1929, was less than 40¢, in which case the rate per hour shall be not less than the rate per hour paid on July 15, 1929, but in no event shall the rate per hour be less than 90% of the highest minimum rate per hour established in this paragraph; and provided further that learners may be paid not less than 80% of such rate but the total number of such learners shall not exceed 3% of the total number of factory employees.

B. No other employee shall be paid at a rate less than $15.00 per week, provided, however, that office boys and girls may be paid not less than 80% of such minimum rate but the total number of such office boys and girls receiving less than such minimum rate shall not exceed 3% of the total number of such other employees.

C. Equitable adjustments upward in all pay schedules of factory employees above the minimum shall be made on or before the effective date by any employers who have not heretofore made such adjustments and the first monthly reports of wages after said effective date required to be filed under this Code shall contain all wage increases made since February 1, 1933.

D. In determining his or her classification under this Code each employee shall be entitled to claim the benefit of the classification of occupation existing on June 16, 1933.

E. There shall be no discrimination in wages by reason of sex and where in any case women do substantially the same work or perform substantially the same duties as men they shall receive the same rates of wages.

Article V—Child and Female Labor

A. No person under 16 years of age shall be employed in the industry and no person under 18 years of age shall be employed in factory work.

B. No female shall be employed in any department where due to the nature of the work or the location of the department such female would be exposed to an appreciable lead hazard.

Article VI—Administration

1. The Code Authority shall consist of five (5) members fairly representative of the industry and elected by the members of the Code at a meeting to be held between October 15 and November 15, 1933, and annually thereafter. During the period between the approval of the Code and the date of the meeting referred to above the Code Committee of the Industry shall serve as the Code Authority and cooperate with the Administrator to effectuate the purposes of the Code.

2. For the purpose of supplying the President and the Administrator with requisite data as to the observance and effectiveness of this Code and the administration thereof the Code Authority is hereby designated:

(a) To collect from the members of the industry through an impartial agent with full protection to each member as to the confidential nature of the material all data and statistics required by the Administrator or reasonably pertinent to the effectuation of Title I of the National Industrial Recovery Act and said agent shall compile the data and statistics and furnish the Code Authority summaries thereof, which shall be furnished to the National Recovery Administration and to the members of the industry all in such form and manner as the Code Authority shall reasonably prescribe subject to the approval of the Administrator.

(b) To represent the industry in conference with the Administrator with respect to the application of this Code and of said Act, and any regulations issued thereunder; provided, however, that as regards all matters mentioned in this paragraph (b) the Code Authority shall have no power to bind the industry. The President or the Administrator may designate a representative to participate in such conferences, who shall have access to all data and statistics collected by said agent as above provided. The Code Authority or its authorized committee or agent shall hold itself in readiness to assist and keep the Administrator fully advised, and to meet with the Administrator's representative from time to time as required to consider and study any suggestion or proposals presented upon behalf of the Administrator or any member of the industry regarding the operation, observance, and administration, or otherwise, of this Code.

(c) Every employer engaged in the industry shall furnish to the said agent as hereinbefore provided, approximately every four weeks,

duly certified reports in such form as may hereafter be prescribed by the Code Authority, subject to the approval of the Administrator, showing actual hours worked by the occupational groups of employees and wages paid.

Article VII—General

1. (A) Employers in the Industry shall comply with the National Industrial Recovery Act, as follows:

(1) Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from interference, restraint or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(2) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

(3) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

(B) This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of Subsection (b) of Section 10 of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule of regulation issued under Title I of said Act and specifically, but without limitation, to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

(C) Within each State, members of the industry shall comply with any laws of such State imposing more stringent requirements regulating the age of employees, wages, hours of work or health, fire or general working conditions, than under this Code.

(D) This Code is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them.

Article VIII

1. The Code Authority is designated as the agency to make recommendations from time to time as to changes in this Code and its schedules and to submit the same to the Administrator.

Article IX

1. Any member of the industry may become a member of the Code and receive the benefits of the activities of the Code Authority, by paying the proper pro-rata share of the costs of administering the Code or by becoming a member of the Association.

Approved Code No. 40.
Registry No. 699/1/05.

SCHEDULE I

Unfair Trade Practices

1. *Merchandising*—(A) *Branding.*—Failure either actually to mark or brand each battery, or to refer by type or number or other designation marked on the battery to published specifications, with respect to the capacity and quality of the battery is an unfair trade practice.

(B) *Seconds and Discontinued Lines.*—The manufacture of batteries as seconds or discontinued lines, or the marking of first-quality batteries as seconds, for the purpose of selling them as such is an unfair trade practice. Seconds and discontinued lines incidental to normal production and sale, and not purposely made as such, may be sold provided each battery is sold with the word "second" or words "discontinued line" as the case may be, plainly and permanently marked on the battery. The guaranteeing and/or adjusting of seconds or discontinued lines for a period longer than 90 days are unfair trade practices.

(C) *Fictitious Guarantees.*—The giving or permitting to be given or published of a specific time or mileage guarantee of life, by guarantee or adjustment policy in excess of a reasonable life expectancy of the battery in average normal service; or the use of such terms as "unconditional guarantee" when conditions are in fact imposed on replacement, are unfair trade practices. To describe or advertise or refer to an adjustment policy as a guarantee or warranty, is an unfair trade practice.

(D) *Rebuilt or Repaired Batteries, For Resale.*—(1) The use of branded parts in connection with "rebuilt" batteries, where the plates are of a brand other than that shown on the branded parts, or (2) the branding and/or marketing of batteries as "rebuilt" when in fact all used positive plates, negative plates, and separators have not been replaced with new ones, or (3) failure to mark and identify plainly and permanently "rebuilt" or "repaired" batteries in such a manner as to clearly distinguish them from new batteries, or (4) the guaranteeing or adjusting of "rebuilt" or "repaired" batteries for a period longer than 90 days; are unfair trade practices.

2. *Transportation.*—The making of transportation allowances in excess of the amount of the actual transportation cost is an unfair trade practice.

3. *Misrepresentation.*—The making or causing or permitting to be made or published of any false preparation of any batteries, component parts, electrolyte or accessories is an unfair trade practice.

4. *Excessive Allowances to Customers.*—The granting or giving to any customer of an allowance for advertising or sales promotional work in excess of the actual amount expended by the customer for these purposes is an unfair trade practice.

5. *Subsidies*—(A) *Consignments.*—There shall be no consignment of goods made to any customer except to a wholly owned subsidiary of the consignor. The term "consignment", as used herein, means the supplying of goods to a consignee for sale by the consignee under an arrangement whereby title to the goods remains in the consignor until such time as they are withdrawn from the consigned stock and/or sold by the consignee, and no liability for the purchase price of the goods arises on the part of the consignee until such time as said goods have been withdrawn from the consigned stock and/or sold by him.

(B) *Renting Part of Customer's Premises.*—The payment by any manufacturer of more than a fair rental for any part of the premises of a customer for office or warehouse space or any other purpose is an unfair trade practice.

(C) *Excessive Allowance and Adjustments.*—The granting by a manufacturer of any excessive allowance to a customer for alleged defective merchandise, alleged shortages, or for adjusting complaints of any kind is an unfair trade practice.

6. *Selling Below Cost.*—The selling of batteries and battery parts below the manufacturer's cost, except seconds and discontinued lines and to fulfill obligations under guarantees or replacement agreements, is an unfair trade practice. In determining violation of this rule, the cost of the product applicable to each division of the business or to each product, determined in basic principles as outlined in the uniform cost accounting procedure of the Association, subject to the approval of the Administrator, shall be considered to be the prime cost of

material and direct labor; plus factory burden, including taxes, depreciation, and ordinary obsolescence; plus selling, advertising, administrative, warehousing, transportation, collection and all other costs and expenses. "Prime Cost" of material shall be understood to be the fair replacement cost of same.

7. *Indirect Violation.*—No member of the industry shall participate in or promote practices which are declared unfair trade practices in this Code, by selling batteries or parts to or through distributors or dealers which are not complying with the requirements of Section 1, Paragraphs A, B, and D (1), (2), and (3), hereof.

8. *Tying Contracts.*—It is an unfair trade practice to promote or induce the purchase of batteries by any distributor or dealer by refusing to supply to such distributor or dealer, goods other than batteries which such distributor or dealer may desire to purchase unless such distributor or dealer shall also purchase batteries from the seller.

9. *Bonus and Discounts*—It shall be an unfair trade practice to increase the discount or bonus on battery purchases made by anyone because of their volume of other commodities purchased from the seller.

10. *Exports.*—Sections 1-B, 2, 5-A, 6, 7, 8, and 9 of this Schedule shall not apply to batteries exported to a foreign destination by the manufacturer or his customer.

11. *Marketing Standards.*—Any violation of, or failure to adhere to or comply with, any provision of the Domestic Marketing Standards in Schedule II of this Code, in any transaction to which the same are applicable is an unfair trade practice.

12. *General.*—It is an unfair trade practice for any member of the industry to indulge in any subterfuge contrary to the provisions of this Code.

SCHEDULE II

Domestic Marketing Standards for Class I Products

The following marketing standards apply to automotive storage batteries for starting and lighting service and radio receiving storage batteries and parts and accessories therefor.

1. *Terms of Payments.*—Terms of payments shall be not more favorable than 2% 10th proximo, net 30 days, or 60 days' trade acceptance with no cash discount. If cash discount privilege is exercised the discount must be figured on the balance due after all deductions are made for goods returned, discounts, allowances, or other credits.

Shipments made on the 25th or any later day of any month may for the purpose of allowing cash discount be considered as made on the first day of the following month.

2. *Guarantees and Adjustment Policy.*—Every storage battery shall be covered by the following standard guarantee and no battery shall be covered by an adjustment policy for periods longer than are provided for in the following standard Adjustment Policy.

Standard Guarantee.—The manufacturer agrees to repair or replace at his option, for the original user, f.o.b. factory, or at any authorized Service Station, without charge, except transportation, any battery of his manufacture which fails to give satisfactory service within a period of 90 days from date of sale to the original user.

Standard Adjustment Policy.—The manufacturer further agrees, after expiration of the 90 days' guarantee period, to replace with a new battery on a pro-rata basis for the original user, any battery which fails in normal service. Normal service is considered not to exceed the following:

Automobile Passenger Car Batteries	1,000 miles per month.
Passenger Car Batteries in Commercial or Truck Service	2,000 miles per month.
Heavy Plate Truck and Coach Batteries ($\frac{5}{32}$ inch or thicker Positive Plates)	3,000 miles per month.
Motorcycle Batteries	2,000 miles per month.
Radio Receiving Batteries	One discharge per week.

The adjustment policy established by the manufacturer is to be based on the quality of the battery, but is in no case to exceed periods figured from the date of sale to the original user, for the various applications of batteries, as follows:

Automobile Passenger Car Batteries	Periods per Table.
Passenger Car Batteries in Commercial or truck service	12 months.
Heavy Plate Truck & Coach Batteries	8 "
Motorcycle Batteries	9 "
Radio Receiving Batteries	18 "

All adjustments are to be based on the current list prices, plus transportation charges.

Example.—A battery carrying an eighteen months' adjustment period, listing at $12.00, fails in service in nine months from date of purchase; the user receives a new battery of the same type and size for 9/18 of $12.00, or $6.00, plus transportation charges.

Table of Maximum Adjustment Periods for Automobile Batteries in Passenger Car Service

Minimum ampere-hour capacity, 20-hour rate at 80° F.	Minimum amperes for 20 minutes at 80° F.	Adjustment period	
		For wood insulation	For rubber or wood-and-rubber insulation
		Months	*Months*
Group 1:			
65–74	78	16	9
75–84		12	15
85–94		18	21
95–104		21	24
105–up		24	24
Group 2:			
80–89	96	6	9
90–98		12	15
99–107		18	21
108–117		21	24
118–up		24	24
Group 3:			
90–99	108	6	9
100–112		12	15
113–125		18	21
126–138		21	24
139–up		24	24
Group 4:			
105–114	126	6	9
115–127		12	15
128–143		18	21
144–156		21	24
157–up		24	24
Group 5:			
120–129	144	6	9
130–141		12	15
142–161		18	21
162–174		21	24
175–up		24	24

The ampere-hour capacity as given above shall be determined as provided in the standard specifications for lead-acid storage batteries for automotive equipment of the Society of Automotive Engineers. (Adopted January 1932.)

For passenger-car batteries in Commercial or Truck Service, the adjustment period shall be one half the above periods given for batteries in Passenger Car Service.

The sale or offering for sale of a battery in any group size, either new, rebuilt, or repaired, having a capacity in ampere-hours and a rating in amperes for twenty minutes of less than the minimum ratings of the group, is an unfair trade practice.

3. *Sales or Excise Tax.*—Any tax or excise imposed by any governmental authority on the manufacture and/or sale of any product included under these standards and where it is the Government's intention that this tax be paid by the buyer, shall be added to regular sales price and listed as a separate item on the manufacturer's invoice.

4. *Subsidiary Companies.*—No manufacturer shall use a subsidiary company or other agency wholly or partly controlled by such manufacturer, for the purpose of distributing such manufacturer's product on terms or conditions not in accordance with the Class I Marketing Standard of this Code.

Domestic Marketing Standards for Class II Products

The following marketing standards apply to all electric storage batteries not included in Class I and parts and accessories therefor.

1. *Terms of Payments.*—Terms of payments shall be not more favorable than 2%, 10th proximo; net 30 days; or 60-day trade acceptance with no cash discount. If cash discount privilege is exercised, the discount must be figured on the balance due after all deductions are made for goods returned, discounts, allowances, or other credits. Shipments made on the 25th or any later day of any month may for the purpose of allowing cash discount be considered as made on the first day of the following month.

2. *Guarantees and Adjustment Policies.*—(A) All guarantees and Adjustment Policies shall specify a definite period of time or a definite cost for a definite period.

(B) The period shall not be greater than the average life for the type of battery and service concerned.

(C) An adjustment for unexpired adjustment period shall be prorated on the unexpired part of the period and the net sale price of an equivalent new battery or of parts thereof installed. The allowance for the old battery shall not exceed a fair scrap value.

(D) In no case shall a cash refund be allowed on a guarantee.

3. *Conditional Sales.*—The manufacturer may sell on the basis of any deferred-payment plan provided that the sum of all payments shall not be less than the outright purchase price plus average interest at 6%.

4. *Rental Service.*—No batteries are to be rented below cost of such rental service.

5. *Loan Batteries.*—The manufacturer may loan batteries to prospects or customers for the purpose of demonstrating the ability of a battery to do the prospect's or customer's work as an aid in making the sale, or to customers to enable them to keep their equipment in service while batteries which are giving trouble are tested or repaired. In no case shall a battery be loaned for a period longer than 60 days.

6. *Free Installation.*—Manufacturers who sell batteries for permanent installation shall be reimbursed in full for all expenses of installation.

7. *Used Batteries.*—When used batteries are sold by a manufacturer they shall be sold as such.

8. *Free Repairs.*—No free repairs or replacements shall be made by any manufacturer beyond a period of two years from date of installation. Under any other condition when the manufacturer repairs or replaces cells in a user's battery he shall furnish the user with an itemized account of the repairs and replacements made and shall bill the user for all the material supplied and for the expenses incurred.

9. *Disposition of Replaced Batteries.*—Where a manufacturer allows a credit on the purchase price of a new battery in return for the worn out battery, the worn out battery shall become the property of the manufacturer and the customer shall not be permitted to retain it.

10. *Sales or Excise Taxes.*—Any tax or excise imposed by any governmental authority on the manufacture and/or sale of any product included under these standards and where it is the Government's intention that this tax be paid by the buyer, shall be added to regular sales price and listed as a separate item on the manufacturer's invoice.

11. *Subsidiary Companies.*—No manufacturer shall use a subsidiary company or other agency wholly or partly controlled by such manufacturers for the purpose of distributing such manufacturer's product on terms or conditions not in accordance with Class II, Marketing Standards of this Code.

Domestic Marketing Standards for Class III Products

The following Marketing Standards apply to all Wet Primary Batteries and parts and accessories therefor:

1. *Terms of Payment.*—Terms of payment shall not be more favorable than 2% for cash in 20 days, net 45 days.

2. *Designating Capacity.*—All statements or guarantees of capacity must be based on American Railway Association, Signal Section, specifications for determining the capacity of the Wet Caustic Soda Primary Cells used in Railroad Signal Service. The stated or guaranteed ampere-hour capacity of cells, renewals, or parts thereof, must be marked on all shipping containers and shown on the invoice rendered to cover the shipment.

3. *Price Protection.*—No manufacturer shall accept an order protecting customer against price advance or price decline for any quantity of wet primary battery cells, renewals, or parts thereof, in excess of the average 60-day requirements of that customer.

4. *Contracts.*—No manufacturer shall accept orders from a customer under requirements contract with another manufacturer over a period of twelve months, for a quantity of primary battery cells, renewals, or parts thereof, to be used for test purposes in excess of a total of 2% of the normal requirements of that customer during the twelve months' period.

5. *Sales or Excise Taxes.*—Any tax or excise imposed by any governmental authority on the manufacture and/or sale of any product included under these standards, and where it is the Government's intention that this tax be paid by the buyer, shall be added to regular sales price and listed as a separate item on the manufacturer's invoice.

O

Approved Code No. 41

CODE OF FAIR COMPETITION

FOR THE

WOMEN'S BELT INDUSTRY

As Approved on October 3, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Women's Belt Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of the said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act approved June 16, 1933, do approve the report and recommendations and adopt the findings of the Administrator, and do order that the said Code of Fair Competition be, and it is hereby, approved subject to the condition that the right of the National Association of Women's Belt Manufacturers to continue to participate in the selection of the Code Authority and its activities shall be dependent upon the amendment of its constitution and by-laws and particularly, Article III, Section 4, and Article IV, Sections 2 and 3, thereof in a manner satisfactory to the Administrator.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.
The White House,
October 3, 1933.

September 2, 1933.

The President,
The White House.

My Dear Mr. President: I have the honor to submit and recommend for your approval the Code of Fair Competition for the Women's Belt Industry. The Code has been approved by the Labor Advisory Board, the Consumers' Advisory Board, and the Industrial Advisory Board.

An analysis of the provisions of the Code has been made by the Administration, and a complete report is being transmitted to you. I find that the Code complies with the requirements of clauses 1 and 2, subsection (a) of Section 3 of the National Industrial Recovery Act.

I am, my dear Mr. President,
Very sincerely yours,

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

WOMEN'S BELT INDUSTRY

Article I

To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are established as a Code of Fair Competition for the Women's Belt Industry and shall be the standard of fair competition for this industry.

Article II—Definitions

1. The term "industry" as used herein includes the manufacture and wholesale distribution of women's, misses', and children's separate belts, made of leather, imitation of leather, and/or other materials and fabrics.

2. The term "employee" as used herein includes any person engaged in any phase of the industry, in any capacity, irrespective of his method of compensation or interest otherwise in said industry.

3. The term "employer," as used herein, includes anyone for whose benefit or on whose business such employee is engaged and anyone engaged in said industry on his own behalf.

4. The term "effective date," as used herein, shall mean, and this Code shall become effective on, the tenth day after this Code shall have been approved by the President.

5. The terms "President," "Administrator," and "Act," as used herein, shall mean, respectively, "The President of the United States," "The Administrator of the National Recovery Administration or his duly authorized deputy," and "The National Industrial Recovery Act."

Article III—Hours of Labor

1. Except as hereinafter provided, no employee shall be permitted to work in excess of forty (40) hours in any one week or more than eight (8) hours in any twenty-four (24) hour period.

2. The provisions of this Article shall not apply to executives and outside salesmen.

3. Subject to review by the Administrator, the Code Authority may designate the hour before which work shall not begin and the hour after which work shall cease, and may determine in which localities such regulations shall apply.

4. No overtime shall be permitted except upon the recommendation of the Code Authority and the approval of the Administrator, and under such conditions and upon such terms as the Administrator may prescribe.

5. No employee shall be permitted to work for a total number of hours in excess of the number of hours prescribed for each week and day, whether employed by one or more employers.

6. No home work shall be permitted.

Article IV—Rates of Pay

1. No employee shall be paid for each week of forty (40) hours at less than the rate of pay provided in the following schedule:

Cutters	$28.00
Imitation Leather Strippers	25.00
Operators	17.00
Unskilled Labor and Office Workers	14.00
Outside Errand Boys	12.00

2. No employee shall be paid less than the minimum wages set forth in this Article, regardless of whether such employee is compensated on a time-rate or a piece-rate basis.

3. No employer shall reduce the hourly rate of compensation for employment in effect as of July 1, 1933, whether heretofore paid on a monthly, weekly, daily, hourly, or piece-rate basis. The rates of pay of all employees whose hours of employment have been reduced by the provisions of this Code but whose wages have not been increased by the foregoing sections of this article shall be increased by an equitable readjustment so that existing differentials in earnings will be maintained.

4. The duties of the occupations set forth in this Article shall be substantially the same duties as those existing for such occupations on June 16, 1933, and employees shall be classified on that basis.

Article V—Minimum Age

No person under sixteen (16) years of age shall be employed in the industry.

Article VI—Administration and Trade Practices

To further effectuate the purposes of the Act, a Code Authority is hereby set up to cooperate with the Administrator in the administration of this Code.

A. 1. The Code Authority shall consist of nine (9) members, of which seven (7) members shall be selected by the National Association of Women's Belt Manufacturers, Inc., and the remaining two (2) members shall be appointed by the Administrator.

2. Any trade or industrial association participating in the selection or activities of the Code Authority shall at all times comply with the following requirements:

(a) It shall impose no inequitable restrictions on membership.

(b) It shall not violate any rule or regulation prescribed by the President, or any other provision of the Act.

(c) It shall submit to the Administrator, its articles of association, by-laws, regulations, and any amendments when made thereto, and such other information as the Administrator may require from time to time to effectuate the policies of this Act.

3. The Administrator shall entertain complaints and provide such hearings as he may deem proper for those claiming the right to be represented on the Code Authority, and shall have the right from time to time to change the method of selection and the organizations selecting the members of the Code Authority, in order that it shall be truly representative of the industry.

4. An appeal from any action by the Code Authority affecting the rights of any person subject to this Code may be taken to the Administrator.

5. Only employers assenting to this Code shall be entitled to participate in the selection of the Code Authority and to share the benefits of its activities as herein set forth.

B. The Code Authority shall have the following duties and powers to the extent permitted by the Act and subject to review by the Administrator:

1. To elect officers and to assign to them such duties as it may consider advisable, and to provide rules for its procedure, and its continuance as the administrative agency of this Code, in accordance with the terms of the Act and the principles herein set forth.

2. To administer and enforce the provisions of this Code.

3. To obtain from time to time from employers in the industry reports in respect to wages, hours of labor, conditions of employment, number of employees, and other matters pertinent to the purposes of this Code, as the Code Authority may prescribe, and to submit periodical reports to the Administrator in such form and at such times as he may require, in order that the President may be kept informed with respect to the observance hereof.

4. To delegate to such trade associations and other agencies as it deems proper the carrying out of any of its activities provided for herein, and to pay such agencies the cost thereof, provided that such agencies shall at all times be subject to and comply with the provisions of this Code.

5. To coordinate the administration of this Code with such other codes, if any, as may be related to the Women's Belt Industry, or any subdivision thereof, with a view to promoting joint and harmonious action upon matters of common interest.

6. To initiate, consider, and submit proposals for amendments or modification of this Code, which, upon approval by the Administrator after such hearings as he may prescribe, shall be incorporated herein with the same force and effect as if originally made a part hereof.

7. To make surveys, to compile reports, to collect statistics and trade information, to investigate unfair trade practices, to make recommendations for fair trade practices, and otherwise assist the Administrator in effecting the purposes of this Code and the Act.

8. To secure an equitable and proportionate payment of the expense of maintaining the Code Authority and its activities from those employers accepting the benefits of the activities of the Code Authority, or otherwise assenting to the Code.

9. To cooperate with the Administrator in regulating the use of the N.R.A. insignia solely by those employers who have assented to this Code.

C. The Code Authority shall study provisions relating to trade practices and the observance thereof, and may make recommendations thereon to the Administrator. Upon the approval of the Administrator and after such hearing as he may prescribe, such recommendations, or any part of them, shall become a part of this Code and shall have full force and effect as provisions hereof.

D. The following described acts constitute unfair trade practices and are prohibited:

1. *False Marking.*—The false marking or branding of any product of the industry which has the tendency to mislead or deceive customers or prospective customers whether as to the grade, quality, quantity, substance, character, nature, origin, size, finish, or preparation of any product of the industry or otherwise.

2. *False and Misleading Advertising and Misrepresentation.*—The making or causing or permitting to be made or published any false, inaccurate, or deceptive statement by way of advertisement or otherwise, whether concerning the grade, quality, quantity, substance, character, nature, origin, size, finish, or preparation of any product of the industry or the credit terms, values, policies, or service of any member of the industry, or otherwise, having the tendency and capacity to mislead or deceive customers or prospective customers.

Article VII

1. Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

2. No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

3. Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

4. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of subsection (b) of Section 10 of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act and specifically, but without limitation, to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

5. Within each state, members of the industry shall be subject to the laws of such state including those imposing more stringent requirements regulating the age of employees, wages, hours of work, health, fire, or general working conditions, than under this Code.

6. Any employer who at any time shall manufacture any article or articles subject to the provisions of this Code shall be bound by all the provisions of this Code as to all employees engaged in whole or in part in such manufacture. In case any employee shall be engaged partly in such manufacture and partly in the manufacture of goods of another character, this Code shall apply only to such portion of such employee's time as is applied to the manufacture of articles subject to this Code.

7. Nothing in this Code is designed to promote nor shall it permit monopolies or monopolistic practices; nor is it designed to, nor shall it eliminate, oppress, or discriminate against small enterprises.

8. In addition to information required to be submitted to the Code Authority, there shall be furnished to government agencies such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the National Industrial Recovery Act.

Approved Code No. 41.
Registry No. 902/1/01.

Approved Code No. 42

CODE OF FAIR COMPETITION

FOR THE

LUGGAGE AND FANCY LEATHER GOODS INDUSTRY

As Approved on October 3, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Luggage and Fancy Leather Goods Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of section 3 of said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
October 3, 1933.

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OCTOBER 2, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: This is a report of the hearing on the Code of Fair Competition for the Luggage and Fancy Leather Goods Industry in the United States, conducted in Washington on September 8, 1933, in accordance with the provisions of the National Industrial Recovery Act.

Provisions of this code as to wages and hours:

ARTICLE III—HOURS AND CONDITIONS OF EMPLOYMENT

1. No employee shall work more than 40 hours per week nor in excess of 8 hours per day except:

(a) Manufacturers, executives and employers working in a strictly managerial or executive capacity, outside salesmen, watchmen, and emergency repair crews.

(b) Engineers, firemen, shipping force, and drivers may work not to exceed 48 hours per week; except in emergency when all hours worked in excess of 48 hours per week shall be considered overtime and shall be paid for at not less than time and one-third.

(c) Clerical and office force shall not be required to work more than 40 hours in any one week except in emergency when all hours worked in excess of 40 hours per week shall be considered overtime and paid for at not less than time and one third.

ARTICLE IV—MINIMUM WAGE RATES

1. The minimum wage of any employee in the industry in the States of Maryland, West Virginia, Virginia, Kentucky, Tennessee, North Carolina, South Carolina, Georgia, Alabama, Mississippi, Florida, Arkansas, Louisiana, Oklahoma, Texas, New Mexico, and Arizona shall be 32½ cents per hour for male and 30 cents per hour for female; elsewhere, 35 cents per hour for male and 32½ cents per hour for female.

(a) Learners during a six weeks' period are excepted from the foregoing minimum wage and shall be paid not less than 80 percent of the minimum wage and shall be limited in number in any factory to 5 percent of the total number of employees in that factory.

2. Pieceworkers shall be paid at rates which will guarantee the worker wages per hour which are not less than the minimum wage prescribed herein.

3. On and after the effective date of this Code hourly rates and piece rates shall be so adjusted that earning opportunities at the shorter hour provided in this Code shall be at least equivalent to those obtaining under the longer hours heretofore prevailing.

4. There shall be no discrimination in wages by reason of sex, and where in any case women do substantially the same work, or perform substantially the same duties as men, they shall receive the same rate of wages.

ECONOMIC EFFECT OF THE CODE

This industry, including as it does, trunks and bags, brief cases, and various small and fancy leather goods, is essentially a semiluxury industry involved in the manufacture of containers of various sorts. The greater part of the volume produced is either in low or medium quality products in which the proportion of labor to the final cost is relatively high. Furthermore, with the increase in the use of automobiles it has become easy to utilize simple cardboard containers, secured at little or no cost, in the back of the automobile in lieu of luggage. It is apparent, therefore, that any drastic increase in wages or shortening of hours which would result in a material price increase of the final product would probably result in a shrinkage in volume which would tend to offset the expected increases in employment. The actual wages set up seem to be as high as can be safely applied, and will raise average wage levels in this industry well above those prevailing in 1929.

Due to the shrinkage of this industry, many of the more skilled leather workers involved have, on the loss of employment, set up independent small shops in which they repair and actually produce a limited amount of luggage. The total from this source is sufficiently large to be important in the industry. The importance will be even greater if restriction in hours and increase in wages is sufficient to raise the price excessively of goods produced in larger factories.

The wage provisions of the code will immediately raise the wages an average of 35 percent for practically 90 percent of the unskilled labor in the industry. This will bring the minimum wage levels above those received by 75 percent of the unskilled workers in 1929. It can be presumed that the existing differentials between skilled and unskilled labor will be maintained under the influence of higher rates for unskilled workers and the requirements in the code that pay will be at least equal to that prior to the approval of the code. Ninety percent of the wage earners of this industry are in the North and 10% in the South, of which approximately 84% are male and 16% female. Based on the foregoing distribution of workers, the weighted average minimum wage for the country will be 34.4 cents an hour, and the 8-percent geographical differential is well below the existing spread in the rates for unskilled labor in the industry. The female differential is smaller than in codes for most industries in which female labor is important. The proposed rate for female workers seems reasonable because of the existence of large groups of same averaging twelve to fifteen years younger than male employees in the industry now receiving from 15 cents to 20 cents an hour. Members of the industry were united in requesting this differential and testified to the current existence of a much wider spread. In view of the available information the requested differential is justified.

Without putting too much credence in the rather inadequate statistical data available upon this industry, it seems that under the provisions of the code employment in the industry will approximate the 1929 average level.

Due to the fact that the minimum wage scale will be raised to levels well above 1929, and the unfavorable reaction on demand for products of this industry if prices mount too rapidly, it does not seem desirable to shorten the hours of labor any more than has been proposed.

FINDINGS

The Administrator finds that:

(a) The Code as recommended complies in all respects with the pertinent provisions of Title I of the Act, including, without limitation, subsection (a) of Section 7 and subsection (b) of Section 10 thereof; and that

(b) The applicant group imposes no inequitable restrictions on admission to membership therein and is truly representative of the Luggage and Fancy Leather Industry; and that

(c) The Code as recommended is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

It is recommended, therefore, that this Code be immediately adopted.

Respectfully submitted.

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

LUGGAGE AND FANCY LEATHER GOODS INDUSTRY

ARTICLE I.—DEFINITION OF TERMS

"*Industry*" as used herein includes all persons engaged in the manufacture of Brief Cases, Hand Luggage, Fancy and Small Leather Goods, Sample Cases and Sample Trunks, and Trunks, excluding such similar articles as may be covered by other specific codes.

"*Employee*" as used herein includes any person engaged in any phase of the Industry in any capacity in the nature of employee irrespective of the method of payment of his compensation.

"*Employer*" as used herein includes any one for whose benefit such an employee is so engaged, or who are associated together for the purpose of producing goods under this Code.

"*Effective Date*" as used herein is defined to be 10 days after the approval of this Code by the President of the United States.

ARTICLE II.—LABOR PROVISIONS

1. All employers in the industry shall comply with the following provisions of the National Industrial Recovery Act:

(a) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

(b) That no employee and no one seeking employment shall be required as a condition of employment to join any company union, or to refrain from joining, organizing, or assisting a labor organization of his own choosing;

(c) That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

2. On and after the effective date employers shall not employ any minor under the age of 16 years.

ARTICLE III—HOURS AND CONDITIONS OF EMPLOYMENT

1. No employee shall work more than 40 hours per week nor in excess of 8 hours per day except:

(a) Manufacturers, executives and employers working in a strictly managerial or executive capacity, outside salesmen, watchmen, and emergency repair crews.

(b) Engineers, firemen, shipping force, and drivers may work not to exceed 48 hours per week; except in emergency when all hours worked in excess of 48 hours per week shall be considered overtime and shall be paid for at not less than time and one third.

(c) Clerical and office force shall not be required to work more than 40 hours in any one week except in emergency, when all hours worked in excess of 40 hours per week shall be considered overtime and paid for at not less than time and one third.

Article IV—Minimum Wage Rates

1. The minimum wage of any employee in the industry in the States of Maryland, West Virginia, Virginia, Kentucky, Tennessee, North Carolina, South Carolina, Georgia, Alabama, Mississippi, Florida, Arkansas, Louisiana, Oklahoma, Texas, New Mexico and Arizona shall be 32½ cents per hour for male and 30 cents per hour for female; elsewhere, 35 cents per hour for male and 32½ cents per hour for female.

(a) Learners during a six weeks' period are excepted from the foregoing minimum wage and shall be paid not less than 80 percent of the minimum wage and shall be limited in number in any factory to 5 percent of the total number of employees in that factory.

2. Pieceworkers shall be paid at rates which will guarantee the worker wages per hour which are not less than the minimum wage prescribed herein.

3. On and after the effective date of this Code hourly rates and piece rates shall be so adjusted that earning opportunities at the shorter hours provided in this Code shall be at least equivalent to those obtaining under the longer hours heretofore prevailing.

4. There shall be no discrimination in wages by reason of sex, and where in any case women do substantially the same work, or perform substantially the same duties as men, they shall receive the same rate of wages.

Article V—General Provisions

1. Any act of any member of the industry constituting unfair competition as defined in Article VI, or such other provisions as may be established from time to time, by the Executive Code Committee, and approved by the President, shall be a violation of this Code.

2. Every contract for piecework or for contracting out work made or entered into by a person in this industry shall include a mandatory provision that the piecework contractor and all other party or parties to such a contract must comply with all the provisions of this Code. Said contract shall contain a provision that such piecework contractor and/or any of his employees shall be deemed employees and be bound as such by all the provisions of this Code.

3. No employee shall work or be permitted to work for a total number of hours in excess of the number of hours prescribed for each week and day, whether employed by one or more employers.

4. There shall be no evasion of this Code by any employer in this industry by reclassification of the functions of employees or workers. An employee or worker shall not be included in one of the classifica-

tions exempted from the provisions of this Code unless the identical functions were identically classified on June 15, 1933.

5. Home work in any branch of this industry is hereby prohibited, nor shall any work be permitted by the employer to be performed in tenement houses, basements, or in any unsanitary building.

6. Within each state, members of the industry shall comply with any laws of such state imposing more stringent requirements, regulating the age of employees, wages, hours of work or health, fire or general working conditions, than under this Code.

Article VI—Industry Regulations

1. The giving of secret rebates, refunds, special services, or privileges is unfair competition.

2. The giving of any advertising allowance, directly or indirectly, which brings the price of any product below his cost of such product, is unfair competition.

3. Willful or malicious defamation of competitors or the disparagement of competitors' products, is unfair competition.

4. Commercial bribery in the form of gratuities to anyone or the offering of rewards or premiums to purchasers of products of this industry, is unfair competition.

5. The misappropriation of a competitor's business by inducing breach of contracts, espionage, piracy of styles or designs, or imitation of trade names, is unfair competition.

6. The substitution of inferior materials for those named in any contract without the purchaser's knowledge or permission, is unfair competition.

7. Fraudulent and deceptive practices, including false or misleading advertising, mislabeling, or misbranding, is unfair competition.

8. It is unfair competition for any manufacturer to furnish merchandise to any mercantile establishment for demonstration purposes without an outright sale, or to furnish employees for demonstration or sales purposes; provided that this shall not prohibit the practice of manufacturers furnishing without charge to retailers samples of materials, sample cross-section models showing construction of merchandise, and other samples of incompletely finished merchandise for display and demonstration purposes.

9. It is unfair competition for any manufacturer to place merchandise on any form of consignment, either directly or indirectly. No further merchandise shall be shipped on consignment to existing consignment accounts and all consignment accounts must be terminated within a reasonable length of time.

10. To sell any product of this industry below his cost of such product is unfair competition.

(a) For this purpose, cost is defined as the cost of materials, plus direct labor, plus an adequate amount of all overhead and sales expense as determined by cost accounting methods recognized in the industry (and approved by the Executive Code Committee constituted for the enforcement of this Code as provided in Article VIII), which cost methods must be approved by the National Recovery Administration.

11. It is unfair competition for a manufacturer to permit purchasers of his products to supply part or all of the materials, including fittings required for the manufacture thereof, without including in the determination of his cost of such product an adequate amount of all overhead and sales expense as determined by cost accounting methods, provided for in Section 10 of this Article.

12. The giving of any discount contrary to the following trade practices is unfair competition, except in contracts for the export trade.

(a) In the Brief Case, Hand Luggage, Sample Case, Sample Trunk and Trunk Division of the industry, terms shall not exceed 2%, 10 days, 30 days extra.

(b) In the Fancy and Small Leather Goods Division of the industry, terms shall not exceed 2%, 10 days, 60 days extra, with the privilege of giving E.O.M. (end of month) dating. Manufacturers of Fancy and Small Leather Goods shall be permitted to accept one order to a customer, shipped after August 1, dated December 1, with maximum terms 3% E.O.M., and goods shipped on or after the twenty-fifth of the month shall be considered as shipped on the first of the month.

13. The sales of "drop lines" or "close-outs" in the course of a year, in excess of 3% of the manufacturer's sales in the preceding calendar year in the Brief Case, Hand Luggage, Sample Case, and Sample Trunk and Trunk Division of the Industry, and the sale of "drop lines" or "close-outs" in the course of a year, in excess of 5% of the manufacturer's sales in the preceding calendar year in the Fancy and Small Leather Goods Division of the industry, is unfair competition; provided, that if any additional "drop lines" or "close-outs" are offered for sale, permission must first be obtained from the Executive Code Committee and notification must be sent by the Executive Code Committee to all members of the industry if permission for such a sale is granted. Duplicate invoices of all "drop lines" or "close-out" shipments shall be sent to the Executive Code Committee.

Article VII—Participation

Each member of the industry, subject to the jurisdiction of this Code and accepting the benefits of the activities of the Code Authority hereunder, shall pay to the Code Authority his proportionate share of the amounts necessary to pay the cost of assembling, analyzing and publication of such reports and data, and of the maintenance of the said Code Authority and its activities; said proportionate share to be based upon the value of sales, as the Code Authority, with the approval of the Administrator, may prescribe.

Article VIII—Administration

1. To further effectuate the policies of the National Industrial Recovery Act, the Executive Code Committee, consisting of—

(a) The Directors of the National Luggage and Leather Goods Manufacturers Association, the applicant herein;

(b) The President and Vice President of the Fancy and Small Leather Goods Division of the National Luggage and Leather Goods Manufacturers Association;

(c) Three members to be selected by the Luggage and Leather Goods Manufacturers Association of New York, Inc.;

(d) Two members of the industry at large, appointed by the President of the National Luggage and Leather Goods Manufacturers Association; and

(e) Three nonvoting members to be appointed by the President;

is set up to cooperate with the Administrator as a Planning and Fair Practice Agency for the industry. There shall be no inequitable restrictions as to membership in the trade associations of this industry.

2. Such agency may from time to time present to the Administrator recommendations based on conditions in the industry as may develop from time to time, which will tend to effectuate the operation of the provisions of this Code and the policy of the National Industrial Recovery Act.

3. Such Agency is also set up to cooperate with the Administrator in making investigations as to the functioning and observance of any provisions of this Code, at its own instance or on complaint by any person affected and to report the same to the Administrator.

4. To provide necessary data for the Administrator of the National Industrial Recovery Act, the members of the industry shall furnish to the Executive Code Committee such information as it may require from time to time, but through such channels as to eliminate the identification of any individual manufacturer's confidential information.

5. In addition to information required to be submitted to the Code Authority, there shall be furnished to Government agencies such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the National Industrial Recovery Act.

6. No provision of this Code shall be interpreted or applied in such manner as to—

(a) Promote monoplies or monopolistic practices;

(b) Permit or encourage unfair competition;

(c) Eliminate or oppress small enterprises; or

(d) Discriminate against small enterprises.

7. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of subsection (b) of Section 10 of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act and specifically, but without limitation, to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

8. Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in circumstances or experience may indicate. It is contemplated

that from time to time supplementary provisions of this Code or additional codes will be submitted for the approval of the President to prevent unfair competition and other unfair destructive competitive practices, and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions hereof.

9. This Code shall become effective 10 days after its approval by the President.

Approved Code No. 42.
Registry No. 907/1/01.

Approved Code No. 43

CODE OF FAIR COMPETITION

FOR THE

ICE INDUSTRY

As Approved on October 3, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Ice Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of title I of said act, and that the requirements of clauses (1) and (2) of subsection (a) of section 3 of the said act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved, subject to the following condition:

(1) To effectuate further the policies of the act, a Code Authority be created to cooperate with the Administrator as a Planning and Fair Practice Agency for the Ice Industry, which Code Authority shall consist of five representatives of the Ice Industry elected by a fair method of selection, to be approved by the Administrator, and three members without vote appointed by the Administrator.

FRANKLIN D. ROOSEVELT.

Approval recommended:

HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
October 3, 1933.

29864—296-151——34

SEPTEMBER 30, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval the Code of Fair Competition for the Ice Industry. This Code represents the united efforts of the entire Ice Manufacturing Industry in the United States to comply with the spirit and word of the National Industrial Recovery Act.

An analysis of the provisions of the Code has been made by the Administrator. The wage and hour provisions provided for therein represent a marked improvement over those prevailing in the industry in 1929. I find that the Code complies with the requirements of clauses 1 and 2, subsection (a), of section 3 of the National Industrial Recovery Act.

Respectfully submitted.

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

ICE INDUSTRY

Article I—Declaration of Purposes

To effectuate the policy of Title I of the National Industrial Recovery Act by reducing unemployment, improving the standards of labor, establishing a reduction in working hours, eliminating practices inimical to the interests of the public, employers, and employees, removing from this industry any existing obstructions to the free flow of commerce and thereby increasing purchasing power, to bring wages paid in the industry to such levels as are necessary for the highest standards of living attainable, to revise wage scales from time to time, to reflect changes in living costs, to restore to the members of this industry their income on a level which makes possible the payment of such wages, and to promote the general welfare, the following provisions are established as a Code of Fair Competition for the Ice Industry.

Article II—Membership

Any member of the Ice Industry is eligible for membership in the National Association of Ice Industries, and is entitled to all the benefits thereof upon the acceptance by such member of a reasonable share of the cost and responsibility of the Code development and administration. No inequitable restrictions on admission to membership shall be imposed by any trade association or group who are members of the Ice Industry, and the provisions of this Code shall not be applied to promote monopolies or monopolistic practices, or to eliminate or oppress small enterprises, or discriminate against them.

Article III—Definitions

Section 1. Wherever used in this Code the terms hereafter defined shall, unless the context shall otherwise clearly indicate, have the respective meanings set forth. The definition of any such term in the singular shall apply to the use of such term in the plural and likewise the definition of any such term in the plural shall apply to the singular.

Sec. 2. The following definitions are adopted for the purpose of this Code.

a. The term " The United States " shall mean the forty-eight (48) states and the District of Columbia, exclusive of its territories and insular possessions.

b. The term " The President " means the President of the United States of America.

c. The term "Administrator " means the official appointed by the President to administer the National Industrial Recovery Act.

d. The term " Code Authority " means the planning and coordination agency constituted in compliance with the provisions of Article X, Section 1.

e. The term " The Industry " means and includes the production, manufacture, harvesting, selling, or distributing and/or merchandising of ice at wholesale or retail.

f. The term " Unit Ice Association " means an organized group of members of the industry representing a market or a geographical division.

g. The term " Member of the Industry " means and includes any person, firm, association, or corporation engaged in the manufacture, harvesting, production, or distribution or selling of ice at either wholesale or retail; however, no provision of this Code shall apply to any member of the Ice Industry producing, manufacturing, harvesting, selling, distributing, and/or merchandising ice in the insular possessions of the United States.

h. The term " Product " means manufactured and/or natural ice.

i. The term " The Code " means and includes this Code as originally approved by the President and all amendments hereof and thereof made as hereinafter provided.

j. The term "Employee " as used herein includes any person engaged in any phase of the Ice Industry in any capacity in the nature of employee, irrespective of method of payment of his compensation.

k. The term " Employer " shall mean all persons who employ labor in the conduct of any branch of the Ice Industry as defined above.

l. The term " Effective Date " means the second Monday following approval of this Code by the President.

m. The term " Point of Sale " shall mean the plant, platform, station, or piece of delivery equipment from which the seller makes delivery of ice to the buyer.

n. The term " Peddler " means a non-manufacturing distributor who buys ice and resells and delivers same to the commercial or domestic trade from any character of commonly used ice-delivery equipment.

o. The term " Dealer " is one who purchases ice and who resells same either direct to the commercial or domestic trade or to others who in turn resell same to the commercial or domestic trade.

Article IV—Labor Provisions

Employers in the Ice Industry shall comply with the requirements of the National Industrial Recovery Act as follows: (a) Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; (b) No employee and

no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; (c) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

Article V—Hours

No office or clerical employees in the Ice Industry shall be employed for more than forty (40) hours in any one week, nor more than eight (8) hours in any one day.

Employees other than office, clerical, and those exercising executive or supervisory functions shall not be employed for more than a forty-eight (48) hour week averaged over a twelve (12) months' period: provided, however, that such employees shall not be employed for more than fifty-six (56) hours in any one week. Nothing in this provision shall allow any employer to employ one man for a continuous period of fifty-six (56) hours and then replace him with another man on the same job and work the latter for a period of fifty-six (56) hours. It is the intent of this clause that the time consumed through the operation of one shift on any one job shall not exceed fifty-six (56) hours in any one week and shall not average over forty-eight (48) hours per week for any twelve (12) months' period, and provided further that where the weekly hours of work were less than the maximum on July 15, 1933, such hours shall in no case be increased.

Exceptions for supervisory functions as set out in the paragraph above, shall include those employees whose principal duties consists of the direction and supervision of work of other employees, and who have continuous employment, at no reduced weekly compensation on account of the off-season, provided that the number of employees so classified shall in no case exceed in numbers one (1) for every seven (7) or fraction thereof of the total number of employees in any manufacturing and/or distributing operation where the number of employees is four (4) or more and provided further that such supervisory employees shall not be paid less than thirty dollars ($30.00) per week in the North or less than twenty-five dollars ($25.00) per week in those states hereinafter designated as South.

To the extent that an owner, partner, stockholder, manager, dealer, or person exercising supervisory functions performs any of the functions of labor, the hours of which are restricted under this Code, and to the extent that a non-manufacturing distributor (commonly known in certain sections of the country as a peddler) or person employed solely in selling and paid solely on commission, performs the functions of labor in distribution and service to the public, such persons, while performing such labor, shall be bound to observe the maximum hours herein prescribed for employees of the particular class of labor performed.

No employee shall work, or be permitted to work, for a total number of hours in excess of the number of hours prescribed whether he be employed by one or more employers.

Article VI—Wages

No employee shall be paid less than thirty-two and a half cents (32½¢) per hour, except that in the South, which is defined to include Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, and Virginia, no employee shall be paid less than twenty-three cents (23¢) per hour; Provided, that in the South, as defined above, drivers' helpers, the number of which shall not be in excess of the number under regular employment July 15, 1933, shall be paid not less than eighty percent (80%) of the minimum rates, provided, that where the basic hourly rates of pay on July 15th, 1933, were greater than the minimum rates set out above, such rates shall not be reduced on account of the application of any of the provisions of this Code. A minimum rate of pay is hereby established regardless of whether the employee is compensated on the basis of a time rate or on piece-work performance, except, that there shall be exempt from this provision persons employed solely on selling and paid solely on commission and provided further that employers shall not reclassify employees so as to defeat the purposes of the National Industrial Recovery Act.

Equitable adjustment in all pay schedules of employees above the minimum shall be made on or before the effective date of this Code.

Article VII—Child Labor

Employers in the Ice Industry shall not employ or have in their employ, any person under the age of sixteen (16) years, provided, however, that where a state law specifies a higher minimum age, no person below that age, so specified by such law, shall be employed in that State.

Article VIII—Posting Notices

All members of the Ice Industry shall post and keep posted in a conspicuous place on the premises, a written copy of the provisions of this Code relative to maximum hours and minimum wages, as set out in Articles V and VI of this Code, and one such copy shall be in the English language and there shall be as many other and additional copies in languages other than the English language as may be necessary to properly advise employees of compliance concerning the above provisions of this Code.

Article IX—Acts of Unfair Competition

Section 1. For all purposes of the Code, the acts described under Section 2 of this article shall constitute unfair practices. Such unfair practices and all other practices which shall be delared to be unfair practices by any amendment to the Code at the time in effect, shall be deemed to be unfair methods of competition in commerce within the meaning of the Federal Trade Commission Act, as amended, and the using or employing of any of them shall be deemed to be a violation of the Code, and any member of the

Industry which shall directly or indirectly through an officer, employee, agent, or representative, employ or cause to be employed, any such unfair practices shall be guilty of violation of the Code.

Sec. 2. For all purposes of this Code, the following described acts shall constitute unfair practices.

a. Selling ice or services below the cost of such production or service.

(1) Cost is defined to include raw materials, transportation thereof, manufacturing, harvesting, storage, shrinkage, delivery, depreciation, merchandising, administrative expense, insurance and taxes, as determined by standard accounting practice recognized in the Industry and approved by the Administrator and the Code Authority for the enforcement of this Code.

b. Selling ice at a price lower than the price prescribed in duly published schedules.

c. Establishing or changing price schedules without having first complied with the applicable provisions of Article X relative to the filing and publishing of price schedules.

d. Selling ice to one or more purchasers at other and different prices than those charged other purchasers of the same class and of similar conditions of service.

e. Giving any form of rebate including stocks, cash, overweights exceeding five percent (5%), special services of any character, special price on other products, advertising allowances, or exchange of ice for other products.

f. Mislabeling, misbranding, false or misleading advertising, and the making of false invoices.

g. The giving of any form of commercial bribery.

h. Making guarantees against advance or protection against decline in prices.

i. Making disparaging statements known to be false concerning a competitor, his product, service, or his merchandise.

j. Enticement of a competitor's employees, provided that no employee shall be refused employment for the reason that he was employed by another employer in the Industry.

k. Making or issuing misleading guarantees.

l. Diverting from their normal markets into any market ice produced from plants primarily operated for some specific use other than the manufacture of ice for sale in the domestic and commercial markets, and the practice of producers or vendors of selling ice into other than their basic or normal markets, channels or territories, are condemned by the Industry as unfair methods of competition in all cases in which such transactions are conducted otherwise than in compliance with the following restrictions:

(1) Such ice cannot be sold below the lowest published schedule of prices obtaining in the market or territory in which such ice is offered for sale, and the price paid for such ice by peddlers or dealers shall not be lower than the lowest published dealer or peddler price in the market into which such dealer or peddler sells such ice, regardless of what may be the price to dealer or peddler in the normal territory or market out of which such ice is moved.

(2) Such ice cannot be sold below the average cost of production and distribution of all ice produced, sold or distributed by the pro-

ducer or seller, plus the cost of transportation to the points of ultimate sale or delivery.

(3) Such ice cannot be sold for lower prices than those being secured by the producer or seller in his normal or basic market.

(4) Such ice must be sold under the same service conditions as to off-season sales and as to protection of customers through proper storage as are established by any of the ice producers, dealers, or distributors in competition with whom such ice is designed to be placed.

The sale of ice by a producer or dealer with the knowledge that such ice is purchased with the intention of reselling the same in violation of the terms of the provisions herein is an unfair trade practice, the same as if the seller of such ice had engaged in an unlawful sale direct or through his employed agents.

The determination of what constitutes " normal market, use, channel, or territory " shall be made by the Code Authority, with the approval of the Administrator.

Article X—Administration

Section 1. *The Code Authority.*—A planning and coordinating committee, consisting of eight members is hereby declared to be the Code Authority to act as a planning and fair practice agency for the Ice Industry to cooperate with the Administrator in the administration and enforcement of this Code. This Code Authority shall be constituted as follows:

(a) Not more than three members without vote as may be hereinafter provided by any rule or regulation promulgated under the authority of the National Industrial Recovery Act appointed by the Administrator.

(b) Five members selected by the National Association of Ice Industries and approved by the Administrator. Vacancies caused by resignation or incapacity shall be filled by selection by the Executive Committee of the National Association of Ice Industries with the approval of the Administrator.

The Code Authority may, from time to time, present to the Administrator recommendations for amendments to this Code or for other action based upon conditions of the Industry which will tend to effectuate operation of the provisions of this Code and the policy of Title I of the National Industrial Recovery Act.

The Code Authority with the approval of the Administrator may delegate any of its functions and powers under this Code to such committees, officers, agents, or employees as it may designate or appoint.

Sec. 2. *Regional Advisors.*—In each of the ten territorial divisions of the National Association of Ice Industries covering the entire United States, the Code Authority shall designate some one individual to act as its territorial assistant in such division; said individual shall be selected by the National Association of Ice Industries and appointed by the Code Authority with the approval of the Administrator, and shall be designated as the Regional Advisor for such division.

The Regional Advisor shall be the representative in his division of the Code Authority. He shall be a member ex officio of each

Committee of Arbitration and Appeal, hereinafter described, of the various Unit Ice Associations within his divisional territory. All recommendations of each Committee of Arbitration and Appeal within his divisional territory shall be submitted immediately to the Regional Advisor and it shall be his duty to transmit such findings, together with his recommendations covering them, to the Code Authority.

Sec. 3. *Committees of Arbitration and Appeal.*—Within the territories embraced by the existing Unit Ice Associations, covering the entire United States, and by such other unit ice associations as may be hereafter organized, and with open rights of participation extended to all members of the Industry within the territory, whether members of an association or not, a committee of Arbitration and Appeal may be created, which committee shall, subject to the approval of the Administrator, interpret this Code and make application of it within its territory, prescribe practices for making effective the intent of the Code in the territory, hear controversies arising out of the application of the Code and to make recommendations thereon to the Code Authority, and after being notified of violations of this Code, investigate the same and make recommendations to the Code Authority relative to what action should be taken. The members of this Committee of Arbitration and Appeal for each of the Unit Ice Associations in numbers shall not be less than three or more than seven and shall be appointed by the Code Authority from a representative list of nominees submitted by the Unit Ice Association.

It shall not be necessary for the members of these committees of Arbitration and Appeal to be members of the National Association of Ice Industries.

Sec. 4. *Posting and Filing Schedules.*—Every member of the Industry shall be required to post on the effective date of this Code and to file with the Code Authority and with the Committee of Arbitration and Appeal in his particular territory within fifteen (15) days of the effective date of this Code, and thereafter keep posted, at each point of sale, a complete schedule of prices applicable to all transactions carried on, according to accepted trade classifications. These prices cannot be changed without notification to the Code Authority and to the Committee of Arbitration and Appeal fifteen (15) days in advance of the effective date of such changes. Upon effective date thereof any changed schedule of prices shall be posted and thereafter be kept posted at each point of sale.

Sec. 5. *Cost of Administration.*—For the purpose of defraying the cost of administering this Code by the Code Authority, all Unit Ice Associations that desire to participate in the operation of this Code to the extent of organizing a Committee of Arbitration and Appeal, as provided in Article X, shall pay annually to the National Association of Ice Industries, for so long as they may continue to participate, a sum of money equivalent to one mill per ton of ice sold during the last previous calendar year by all members of said Unit Ice Association, provided, in the event that such rates produce a fund greater than reasonably necessary to defer the cost, as determined by the Code Authority, of such administration, then, and in such case, such surplus funds shall be proportionately refunded to

the Unit Ice Associations or a proper adjustment of the provisions of this Section shall be made. The funds so paid to the National Association of Ice Industries shall be kept separate from the general funds of the Association and shall be expended under direction of the Code Authority for the purpose of defraying expenses of operation of the Code Authority, its agent and employees, and of the Regional Advisors.

Sec. 6. *Reports and Investigations.*—Such Code Authority shall, subject to the approval of the Administrator, require from any member of the National Association of Ice Industries or members of any Unit Ice Association, organization, or group belonging to or subscribing to the National Association of Ice Industries such reports as are deemed by said Code Authority to be necessary to effectuate the purpose of this Code, and may, upon its own initiative or upon complaint of any person affected, make investigation of such members to ascertain the functioning and observance of the provisions of this Code and report the result of such investigation to the Administrator for such action as may be proper under the provisions of the National Industrial Recovery Act, or the rules and regulations promulgated by virtue thereof. The Administrator may, from time to time, require from members of the Ice Industry, who are not members of the National Association of Ice Industries, or of any Unit Ice Association, such reports, and make such investigations of such members of the Industry as he may deem necessary.

In addition to information required to be submitted to the Code Authority there shall be furnished to government agencies such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the National Industrial Recovery Act.

Article XI—Control of Production

If at any time an individual, firm, corporation, or partnership, or other form of enterprise, desires to establish additional ice production, storage, or tonnage in any given territory, said party must first establish to the satisfaction of the Administrator that public necessity and convenience require such additional ice-making capacity, storage, or production. The ice manufactured from any plant that was not in actual operation on September 8, 1933, shall not be sold to any purchaser for a period of twelve months from the date subsequent to September 8, 1933, upon which the operation of such plant may be initiated or resumed, at prices lower than the lowest corresponding prices in good faith published, as required by this Code, in a schedule or schedules governing prices to such purchasers; providing and excepting that this provision will not apply to the sale of ice manufactured by the following:

(a) Plants installed upon authority of a certificate of necessity and convenience duly issued by the Administrator; or

(b) Plants temporarily shut down for repairs for a period not in excess of twelve months prior to September 8, 1933; or

(c) Plants that were owned or whose output was controlled by companies or operations that were on September 8, 1933, in good

faith engaged in the business of selling ice to the general trade in the market in which the ice from such plants is proposed to be sold, such plants being on September 8, 1933, out of operation because of the intent in good faith to further the economic conduct of the business of such company or operation.

Article XII—General Provisions

Section 1. *Adjustment of Contracts.*—Where the cost of executing contract, entered into in the Ice Industry prior to the approval of the President of the United States of this Code, are increased by the application of the provisions of that Act to the Industry, it is equitable and promotive of the purposes of the National Industrial Recovery Act that appropriate adjustments of such contracts to reflect such increased costs be arrived at by arbitral proceeding or otherwise, and the National Association of Ice Industries, the applicant for this Code, is constituted an agency to assist in effecting such adjustments.

Sec. 2. *Employer Under More Than One Code.*—If any employer of labor in the Ice Industry is also an employer of labor in any other industry the provisions of this Code shall apply to and affect only that part of his business which is included in the Ice Industry.

Sec. 3. *State Laws.*—This Code shall not supersede any law of any State imposing more stringent requirements regulating the age of employees, hours of work, or health, fire, or general working conditions, than imposed under this Code.

Sec. 4. *Amendments, Supplements, etc.*—Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions to this Code or additional Codes will be submitted for the approval of the President to prevent unfair competition in price and other unfair competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions hereof.

Sec. 5. *President May Modify.*—This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of Clause 10 (b), Title I, of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act, and specifically, but without limitation, to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

Approved Code No. 43.
Registry No. 126-01.

O

Approved Code No. 44

CODE OF FAIR COMPETITION

FOR THE

BOOT AND SHOE MANUFACTURING INDUSTRY

As Approved on October 3, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Boot and Shoe Manufacturing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved, subject to the following condition:

(1) Because it is evident that attempts by those submitting codes to interpret Section 7 (a) of the National Industrial Recovery Act have led to confusion and misunderstanding, such interpretation should not be incorporated in Codes of Fair Competition. Therefore, Article IV must be eliminated.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
October 3, 1933.

The PRESIDENT, OCTOBER 3, 1933.
The White House.

MY DEAR MR. PRESIDENT: This is a report of the hearing on the Code of Fair Competition for the Boot and Shoe Manufacturing Industry in the United States, conducted in Washington on September 12, 1933, in accordance with the provisions of the National Industrial Recovery Act.

PROVISIONS OF THIS CODE AS TO WAGES AND HOURS

ARTICLE V—*Hours and Rates of Pay*

Section 1. No employee, including office workers (except as hereinafter provided), shall work more than 40 hours in 1 week; provided, however, that during any 8 weeks of a 6 months' period (the first period to begin on the effective date of this Code) employees may work not more than 45 hours a week. Time in excess of 8 hours per day shall be paid on the basis of time and one-third. The foregoing maximum hours of labor and overtime payment, however, shall not apply to outside salesmen, watchmen, firemen, cleaners, or to employees in a managerial or executive capacity who receive more than $35 per week. Said maximum hours of labor shall not apply to employees doing emergency, maintenance, and repair work, or work where restrictions of hours of workers on continuous processes would unavoidably reduce production or interrupt employment, but in any such cases, at least time and one-third shall be paid for time worked in excess of 8 hours per day or 45 hours per week.

Section 2. No male employee shall be paid less than 37½ cents per hour or female employee less than 32½ cents per hour in any city over 250,000 population; nor male employee less than 36¼ cents per hour or female employee less than 31¼ cents per hour in any city between 20,000 and 250.000 population, inclusive; nor male employee less than 35 cents per hour or female employee less than 30 cents per hour in cities or towns of less than 20.000 population; except that the minimum rates of 35 cents per hour for males and 30 cents per hour for females shall apply to all cities and towns, regardless of size, in the following States: Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Kentucky, Tennessee, Alabama, Mississippi, Louisiana, Arkansas, Oklahoma, and Texas. There shall be no discrimination in wages by reason of sex, and where in any case women do substantially the same work, or perform substantially the same duties, as men they shall receive the same rate of wages. Provided further, apprentices during a 6 weeks' period may be paid at a rate not less than 80 percent of the minimum rate; such apprentice class, however, shall not consist of more than 5 percent of all employees in any establishment.

Section 3. Not later than January 15, 1934, the Planning and Fair Practice Committee shall undertake an investigation of the minimum wage scale contained herein and submit its report and recommendations thereon to the Administrator not later than March 1, 1934.

Section 4. Unskilled employees receiving in excess of the foregoing minimum rates of pay shall not be reduced; and equitable adjustments in all pay schedules of employees receiving more than the minimum rates shall be made not later than 30 days after approval of this Code by any employers in the Industry who have not heretofore made such adjustments under the President's Reemployment Agreement.

Section 5. Employers and employees may make mutually satisfactory wage agreements covering the employment of the infirm, partially disabled, or physically handicapped, if such employees do not constitute more than 5 percent of the total number of employees.

Section 6. Pieceworkers shall be paid at least the minimum amount per hour prescribed in section 2 of this article for the time employed.

Section 7. Employers in the industry shall not employ any minor under the age of 16 years; provided, however, that where a State law provides an older minimum age, no person below the age specified by such State law shall be employed by the industry within that State.

ECONOMIC EFFECT OF THE CODE

In approaching this problem, certain assumptions as to business levels must be made. To assume a shrinkage from the early levels of this year is to assume failure of our program.

The hours of the Code, after providing for a short peak of 45 in each half year, hold to an absolute maximum of 40 hours per week. Such a condition must of necessity mean an effective average of something under 40—more nearly 37—hours per week.

Assuming a continuation of the level of business of the early months of this year, the number of workers employed in this industry should reach the highest point of approximately 225,000, which was the number employed in September 1929. In view of the drifting away of workers from the industry that has taken place since 1929 it seems probable that some small amount of recruiting must result from the hours established.

The minimum wage provisions of this Code will affect directly over 60 percent of the wage earners in the South and over 30 percent of the wage earners in the North. Increases from the level of the first quarter of 1932 will be required of as much as 50 percent in the South and over 30 percent in the North. On account of the further decline in wages in the latter half of 1932 it is evident that the increase from the early 1933 levels will be even greater. It seems safe to estimate that purchasing power will be increased by 30 percent.

While the differential in wage rates for cities of different sizes is not common to codes, the amount of the differential provided in the Code is far less than the differential which, as a fact, has existed. It is believed that failure to recognize certain cost disadvantages of smaller communities would disrupt materially the competitive situation in this industry and might result in an appreciable shift in the industry. The fact that a large part of the machinery used is leased removes some of the penalty normally involved in a change of location.

The Boot and Shoe Manufacturing Industry is made up of nearly 1,000 units belonging to over 750 different concerns and spreads over

a large part of the United States, both in large and small communities. The bringing together of this diverse group into the Code attached hereto is, in itself. an accomplishment of no mean proportion and a long step toward the purposes set forth in the National Industrial Recovery Act.

ARTICLE IV—*Employer-Employee Relationships*

Insofar as consistent with the foregoing provisions, employers in the Boot and Shoe Manufacturing Industry may continue present employer and employee relations, and the selection, retention, and advancement of employees shall be on the basis of individual merit without regard to their affiliation or nonaffiliation with any labor or other organization.

This clause should be eliminated, and it is recommended that the Executive order be issued accordingly.

FINDINGS

The Administrator finds that—

(*a*) The Code as recommended complies in all respects with the pertinent provisions of Title I of the Act, including, without limitation, subsection (a) of Section 7 and subsection (b) of Section 10 thereof; and that

(*b*) The applicant group imposes no inequitable restrictions on admission to membership therein and is truly representative of the Boot and Shoe Manufacturing Industry; and that

(*c*) The Code as recommended is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

It is recommended, therefore, that this Code, with Article IV eliminated, be immediately adopted.

Respectfully submitted.

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

BOOT AND SHOE MANUFACTURING INDUSTRY

Article I—Purposes

Section 1.—To cooperate with the President of the United States in effectuating the policy of Title I of the National Industrial Recovery Act the following provisions are established as a Code of Fair Competition for the Boot and Shoe Manufacturing Industry, comprising the manufacture of boots, shoes, sandals, slippers, moccasins, leggings, over-gaiters, and allied footwear chiefly of leather, and also footwear of canvas and other textile fabrics, together with such other products of the Boot and Shoe Industry as may from time to time be included in this Code.

Section 2.—This Code is not designed to promote or permit monopolies, or monopolistic practices, or to eliminate or oppress small enterprises, or to operate to discriminate against them.

Article II—Administration

The National Boot and Shoe Manufacturers' Association (incorporated under the laws of the State of New York), which shall not impose inequitable restrictions upon admission to membership therein, is hereby constituted the agency for administering, in cooperation with the Administrator of the National Industrial Recovery Act, the provisions of this Code for the Boot and Shoe Manufacturing Industry.

The Board of Directors of the National Boot and Shoe Manufacturers' Association shall be elected by a fair method approved by the Administrator of the National Industrial Recovery Act. and shall be truly representative of the industry.

A Planning and Fair Practice Committee shall be elected from said Board of Directors by a fair method approved by the President of the United States, who may appoint thereto three members without vote. The President of the National Boot and Shoe Manufacturers' Association shall preside at meetings of the Planning and Fair Practice Committee with vote in case of tie, and the Managing Director of said Association shall be a member thereof without vote.

Article III—Statutory Provisions

Employers in the Boot and Shoe Manufacturing Industry shall comply with the following conditions of the National Industrial Recovery Act:

Section 1.—That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of

employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

Section 2.—That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

Section 3.—That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

*Article IV—Employer-Employee Relationships

Insofar as consistent with the foregoing provisions, employers in the Boot and Shoe Manufacturing Industry may continue present employer and employee relations and the selection, retention, and advancement of employees shall be on the basis of individual merit without regard to their affiliation or nonaffiliation with any labor or other organization.

Article V—Hours and Rates of Pay

Section 1.—No employee, including office workers (except as hereinafter provided), shall work more than 40 hours in one week: *Provided, however*, That during any 8 weeks of a 6 months' period (the first period to begin on the effective date of this Code), employees may work not more than 45 hours a week. Time in excess of 8 hours per day shall be paid on the basis of time and one-third. The foregoing maximum hours of labor and overtime payment, however, shall not apply to outside salesmen, watchmen, firemen, cleaners, or to employees in a managerial or executive capacity who receive more than $35 per week. Said maximum hours of labor shall not apply to employees doing emergency, maintenance, and repair work, or work where restrictions of hours of workers on continuous processes would unavoidably reduce production or interrupt employment, but in any such cases, at least time and one-third shall be paid for time worked in excess of 8 hours per day or 45 hours per week.

Section 2.—No male employee shall be paid less than 37½ cents per hour or female employee less than 32½ cents per hour in any city over 250,000 population; nor male employee less than 36¼ cents per hour or female employee less than 31¼ cents per hour in any city between 20,000 and 250,000 population, inclusive; nor male employee less than 35 cents per hour or female employee less than 30 cents per hour in cities or towns of less than 20,000 population; except that the minimum rates of 35 cents per hour for males and 30 cents per hour for females shall apply to all cities and towns, regardless of size, in the following States: Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Kentucky, Tennessee, Alabama, Mississippi, Louisiana, Arkansas, Oklahoma, and Texas. There shall be no discrimination in wages by reason of sex, and where in any case women do substantially the same work, or perform substantially the same duties as men, they shall receive the

* This article deleted per last paragraph of Executive Order approving this Code.

same rate of wages: *Provided further*, Apprentices during a 6 weeks' period may be paid at a rate not less than 80 percent of the minimum rate; such apprentice class, however, shall not consist of more than 5 percent of all employees in any establishment.

Section 3.—Not later than January 15, 1934, the Planning and Fair Practice Committee shall undertake an investigation of the minimum wage scale contained herein and submit its report and recommendations thereon to the Administrator not later than March 1, 1934.

Section 4.—Unskilled employees receiving in excess of the foregoing minimum rates of pay shall not be reduced; and equitable adjustments in all pay schedules of employees receiving more than the minimum rates shall be made not later than 30 days after approval of this Code by any employers in the Industry who have not heretofore made such adjustments under the President's Reemployment Agreement.

Section 5.—Employers and employees may make mutually satisfactory wage agreements covering the employment of the infirm, partially disabled, or physically handicapped, if such employees do not constitute more than 5 percent of the total number of employees.

Section 6.—Pieceworkers shall be paid at least the minimum amount per hour prescribed in Section 2 of this Article for the time employed.

Section 7.—Employers in the Industry shall not employ any minor under the age of 16 years; provided, however, that where a State law provides an older minimum age, no person below the age specified by such State law shall be employed by the Industry within that State.

Article VI—Reports and Keeping of Accounts

Section 1.—The Planning and Fair Practice Committee hereinbefore described shall require members of the industry to keep such accounts and submit to the National Boot and Shoe Manufacturers' Association for custody and compilation such reports from time to time as may be necessary to effectuate the policies of the National Industrial Recovery Act and the administration of this Code. All statistical data filed in accordance with the provisions of this section shall be held confidential by the National Boot and Shoe Manufacturers' Association, and the data of one employer shall not be revealed to any other employer. In addition to information required to be submitted to the National Boot and Shoe Manufacturers' Association, there shall be furnished to Government agencies such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the National Industrial Recovery Act. Failure on the part of any manufacturer in the Industry promptly to supply such information as required under this Article shall be in violation of this Code.

Section 2.—The National Boot and Shoe Manufacturers' Association is authorized from time to time, as occasion may arise, to investigate and inform the President of the United States on behalf of the Industry regarding importation of competitive articles into the United States, in order that such importations may not defeat the purposes of the National Industrial Recovery Act.

Article VII—Charges and Collections of Funds

Section 1.—For the purpose of administering this Code, the Planning and Fair Practice Committee is authorized to charge each manufacturer in the Industry in the United States one hundredth of 1 percent (.0001%) of the gross sales of such manufacturer for the calendar year 1932, or for his fiscal year ending in 1932, provided that no such amount shall be less than $50; and during the operation of this Code to make such further charges or reductions as may be found necessary.

Section 2.—Such funds collected for the administration of this Code shall be deposited by the treasurer of the National Boot and Shoe Manufacturers' Association in a special account and used only for defraying the expenses of administration thereof, for the reimbursement of the National Boot and Shoe Manufacturers' Association for such expenses as already incurred and which may hereafter be incurred in complying with conditions of this Code.

Article VIII—Trade Regulations

Section 1.—Misbranding and misleading advertising.

(*a*) Misbranding of products, including use of names of manufacturers, wholesalers, or retailers, in or on products or cartons not made by them or for them is unfair and in violation of this Code.

(*b*) Advertising of such character as to mislead with respect to value, quality, manufacture, or construction of products is unfair and in violation of this Code.

(*c*) The imitation, simulation, or use of trade-marks, slogans, or other marks of identification having tendency and capacity to mislead or deceive purchasers is unfair and in violation of this Code.

(*d*) Contributions by manufacturers of all or part of the cost of customers' advertising, where the manufacturer's name or trade-mark does not appear in such advertising, is in violation of this Code.

Section 2.—Selling below cost, and cost accounting.—The practice of selling below cost is detrimental to the Industry; and each manufacturer shall submit upon request a statement from a certified public accountant recognized by the Planning and Fair Practice Committee for the Industry as qualified, to the effect that such manufacturer has a proper cost-accounting system; which statement, however, may not be accepted as final by the Planning and Fair Practice Committee either as to cost accounting or as to selling below cost.

Section 3.—Maximum trade terms for domestic business.

(*a*) Selling wholesalers, department stores, retailers, and others in the trade on a net basis or with cash discounts is permissible, but in no case shall a discount in excess of 5 percent be allowed; said discount to be allowed for payment of bills within 30 days from delivery date specified on the order or date of shipment if later, 15 days additional west of the Rocky Mountains.

(*b*) At the expiration of 30 days, with 15 days additional west of the Rocky Mountains, no cash discounts shall be allowed.

(*c*) Such terms shall not be subverted or evaded directly or indirectly through allowances, trade discounts, selling below cost, or rebates of any kind.

Section 4.—Special cartons.—Special cartons or labels costing more than those regularly supplied by the manufacturer shall be charged for in the amount of such excess cost.

Section 5.—Unjustifiable returns, excessive claims, and unfair cancelation.—The methods of cooperatively exchanging information regarding such practices through the National Boot and Shoe Manufacturers' Association may be recommended to be continued subject to the approval of the Administrator.

Section 6.—Style shows.—Style shows, shoe fairs, and exhibitions have been found to be numerous and costly to the industry. Participation by paying a fee to the sponsors or promoters of such affairs shall constitute a violation of this Code, except meeting in St. Louis in January, 1934, and exhibitions under the direction of the National Boot and Shoe Manufacturers' Association with no obligation on the part of any manufacturer to participate. Nothing contained in this paragraph shall be construed as preventing regional meetings or conventions where no fees to the manufacturers are charged or contributions received from them. This section shall not be evaded by provisions for associate or sustaining memberships, advertising in programs, or in any other manner whatsoever.

Article IX—Changes

This Code, or any of its provisions, is subject to change and modification; and may be amplified by the addition of other provisions by the administrative agency with the approval of the President of the United States.

Article X—Modifications

This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of subsection (b) of Section 10 of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act and specifically, but without limitation, to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

Article XI—Date Effective

This Code shall become effective immediately upon the expiration of 10 days after approval by the President of the United States, and shall terminate upon termination of Title I of the National Industrial Recovery Act. Such termination, however, shall not affect obligation and liability for payment of any charges levied under this Code as provided in Article VII.

Approved Code No. 44.
Registry No. 904/1/05.

O

Approved Code No. 45

CODE OF FAIR COMPETITION

FOR THE

SADDLERY MANUFACTURING INDUSTRY

As Approved on October 3, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Saddlery Manufacturing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:

HUGH S. JOHNSON,

Administrator.

THE WHITE HOUSE,

October 3, 1933.

29911——296-152——34

September 28, 1933.

The President,
The White House.

My dear Mr. President: This is a report of the hearing on the Code of Fair Competition for the Saddlery Manufacturing Industry in the United States, conducted in Washington on September 19, 1933, in accordance with the provisions of the National Industrial Recovery Act.

PROVISIONS OF THIS CODE AS TO WAGES AND HOURS

Article III—Hours

Section 1. No employee shall work or be permitted to work in excess of 40 hours average in any 4-months period nor over 40 hours in any week except by payment of 1⅓ rate for overtime, nor over 8 hours in any 24-hour period except by payment of 1⅓ rate for overtime.

Sec. 2. From the provisions of paragraph one the following classes shall be excepted:

(a) Supervisory staff and executives, when working in a supervisory or managerial capacity, watchmen, bookkeepers, and outside salesmen.

(b) Machine repair men, factory engineers, and firemen who may be employed in emergencies for a longer period, but shall not be permitted to work over 40 hours in any week except by the payment of 1⅓ for overtime.

(c) Office workers, inside salesmen, stock clerks, order clerks, shipping clerks, porters, warehousemen, packers, truckmen, and drivers who shall not be permitted to work in excess of 40 hours average in any 26-week period.

Sec. 3. There shall be no evasion of this Code by reclassification of the function of workers. A worker shall not be included in one of the above exceptions unless the identical functions which he performs were identically classified on June 16, 1933.

Sec. 4. The maximum hours fixed in the foregoing Sections 1 and 2 shall not apply to employees on emergency maintenance and repair work, but in any such special case, at least time and one third shall be paid for hours worked in excess of the maximum hours herein provided.

Sec. 5. No employee shall work or be permitted to work for a total number of hours in excess of the number of hours prescribed for each week and day, whether employed by one or more employers.

Article V—Child Labor

On and after the effective date employers in the Saddlery Industry shall not employ or retain any minor under the age of sixteen years.

Article VIII—Wages

Section 1. Labor in the Saddlery Industry shall be classified as consisting of skilled mechanics and unskilled labor. Skilled mechanics shall include the following when working in factories manufacturing harness, harness parts, strap work, collars, and saddles, or any of them, whether made of leather or substitutes for leather; cutters, sewing-machine operators, fitters, stampers, stuffers, hand collar facers, bucklers, thong stitchers, whether by hand or machine; operators of clicking machines, dieing-out machines, riveting machines, finishing machines, punching machines, or other similar machines; but as there are different degrees of skill within the above operations, workmen in the above-mentioned operations are entitled to a differential in wages therein. Unskilled labor shall include all help other than skilled mechanics.

Sec. 2. The minimum wage shall be thirty-five (35) cents per hour, save in the States of Tennessee, Kentucky, Mississippi, Alabama, Georgia, Florida, South Carolina, North Carolina, Virginia, Texas, Oklahoma, Arkansas, Louisiana, New Mexico, Arizona, where it shall be thirty-two and one half (32½) cents per hour. There shall be a differential in favor of skilled labor of not less than fifteen (15) cents per hour, but in no case shall the lowest paid skilled mechanic receive less than fifteen (15) cents per hour over and above the minimum rate prescribed herein.

As an exception to the foregoing provisions of Sections 1 and 2 of this Article all women engaged as employees making pads used under collars, harness, or saddles, or making canvas stitched back bands or open bottom cotton fibre stuffed cotton collars or flynets or horse covers, shall receive not less than thirty-two and one half (32½) cents per hour, save in the States named above, where it shall be thirty (30) cents per hour.

Sec. 3. Beginners without previous experience in making saddlery products shall receive not less than 80% of the minimum wage of unskilled labor for a period of not more than ninety days; beginners with previous experience in making saddlery products who are classified as skilled mechanics in one department, when transferred to another department shall receive not less than 80% of the minimum wage for said operation to skilled mechanics, for not more than ninety days, the percentage of all beginners at any one time not to exceed 5% of the total employees, but any manufacturer may employ at least two such beginners.

Sec. 4. Special exceptions to Sections 1 and 2 of this Article.

Skilled mechanics who on account of the infirmities of age or some physical or mental disability, cannot do the work of able-bodied workers, are exempt from the wage provisions of their class; provided, however, that such employees shall not exceed in number 5% of the total workers employed by a manufacturer; but any manufacturer may employ at least two such employees. Their compensation if on piecework, shall be the regular piece rates; if on a time basis, they shall be paid what they are worth, measured by the output of fair average able-bodied workers, but in no case shall this be less than 80% of the minimum rate for unskilled workers.

ECONOMIC EFFECT OF THE CODE

The 40-hour average maximum for factory employees with payment for overtime above 8 hours per day, or 40 hours per week, should tend to level peaks of employment in this Industry and increase employment by between 15% and 20%. The 40-hour average for office workers and the like, while uncontrolled as to maximum, will result in hours following very closely those of the factory and equally will cause reemployment to the extent of some 15% to 20%.

While the average weekly wage will not be materially increased, the total of wages paid in the Industry should increase at least to the extent of reemployment.

The larger number of one-man saddlery and harness shops in this country do not come under the Code. They represent competition which already is severe and which will increase to the extent that wages are increased in the larger shops. The wage rates established seem to be the highest which can safely be borne by the Industry in the face of such competition for new material and the possibility of repairing old material.

As pointed out in the report of the Research and Planning Division, the Saddlery Manufacturing Industry has been decreasing for some time, resulting in an unusual degree of demoralization. In their desire to correct this situation, the proponents of the Code were very insistent upon the inclusion of unfair trade practices and marketing provisions, which would insure some degree of price protection. Such provisions usually were at the expense of the consumer. There still remain a number of such provisions in Article X, but these provisions are not such as to lead to arbitrary price fixing.

While at first glance Section 2 of Article X appears to be an attempt to control wholesalers not members of the Saddlery Manufacturing Industry, the provision that the resale rules must receive the approval of the Administrator should insure coordination and the absence of injustice to such wholesalers. This provision is desirable because of the fact that many manufacturers are distributors of their own product, while others use the independent wholesalers referred to.

This Code is unusual to the extent of attempting to segregate and define skilled labor as compared with unskilled labor. The definition of skilled labor has the approval of the Labor Advisory Board. In spite of some possible disadvantages of such an abrupt jump in wage, the 15-cent differential in favor of the skilled classification seems highly desirable to force a more uniform spread for skill throughout the Industry and secure a more uniform competitive situation.

While most of the product of this Industry is of leather, some considerable volume of harness is made of cotton. Leather harness is much longer lived and much higher priced than is the cotton product. The cotton product sold in most part to southern tenant farmers would, on account of the skilled classification, be increased in price out of proportion to other products of the Industry. Most employees engaged on this type of product are female. For this reason, and for the reason that a female differential does in fact

exist, there is included a provision for a 2½ cent lower wage for females. The resulting level is as good or better than that of the Cotton Textile Code. The differential is too small to cause any appreciable displacement of male workers by female workers.

I believe that the Code, as a whole, is a compromise between the producers of high and low quality goods both in the North and the South which is an excellent tool with which to approach the goal set up in the National Industrial Recovery Act.

FINDINGS

The Administrator finds that:

(a) The Code as recommended complies in all respects with the pertinent provisions of Title I of the Act, including, without limitation, subsection (a) of Section 7 and subsection (b) of Section 10 thereof; and that

(b) The applicant group imposes no inequitable restrictions on admission to membership therein and is truly representative of the Saddlery Manufacturing Industry; and that

(c) The Code as recommended is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

It is recommended, therefore, that this Code be immediately adopted.

Respectfully submitted.

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

SADDLERY MANUFACTURING INDUSTRY

Article I—Purpose

To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are submitted as a Code of Fair Competition for the Saddlery Industry, and upon approval by the President shall be the standard of fair competition for this industry.

Article II—Definitions

Wherever used in this Code the terms hereinafter in this article defined shall, unless the context shall otherwise clearly indicate, have the respective meanings hereinafter set forth. The definition of any term in the singular shall apply to such use of the term in the plural, and vice versa.

Section 1. The term " The President " means the President of the United States.

Sec. 2. The term " The Saddlery Industry " or " the industry " means and includes the business of manufacturing harness, harness parts, strap work, collars, and saddles, or any of them, and/or kindred lines whether made of leather or substitutes for leather, and selling, by manufacturers, of products of their own manufacture. Kindred lines include pads, flynets, horse covers, muzzles, and any other related lines that may from time to time be included under the provisions of this Code.

Sec. 3. The term " Employee " as used herein includes any person engaged in any phase of the industry in any capacity in the nature of employee irrespective of the method of payment of his compensation. Helpers paid by employees are employees of the manufacturer.

Sec. 4. The term " Employer " or " manufacturer " as used herein includes anyone for whose benefit such an employee is so engaged.

Sec. 5. The term " Member of the Industry " includes any employer or manufacturer who shall be subject to this Code.

Sec. 6. " Effective Date " as used herein means ten days after this Code shall have been approved by the President of the United States.

Sec. 7. The term " The Saddlery Manufacturers Association " or " The Association " means the Saddlery Manufacturers Association of the United States of America, a voluntary association of manufacturers engaged in the saddlery industry, offices of which association now are at 822 Exchange Avenue, Union Stock Yards, Chicago, Ill.

Sec. 8. The term " The Saddlery Industry National Committee " means the Executive Committee (as from time to time constituted) of the Saddlery Manufacturers Association, elected by a fair method

of selection, approved by the President, and not more than three members without vote, appointed by the President.

Sec. 9. The term "The Secretary" means the Secretary of the Saddlery Manufacturers Association at the time in office.

Sec. 10. The term "Unfair Trade Practice" means and includes any act herein described as an unfair practice.

Article III—Hours

Section 1. No employee shall work or be permitted to work in excess of 40 hours average in any 4-months period nor over 40 hours in any week except by payment of 1⅓ rate for overtime, nor over 8 hours in any 24-hour period except by payment of 1⅓ rate for overtime.

Sec. 2. From the provisions of paragraph one the following classes shall be excepted:

(a) Supervisory Staff and executives, when working in a supervisory or managerial capacity, watchmen, bookkeepers, and outside salesmen.

(b) Machine repair men, factory engineers, and firemen who may be employed in emergencies for a longer period, but shall not be permitted to work over 40 hours in any week except by the payment of 1⅓ for overtime.

(c) Office workers, inside salesmen, stock clerks, order clerks, shipping clerks, porters, warehousemen, packers, truckmen, and drivers who shall not be permitted to work in excess of 40 hours average in any 26-week period.

Sec. 3. There shall be no evasion of this Code by reclassification of the function of workers. A worker shall not be included in one of the above exceptions unless the identical functions which he performs were identically classified on June 16, 1933.

Sec. 4. The maximum hours fixed in the foregoing Sections 1 and 2 shall not apply to employees on emergency maintenance and repair work, but in any such special case at least time and one third shall be paid for hours worked in excess of the maximum hours herein provided.

Sec. 5. No employee shall work or be permitted to work for a total number of hours in excess of the number of hours prescribed for each week and day, whether employed by one or more employers.

Article IV—Statutory Provisions

All employers in the industry shall comply with the following provisions of the National Industrial Recovery Act.

Section 1. That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

Sec. 2. That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

SEC. 3. That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

ARTICLE V—CHILD LABOR

On and after the effective date employers in the Saddlery Industry shall not employ or retain any minor under the age of sixteen years.

ARTICLE VI—ADMINISTRATION

SECTION 1. To further effectuate the policies of the Act, a Code Authority is hereby set up to cooperate with the Administrator in the administration of this Code. It shall consist of the Saddlery Industry National Committee as defined in Article 2, Section 8, of this Code, and will be referred to as the Saddlery Industry National Committee. The Saddlery Industry National Committee shall have all the powers and duties conferred upon it by the National Industrial Recovery Act and the Code, subject to review by the Administrator.

The Code Authority shall have among its duties, but without limitation on the foregoing, that of investigating complaints from members of the industry respecting prices or practices that are demoralizing or destructive to the industry, or that tend to create a monopoly; and if such prices or practices are found to exist, the Committee shall report the facts to the proper authority.

SEC. 2. The Saddlery Industry National Committee shall have power from time to time (a) to appoint and remove, and to fix the reasonable compensation of all officers and employees and all such accountants, attorneys, and experts as such Saddlery Industry National Committee shall deem necessary or proper for the purpose of administering the Code.

SEC. 3. The expenses of administering the Code shall be borne by members of the industry. The Saddlery Industry National Committee may from time to time make such assessments on account of such expenses against the members of the industry as it shall deem proper, and such assessments shall be payable as such Committee shall specify. The assessments above referred to shall be divided among the members of the industry in the same proportion to each other as their dues would bear to each other if all were members of the Association.

ARTICLE VII—STATISTICS

SECTION 1. The Saddlery Industry through the Saddlery Manufacturers Association shall collect and compile all reports required by the National Industrial Recovery Administration. Every member of the industry shall furnish such reports as are required pursuant to the provisions thereof.

In addition to information required to be submitted to the Code authority, there shall be furnished to government agencies such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the National Industrial Recovery Act.

Sec. 2. To the extent that the Saddlery Industry National Committee may deem that any information furnished in accordance with the provisions of the Code is of a confidential character, no publication thereof to anyone except the Administrator shall be made other than in combination with similar information furnished by other members of the industry.

Article VIII—Wages

Section 1. Labor in the Saddlery Industry shall be classified as consisting of skilled mechanics and unskilled labor. Skilled mechanics shall include the following when working in factories manufacturing harness, harness parts, strap work, collars, and saddles, or any of them whether made of leather or substitutes for leather; cutters, sewing-machine operators, fitters, stampers, stuffers, hand collar facers, bucklers, thong stitchers, whether by hand or machine, operators of clicking machines, dieing out machines, riveting machines, finishing machines, punching machines, or other similar machines; but, as there are different degrees of skill within the above operations, workmen in the above-mentioned operations are entitled to a differential in wages therein. Unskilled labor shall include all help other than skilled mechanics.

Sec. 2. The minimum wage shall be thirty-five (35) cents per hour, save in the States of Tennessee, Kentucky, Mississippi, Alabama, Georgia, Florida, South Carolina, North Carolina, Virginia, Texas, Oklahoma, Arkansas, Louisiana, New Mexico, Arizona, where it shall be thirty-two and one-half (32½) cents per hour. There shall be a differential in favor of skilled labor of not less than fifteen cents per hour, but in no case shall the lowest paid skilled mechanic receive less than 15 cents per hour over and above the minimum rate prescribed herein.

As an exception to the foregoing provisions of Sections 1 and 2 of this Article all women engaged as employees making pads used under collars, harness, or saddles, or making canvas stitched back bands or open bottom cotton fibre stuffed cotton collars or flynets or horse covers, shall receive not less than thirty-two and one half (32½) cents per hour, save in the States named above, where it shall be thirty (30) cents per hour.

Sec. 3. Beginners without previous experience in making saddlery products shall receive not less than 80% of the minimum wage of unskilled labor for a period of not more than ninety days; beginners with previous experience in making saddlery products who are classified as skilled mechanics in one department, when transferred to another department shall receive not less than 80% of the minimum wage for said operation to skilled mechanics, for not more than ninety days, the percentage of all beginners at any one time not to exceed 5% of the total employees, but any manufacturer may employ at least two such beginners.

Sec. 4. Special exceptions to Sections 1 and 2 of this Article. Skilled mechanics who, on account of the infirmities of age or some physical or mental disability, cannot do the work of able-bodied workers, are exempt from the wage provisions of their class; pro-

vided, however, that such employees shall not exceed in number 5% of the total workers employed by a manufacturer; but any manufacturer may employ at least two such employees. Their compensation, if on piecework, shall be the regular piece rates; if on a time basis, they shall be paid what they are worth, measured by the output of fair average able-bodied workers, but in no case shall this be less than 80% of the minimum rate for unskilled workers.

Article IX—Accounting

Section 1. The Saddlery Industry National Committee may prepare a practical accounting procedure applicable to saddlery manufacturers, which, when approved by the President, shall govern the determination of cost.

Article X—Unfair Trade Practices

For all purposes of the Code, the following-described Acts shall constitute unfair practices:

Section 1. Selling saddlery products on terms more favorable than those defined as standard terms for the industry, to wit: 2% discount for cash within 10 days from date of shipment; 30 days net, except products shipped between July 1st and October 1st may be subject to 2% discount, October 10th, net November 1st, and products shipped between December 1st and March 1st, may be subject to 2% discount March 10th, and net April 1st, which standard terms apply to harness, harness parts, strap work, collars, and saddles, or any of them, whether made of leather or substitutes for leather; but in the case of saddlery products sold to wholesalers on above excepted terms, shipments may be made 30 days earlier.

Sec. 2. Selling saddlery products to wholesalers for resale to retailers unless and until said wholesalers have agreed to abide by the standard terms for resale laid down for the Saddlery Industry when and as approved by the President.

Sec. 3. Shipping Saddlery products on consignment or on approval, or on any terms that are evasive of the established terms established in this Code.

Sec. 4. Misbranding saddlery products, or selling saddlery products as of good commercial quality, when made from leather known and sold by tanners as being below standard quality.

Sec. 5. Making direct shipments of stock pads from the pad manufacturer to any other consignee than the actual wholesale purchaser at his regular place of business, except as jobbers may require shipments in straight carloads to other points for distribution therefrom.

Sec. 6. The Saddlery Industry National Committee shall hold further trade practice conferences from time to time to determine and establish other rules of fair trade practices and unfair trade practices for the entire industry, which, when approved by the President, shall become a part of this Code.

Article XI—General

Section 1. No provision in this Code shall be interpreted or applied in such a manner as to

(a) promote monopolies or monopolistic practices; (b) permit or encourage unfair competition; (c) eliminate or oppress small enterprises; or (d) discriminate against small enterprises.

Sec. 2. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of Subsection (b) of Section 10 of the National Industrial Recovery Act from time to time to cancel or modify any order, approval, license, rule or regulation issued under Title I of said Act and specifically, but without limitation, to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

Sec. 3. Within each State, members of the industry shall comply with any laws of such State imposing more stringent requirements, regulating the age of employees, wages, hours of work, or health, fire, or general working conditions, than under this Code.

Sec. 4. The provisions of this Code shall not be binding on a member to the extent, if at all, that the Code may be in conflict with the Anti-Trust Laws of a State, where such member operates.

Sec. 5. The bylaws of the association shall not be amended in any way which will tend to place inequitable restrictions on membership in the association or which will tend to make the association not truly representative of the industry.

Approved Code No. 45.
Registry No. 915/01.

Approved Code No. 46

CODE OF FAIR COMPETITION

FOR THE

MOTOR VEHICLE RETAILING TRADE

As Approved on October 3, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Motor Vehicle Retailing Trade, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
October 3, 1933.

29863—296-153——34

SEPTEMBER 20, 1933.

THE PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval the Code of Fair Competition for the Motor Vehicle Retailing Trade. The Code has been approved by the Industrial Advisory Board, the Labor Advisory Board, and the Consumers' Advisory Board.

An analysis of the provisions of the Code has been made by the Administration and a complete report is being transmitted to you.

I find that the Code complies with the requirements of clauses 1 and 2, subsection (a) of section 3 of the National Industrial Recovery Act.

I am, my dear Mr. President,
Very sincerely yours,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

MOTOR VEHICLE RETAILING TRADE

Article I—Purpose

This Code is adopted for the purpose of increasing employment, establishing fair and adequate wages, affecting necessary reduction of hours, improving standards of labor, and eliminating unfair trade practices to the end of rehabilitating the Motor Vehicle Retail Trade and enabling it to do its part toward establishing that balance of trades which is necessary to the restoration and maintenance of the highest practical degree of public welfare. It is the declared purpose of the Motor Vehicle Retail Trade to bring, insofar as may be practicable, the rates of wages paid within the Motor Vehicle Retail Trade to such levels as are necessary for the creation and maintenance of the highest practicable standard of living; to restore the income of enterprises within the trade to levels which will make possible the payment of such wages and avoid further depletion and destruction of capital assets; and from time to time to revise the rates of wages in such manner as will currently reflect the equitable adjustment to variations in the cost of living.

Article II—Definitions

Wherever in this Code, or in any proceeding under or in connection with this Code, the following words or terms are used, they shall be deemed and taken to have the meanings ascribed to them as follows:

The word " Dealer " includes, but without limitation, any individual, partnership, association, trust, or corporation engaged in whole or in part in the business of motor vehicle retailing.

The term " Exclusive or Independent Used-Car Dealer " shall mean a dealer selling used motor vehicles, who may likewise service or repair such used motor vehicles, and who does not hold an authorized new-car dealer's franchise.

The term " Motor Vehicle Retailing " shall mean the business of retailing new or used motor vehicles, and the servicing or repairing of new or used motor vehicles by persons engaged in retailing new or used motor vehicles.

The term " Motor Vehicles " as used herein means automobiles, including passenger cars, trucks, truck tractors, busses, taxicabs, hearses, ambulances, and other commercial vehicles, for use on the

highway and excluding motorcycles, fire apparatus, and tractors other than truck tractors.

The term "Association" as used herein means National Automobile Dealers Association, a trade association incorporated under the laws of Illinois, having its principal office at No. 1010 Pine Street, St. Louis, Mo.

The term "President" shall mean the President of the United States.

The term "Administrator" shall mean the Administrator appointed under Title I of the National Industrial Recovery Act.

The term "Act" shall mean the National Industrial Recovery Act of 1933.

The term "Code" shall mean the Code of Fair Practice of the Motor Vehicle Retail Trade.

The term "Member of the Code" shall mean and include any member of the Motor Vehicle Retailing Trade who shall signify assent to this Code.

Article III—Employment Regulations

A. Labor

(1) Employees of the Motor Vehicle Retailing Trade shall have the right to organize and bargain collectively through representatives of their own chosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

(2) No employee of the Motor Vehicle Retailing Trade and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

(3) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

B. Wages and Hours

(1) No person under 16 years of age shall be employed in the Motor Vehicle Retailing trade, provided, however, that where a State law provides a higher minimum age, no person below the age specified by such State law shall be employed within that State.

(2) No employee (except outside commission salesmen and watchmen) shall be employed for more than 44 hours in any 1 week. These maximum hours refer to the availability of the employee in the shop or premises of the employer at the latter's request, whether or not the employee is actively engaged in specific tasks throughout these hours. All places of business shall be kept open not less than 52 hours a week, unless such hours were less than 52 hours per week before July 1, 1933, and in which case such hours shall not be reduced at all.

(3) The maximum hours fixed in the foregoing paragraph (2) shall not apply to salaried employees in a managerial, executive, or supervisory capacity who receive $30 per week or more.

(4) Not to pay any employees, except as hereinbelow provided, less than $15 per week in any city of over 500,000 population, or in the immediate trade area of such city, nor less than $14.50 per week in any city of between 250,000 and 500,000 population, or in the immediate trade area of such city; nor less than $14 per week in any city of between 2,500 and 250,000 population, or in the immediate trade area of such city; nor less than $13 per week in towns of 2,500 or less, except that *one* washer or greaser or porter or helper or aged or physically handicapped worker may be employed at less than $13 per week in such establishment; and except that in establishments employing more than 19 employees the number of such employees who are paid less than $13 per week may equal but not exceed 10 percent of the total number of employees in any such establishment; and provided further that no employee shall be paid less than $13 per week who was not receiving less than this wage on August 1, 1933; and provided further that the wages of any employee receiving less than $13 per week shall be increased by at least 20 percent, despite his shortened hours, provided, however, that no employer is required to raise the wages of any such employee above $13 per week.

(5) Full-time outside salesmen, who are unrestricted as to hours and receive remuneration on a commission basis, shall be guaranteed a drawing account of not less than $17.50 a week in any city of over 500,000 population, or in the immediate trade area of such city; nor less than $15 per week in any city between 250,000 and 500,000 population, or in the immediate trade area of such city; nor less than $12.50 per week in any city between 2,500 and 250,000 population, or in the immediate trade area of such city; and in towns of less than 2,500 population all salesmen shall be guaranteed not less than $10 per week.

An apprentice salesman is excepted from this guaranty until he has served at least 3 months—2 months of which must be served with employer last employing him. Such apprentices shall be limited to 1 for each 10 regular salesmen, or fraction thereof.

Population and trade area for the purpose of this article shall be determined by reference to the 1930 Federal census; except that the Emergency National Committee with the approval of the Administrator shall have the power to alter trade areas.

(6) No mechanic employed in this trade shall be paid less than 50 cents per hour unless the hourly rate for the same class of work on July 15, 1929, was less than 50 cents per hour, in which latter case such mechanic shall be paid not less than the hourly rate of July 15, 1929, and in no event less than 40 cents per hour. The weekly minimum wages established in paragraph (4) above shall also apply to mechanics covered by this paragraph (6).

(7) Paragraph (4) and paragraph (6) establish guaranteed minimum wages regardless of whether the employee is compensated on the basis of a time rate or a flat rate performance or otherwise.

(8) No dealer shall reduce the compensation for employment now in excess of the minimum wages hereby provided (notwithstanding that the hours worked in such employment may be hereby reduced)

and each dealer shall increase the pay for such employment by an equitable readjustment of all pay schedules.

(9) No dealer shall use any subterfuge to frustrate the spirit and intent of this Code, which is, among other things, to increase employment, to remove obstructions to commerce, and to shorten hours and to raise minimum wages for the shorter week to a living basis.

(10) No dealer shall increase the price of any merchandise sold after the date hereof over the price on July 1, 1933, by more than is made necessary by actual increases in wages, or invoice costs of merchandise, or by taxes, since July 1, 1933, and in setting such price increases each dealer shall give full weight to probable increases in sales volume and to refrain from taking profiteering advantage of the consuming public.

(11) The maximum hours herein above provided mark the total number of hours which may be worked by any employee; whether he works for one or more employers; provided, however, that if any employee works more than such aggregate maximum without the knowledge or connivance of any one of his employers, such employer shall not be deemed to have violated this paragraph.

(12) No employee shall be classified in any of the excepted classes hereinabove unless such employee performs duties identical with those performed by employees thus classified on June 16, 1933.

Article IV—Trade Regulations

The provisions of this section will cover the following products: Passenger cars, trucks, and commercial vehicles with bodies of ¾-ton capacity and less, or such other capacity limitation as may be deemed proper by the Administrator.

A. Used Car Allowance

In an effort to prevent sales below cost, heretofore due to unfair competition that has resulted in the dissipation of the large part of the capital originally in this trade and has accumulated large losses since 1926, this trade agrees to regulate itself so as to return profit possibilities and support increased wages and shortened hours.

Giving consideration to the public interest and to prevent sales below cost it is hereby provided:

(1) That the value of any model of used motor vehicle, either passenger or commercial, shall be the average price that the public in any given market area is then paying for such vehicle as ascertained by the Association from sworn statements of all actual retail sales to consumers, subject to the approval of the Administrator. The Association shall publish the average prices thus ascertained approximately every 60 days. In order to insure fair average value in the interest of the consumer, published averages shall be computed for the preceding period and there shall not be included in computing such average that 20 percent of sales which represented the lowest sales of all actual sales reported in the previous period.

(2) That no dealer shall, directly or indirectly, or by subterfuge, accept in trade any used vehicle at an allowance price of more than its value as ascertained in paragraph (1) above, less a minimum sell-

ing, handling, and reconditioning charge, according to the following schedule:

(*a*) Five percent of the allowance price as determined in paragraph (1) above, on (x) the current series model, or (y) the preceding series model.

(*b*) Ten percent of the allowance price as determined in paragraph (1) above on the model preceding, the two models described in paragraph (2) subsection (a) above, namely (x) and (y).

(*c*) Fifteen percent of the allowance price as determined in paragraph (1) above, on all models other than the three models described in subsections (a) and (b) above.

(3) To provide a record for the establishment of used-car allowances in paragraph (1) above, there shall be provided in each logical trading area of the United States an Official Guide, which shall be provided by the Association which shall be known as the Association Official Guide and shall be recognized as the authority for such allowances, and which shall be based upon actual sales in each trading area for the period of approximately 60 days preceding the date on which the compilation of the official guide is started, as hereinabove provided.

(4) There shall be used as a basis of establishing allowance values, as provided in paragraphs (1) and (2) above, the principle of averaging actual sales at retail to consumer for the preceding period. Since this will, in isolated instances, by reason of very few or no sales on particular models leave a need to establish a guide figure on such models, the following method of determining the allowance values will be pursued for the public protection, namely:

(*a*) If any model of motor vehicle described in the Official Guide shows five or more sales at retail to consumer within the district in any period, then the average figure published becomes the maximum allowance for the ensuing period.

(*b*) If any model of motor vehicle has less than five sales at retail to consumer within the district for the period, then the new-car dealers handling this particular make car within this district shall establish its allowance value, the same to be so published in the report. These figures to be subject to approval of the Advisory State Committee and the Administrator.

(*c*) If any make or model or motor vehicle is not represented in the district or is no longer manufactured and less than five sales at retail to consumer are reported on each or any model of such car, then the Advisory State Committee, subject to the approval of the Administrator, will set the figure based on what like models of other makes sell for in the district.

(5) No retailer shall use advertising, whether printed, radio, display, or any other nature, which is inaccurate in any material particular or misrepresents merchandise (including its use, trade mark, grade, quality, quantity, size, origin, material, content, or preparation or credit terms, values, policies, or services; and no retailer shall use advertising and/or selling methods which tend to deceive or mislead the customer.

(6) No retailer shall use advertising which refers inaccurately in any material particular to any competitor or his merchandise, prices, values, credit terms, policies, or services.

Fair trade practice rules for other products of this Code will be covered in the Supplemental Code of Fair Trade Practices to be submitted.

B. Marketing Rules

The following Marketing Rules shall take effect 30 days after the approval by the President:

(1) No dealer shall sell a new car at retail to a consumer for less than factory list prices, plus an amount equal to—

(*a*) Equipment at listed prices.

(*b*) All taxes paid by dealer applicable to the motor vehicle sold.

(*c*) Average cost of transportation from factory of said dealer or shipments received by said dealer during a 60-day period as shown by sworn statement of said dealer.

(*d*) Dealer's actual cost of handling (including such items as (w) unloading, (x) assembling, (y) conditioning for delivery, and (z) interest actually paid by said dealer, but not to exceed 90 days on cost of transportation).

The only exceptions to these prices shall be sales to proprietors' immediate families or members of his organization when for the personal use of such buyer. Motor vehicles sold to employees for use in their employer's business as demonstrators or executives' cars, and cars used as demonstrators by dealer, must be so registered with their trade association, or with the State Advisory Committee; demonstrators' and executive cars shall not be sold to a consumer at retail for less than the full retail price except when they have been in use for a period of at least 60 days from the date of registration, as aforesaid, and have had at least 3,500 miles actual road usage, or when the manufacturers has made public announcement of a change in model.

(2) No dealer or representative shall offer or give any discount, gratuity, commission, service, or accessory, to a customer or his agent, for the purpose of inducing the customer or his agent to purchase a car. Nothing herein shall prevent conduct pursuant to any warranty of the manufacturer.

(3) Charges for financing retail conditional sales shall be upon an equitable basis to consumer and dealer. No dealer in financing conditional retail sales shall charge a lower rate than the lowest or a higher rate than the highest rate charged by regularly established finance companies operating in the same district as the dealer.

(4) With the approval of the State Advisory Committee and the manufacturer concerned, a dealer will be permitted to sell and offer for sale, new cars that have been discontinued or are about to be discontinued at less than delivered prices as described in the first paragraph of this section. The intent of this provision is to enable dealers to dispose of their own or their factories' stock. In the event that approval is refused, or that no action is taken within 10 days by the said Committee or the manufacturer, said dealer shall have right of appeal to the Administrator, whose decision shall be final.

(5) With the approval of the State Advisory Committee and the manufacturer concerned, the dealer may sell or offer for sale, any open type of new car at less than delivered price, as described in the

first paragraph of this section, provided the dealer will present a sworn statement showing that such car has been included in said dealer's inventory for a period of not less than 45 days. The intent of this provision is to enable a dealer to dispose of a type of car which is or may shortly become difficult to sell because of a change in seasons. In the event that approval is refused or that no action is taken within 10 days by the said committee or the manufacturer, said dealer shall have right of appeal to the Administrator, whose decision shall be final.

(6) It shall be an unfair trade practice for any new car dealer or representative to sell or permit to be sold any new motor vehicle for resale in a territory already enfranchised for that make of motor vehicle except through a regularly enfranchised dealer in that territory and it shall also be an unfair trade practice for any dealer to purchase a vehicle as above prohibited.

(7) The retail list price for parts, accessories, and supplies will be the manufacturers' published list price adjusted to include all taxes. It shall be an unfair trade practice for any dealer to sell such parts, accessories, and supplies at other than retail list price, except to duly authorized dealers, associate or sub-dealers, or established service stations, operating under any NRA Code.

(8) A dealer shall on delivery of a new car from the manufacturer, inspect and ascertain that the speedometer on the new car is connected before using the car for any purpose. A dealer shall not disconnect the speedometer or permit it to be disconnected. The purpose of this provision is to insure the customer having full knowledge of the mileage traveled by the motor vehicle which is offered for retail sale.

C. Trade Practice Rules

The Emergency National Committee shall hold a trade practice conference as often as may be necessary for the purpose of making recommendations to the Administrator in regard to the establishment and amending of rules of fair trade practice for the Trade.

Article V—Districts of the Industry

A. For the purpose of the administration of this Code, there shall be in each State an advisory committee consisting of not less than five, one of whom shall be elected from the exclusive or independent used car dealers, elected by the dealers of such State, in convention or by mail vote. The chairman of each State Advisory Committee shall be a member of the Emergency National Committee. The Vice Chairman of each State Advisory Committee shall be an alternate member of the Emergency National Committee.

Each such State Advisory Committee shall constitute the fair practice and planning agency to cooperate with the Administrator in respect to problems relating exclusively to the said State. Proposals in respect to matters affecting more than one State may be initiated by any State Advisory Committee and shall be submitted for consideration to the Emergency National Committee of the motor vehicle retailing trade hereinafter described and its determination, subject to the approval of the Administrator, shall be binding upon said State

and all other States affected thereby. For the purpose of the administration of this Code, the District of Columbia, Metropolitan New York, and the rest of New York, Metropolitan Chicago, and the rest of Illinois, shall each be considered one State.

States may be divided or rearranged upon application of any association or group of associations subject to the approval of the Emergency National Committee hereinafter described.

B. Executive Committees

Each of the present component associations making up each State Group and any others which may subsequently be formed within the Motor Vehicle Retailing trade shall set up Executive Committees for the purpose of assisting in administration of the provisions of the Code, to secure adherence thereto, to hear and adjust complaints, to consider proposals for amendments thereof and exceptions thereto, and otherwise to carry out within the component associations by cooperation through the State Advisory Committee the purposes of the National Industrial Recovery Act as set forth in this Code. Any decision of the Committee shall be subject to final appeal to the Administrator. No inequitable restrictions upon membership in any such association shall at any time be imposed.

Article VI—Emergency National Committee

A. Representation

There shall be an Emergency National Committee of the Motor Vehicle Retailing Trade composed of the Chairman of each State Advisory Committee and five additional members, who shall be members of some State Advisory Committee, elected at large by the exclusive or independent used car dealers.

B. Powers

The Emergency National Committee shall be the general planning and coordinating agency for the industry. Its members selected as aforesaid shall be empowered to act for their respective State Advisory Committees conclusively in respect to all matters before the National Committee for consideration and within its jurisdiction. The Chairman of the Emergency National Committee shall appoint fourteen members, three of whom shall be exclusive used car dealers to be called the Administrative Committee. Such appointments are to be approved by a majority of the members of the Emergency National Committee, and to insure balanced representation of all classes of dealers must include dealers from smaller towns, and dealers geographically representative of the Nation, as well as the various lines of cars and with consideration of the appointee's availability and willingness to serve.

The Emergency National Committee shall delegate its power to the smaller body to be exercised as necessary to problems requiring attention between meetings of the National body.

The Emergency National Committee shall have powers and duties as provided herein, and in addition thereto it shall,

(1) From time to time require such reports from state associations and component associations, or from local associations, or from individual dealers. as in its judgment, subject to the approval of the Administrator. may be necessary to advise it adequately of the administration and enforcement of the provisions of this code:

(2) Upon complaint of interested parties or upon its own initiative make such inquiry and investigation into the operation of the Code as may be necessary, and report its findings to the Administrator, and

(3) Make rules and regulations necessary for financing the administration and enforcement of this Code, subject to the approval of the Administrator. The Committee may delegate any of its authority to the National Control Committee hereinafter provided and may designate such agents as it shall determine.

Article VII—Statistics

The National Automobile Dealers Association will serve as a medium through which all required statistics will be obtained, and each member of the Code shall upon request furnish it with a sworn statement of such information and make his books available to the National Automobile Dealers Association, to the end that the terms of this Code regarding increase of wages, shortening of hours, and the establishment of fair used-car allowance, based upon all actual sales and the maintenance of established prices, may constantly be available to the Administrator.

Article VIII—National Control Committee

The Emergency National Committee of the motor vehicle retailing trade shall appoint from its own membership a National Control Committee of 4 members, 1 of whom shall be an exclusive used-car dealer. In addition, there may be two non-voting members appointed by the Administrator. The National Control Committee shall exercise such authority as may be delegated to it by the said Emergency National Committee. All communications and conferences of the motor vehicle retailing trade with the President or with his agents concerning the approval or amendment of this Code or of any of its provisions or any matters relating thereto, shall be through the said National Control Committee. The National Control Committee shall serve as an executive agency for the Emergency National Committee of the motor vehicle retailing trade and shall be charged with the execution of the duties, through agents or otherwise, of hearing and adjusting complaints, considering proposals for amendments and making recommendations thereon, approving recommendations, for exceptions to the provisions of this Code, and otherwise administering its provisions. Any member of this Trade shall have the right of appeal to the Emergency National Committee from decisions of the National Control Committee and the decisions of the said Emergency National Committee may be appealed from, to the Administrator whose decision will be final. The function of this committee shall be the general planning and coordinating for the motor vehicle retail trade and the cooperation with similar boards of the National Automobile Chamber of Commerce and other branches of the industry to the end of effecting a balanced national economy.

Article IX—General

(1) No provision in this Code shall be interpreted or applied in such a manner as to:

(*a*) Promote monopolies
(*b*) Permit or encourage unfair competition
(*c*) Eliminate or oppress enterprises, or
(*d*) Discriminate against small enterprises.

(2) This Code is hereby expressly made subject to the right of the President, pursuant to Section 10 (b) of the National Industrial Recovery Act, from time to time, to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act, and particularly, but without limitations, to cancel or modify his approval of this Code or any condition imposed by him upon such approval.

(3) The Emergency National Committee of the motor vehicle retailing trade and the National Control Committee shall from time to time make to the Administrator such recommendations, including amendments of the Code, as in their judgment will aid the effective administration of this Code, or may be necessary to effectuate within the motor vehicle retailing trade or within any subdivision thereof for which the purpose of the Act is administered.

(4) Such of the provisions of this Code as are not required to be included therein by the Act, may, with the approval of the President, be modified or eliminated as changes in circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions to this Code or Codes, including in particular, but without limitations, supplementary provisions relating to dealers engaged exclusively in servicing or repairing, will be submitted for the approval of the President to prevent unfair competition in price and other unfair and destructive competitive practices and to effectuate the other purposes and policies of Title I of the Act consistent with the provisions thereof.

(5) Violation by any dealer of the motor vehicle retailing trade or any provisions of this Code, or of any approved rule issued thereunder, is an unfair method of competition.

(6) If any employer in this industry is also an employer in any other industry, the provisions of this Code shall apply to and affect only that part of the business of such employer which is a part of the trade covered by this Code.

(7) This Code shall become effective upon its approval by the President, except as herein specifically provided.

Approved Code No. 46.
Registry No. 1403-32.

○

Approved Code No. 47

CODE OF FAIR COMPETITION

FOR

BANKERS

As Approved on October 3, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Bankers' Code of Fair Competition, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator, and do order that the said Code of Fair Competition be, and is hereby, approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
October 3, 1933.

29897——296-154——34

OCTOBER 2, 1933.

THE PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval the Bankers' Code of Fair Competition.

This Code was proposed by the American Bankers' Association, founded in 1875. The association represents slightly more than 70 percent of the total number of banks and more than 94 percent of the banking resources of the country. Membership requirements therein impose no undue restrictions.

The Bankers' Code of Fair Competition has the approval of the association, the several Advisory Boards of the National Recovery Administration, and the cooperation of officials of the Federal Reserve Board, the Treasury Department, and the Comptroller of the Currency's office.

No objector from nonmembers of the association appeared at the hearing, nor did any such nonmember file any objection to the code. However, representation on the code committee is provided in the code for such nonmember banks.

A complete report is being transmitted herewith. Important features may be summarized as follows:

(A) *Reemployment and wages.*—Unquestionably, there has been a decided increase in both number of employees and their wages since the signing of the modification of the President's Reemployment Agreement, except in small country towns. Bank staffs have been held together as far as possible. Labor advisors stated that banks pay employees higher wages than are paid by industry generally. Nevertheless, with the desire to support the President's Recovery Program and to meet reasonably the request of labor, the bankers agreed to revisions of the code, principally to reduce the time of apprenticeship from 12 to 6 months and to confine this group of employees to approximately 5 percent of entire personnel, as against the prevailing 10 percent in leading centers. These concessions and the shortening of hours, both contained in the code, will bring about additional employment and higher wages.

(B) *Fair trade practices.*—(1) Uniform maximum banking hours are provided for similar institutions in any given area. (2) Payment of interest on deposits by all banks is brought under the Banking Act of 1933 and the rules and regulations of the Federal Reserve Board. This provision should eliminate competitive bidding for deposits and thus enable the banks to invest more conservatively than in the past. (3) Service charges: These charges form a highly complicated phase of banking. I believe the Code Committee will be empowered more fully to handle these problems and to unify the practices thereunder than any other agency heretofore established. (4) Trust services: In effect this provision is designed as an ethical standard for trust institutions.

I find that the code complies with the pertinent provisions of clauses (1) and (2), subsection (a) of section 3 of the National Industrial Recovery Act.

Respectfully,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR

BANKERS

Preamble

To effectuate the policy of Title I of the National Industrial Recovery Act during the period of emergency, the following provisions are established as a Code of Fair Competition for Banks:

Article I—Definitions

The term " bank " as used herein shall include all national banks, State banks, savings banks (except mutual savings banks), trust companies, and private bankers accepting deposits, in the United States proper.

The terms " employee " or " banking employee " as used herein shall mean any person employed by a bank in any capacity in connection with its banking functions and operations.

The term " United States proper " as used herein shall mean the forty-eight (48) States of the United States and the District of Columbia.

The term "Administrator " as used herein shall mean the National Recovery Administrator.

Population for the purposes of this code shall be determined by reference to the 1930 Federal Census.

Article II—Effective Date

The effective date of this Code, except as specifically provided for hereinafter, shall be the second Monday after its approval by the President of the United States.

Article III—General Labor Provisions

Employers shall comply with the following provisions of Section 7 (a) of Title I of the National Industrial Recovery Act:

(1) Employees shall have the right to organize and bargain collectively through representatives of their own choosing and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(2) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

(3) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

Article IV—Child Labor

On and after the effective date of this Code no person under sixteen (16) years of age shall be employed by any bank; provided, however, that where a State law prescribes a higher minimum age no person below the age specified by such State law shall be employed within such State.

Article V—Hours of Employment

(1) On and after the effective date of this Code no banking employee shall work or be permitted to work more than forty (40) hours per week averaged over a period of thirteen (13) consecutive weeks.

(2) The maximum hours of employment prescribed in the foregoing paragraph shall be subject to the following exceptions:

(a) In districts or sections of the country where the seasonal nature of commerce, agriculture, or industry making necessary the moving of some product within a limited period imposes upon banking facilities an unusual demand, employees of banks subject to such peak demand may work forty-eight (48) hours per week for a period not to exceed sixteen (16) consecutive weeks in any calendar year. Any such increase in hours of employment shall be reported monthly to the Banking Code Committee provided for in Article VII hereinafter.

(b) All banking employees required to perform extra work or observe later hours in connection with periodic examination by Federal or State banking authorities, over which the bank has no control either as to the time of occurrence or as to the duration, shall be exempt during such periods from the limitations upon hours of employment prescribed in the foregoing paragraphs.

(c) Employees in banking institutions employing not more than two (2) persons in addition to executive officers, in towns of less than 2,500 population, not part of a larger trade area, and employees in a managerial or executive capacity or in any other capacity of distinction or sole responsibility (regardless of the location of the bank), who receive more than thirty-five (35) dollars per week, shall be exempt from the limitations upon hours of employment prescribed in the foregoing paragraphs.

(d) These provisions for working hours shall not apply to night watchmen employed to safeguard the assets of the bank, who cannot with safety be shifted or changed during the night period.

Article VI—Wages

(1) On and after the effective date of this Code no employee in cities of over 500,000 population, or in the immediate trade area of such cities, shall be paid less than at the rate of $15 per week; no employee in cities between 250,000 and 500,000 population, or in the immediate trade area of such cities, shall be paid less than at the rate of $14.50 per week; no employee in cities between 2,500 and 250,000 population, or in the immediate trade area of such cities, shall be paid less than at the rate of $14 per week. In towns of less

than 2,500 population the wages of all classes of employees shall be increased by not less than twenty (20) percent, provided that this shall not require an increase in wages to more than the rate of $12 per week.

(2) It is provided, however, that employees without previous banking experience or training employed as apprentices may be paid during a continuous period of not more than six (6) months at the rate of eighty (80) percent of the minimum wages prescribed in the foregoing paragraph. No bank shall include within the category of apprentices more than one such employee for every twenty (20) employees or fraction thereof.

(3) Employers shall not reduce the compensation for employment now in excess of the minimum wages provided for herein, notwithstanding that the hours worked in such employment may be hereby reduced.

Article VII—Administration

(1) To effectuate further the policies of the National Industrial Recovery Act, a Banking Code Committee is hereby set up to act as a planning and fair-practice agency and to cooperate with the Administrator in the administration and enforcement of this Code. This Committee shall consist of fifteen representatives of the American Bankers Association, who shall be truly representative of the membership of the Association, a representative selected by fifty-one (51) percent (measured by total resources) of the nonmembers of the American Bankers Association, and a representative or representatives, without vote, appointed by the President of the United States.

(2) The Banking Code Committee may from time to time present to the Administrator recommendations, based upon conditions in the banking business, which will tend to effectuate the operation of the provisions of this Code and the policy of the National Industrial Recovery Act. Such recommendations shall, upon approval of the Administrator, after such public notice and hearing as he may prescribe, become operative as part of this Code.

(3) The Banking Code Committee may, subject to the approval of the Administrator, require from all banks such reports as are necessary to effectuate the purposes of this Code, and shall upon its own initiative or upon complaint of any person affected make investigation as to the functioning and observance of any provision of the Code and report the results of such investigation to the Administrator.

(4) The Banking Code Committee shall, subject to the approval of the Administrator, supervise the setting up of Regional Committees according to the following plans:

(a) Where banks are now organized through State banking associations, city clearing-house associations, county groups, or otherwise, such organizations shall, with the approval of the Banking Code Committee, appoint a committee for the purpose of assisting the Administrator and the Banking Code Committee in the administration and enforcement of this Code within such local region.

(b) Banks in regions or districts not now organized shall, within thirty (30) days after the effective date of this Code, send duly

qualified representatives to a joint meeting called for the purpose of organizing under the supervision of the Banking Code Committee a Regional Clearing House Association or such other committee along the lines of procedure set forth in the Manual of Organization and Management of Regional Clearing House Associations compiled by the American Bankers Association.

(c) Where such action hereinbefore stipulated shall not have been taken within thirty (30) days after the effective date of this Code, the Banking Code Committee may set up through the State banking association or associations a Regional Committee or Committees.

(5) The Committees provided for in the preceding paragraphs shall assist the Administrator and the Banking Code Committee in the administration and enforcement of this Code within local areas and shall, subject to the approval of the Administrator and of the Banking Code Committee, adopt local rules and regulations governing competitive practices within local areas.

(6) The Administrator may from time to time, after consultation with the Banking Code Committee, issue such administrative interpretations of the various provisions of this Code as are necessary to effectuate its purpose within the provisions of the National Industrial Recovery Act of 1933, and such interpretations shall become operative as a part of this Code.

Article VIII—Fair Trade Practices

To effectuate the purposes of the National Industrial Recovery Act all banks shall comply with the following rules governing fair competition in banking practices, which shall become effective sixty (60) days after the approval of this Code by the President of the United States:

(1) *Hours of banking.*—Within cities, trade areas, counties, or such other area as is covered by the regional clearing house, or other organized group, banking institutions of the same kind or character shall, subject to the approval of the Administrator, establish uniform maximum hours of banking operations, but any bank in such a group may observe shorter hours than the maximum established. (Banks having both commercial and savings accounts are to be construed as of the same character.) By hours of banking operations is meant the period during which the doors of the banking institution are open for the purpose of serving the public. It is not intended or required that all banks within a given area shall maintain uniform banking hours, but it is the express intention of this provision that all banking institutions of like kind and character shall maintain uniform maximum hours each with the other. The uniform hours so adopted shall not be less than those in effect in the majority of the banks within any given district prior to June 1, 1933, and if the hours of any bank are so reduced to conform with the majority, or if any bank observes shorter hours than the majority, then no such bank shall by reason of this fact reduce the number of its employees below the number employed at the time such reduction in hours is made.

(2) *Interest.*—Subject to the rules and regulations of the Federal Reserve Board with respect to maximum rates of interest to be paid on time and savings deposits and the method of calculation thereof, as prescribed in the Banking Act of 1933, all banks within groups or districts hereinbefore referred to (except investment banking houses accepting deposits, which houses are subject to the Code of Fair Competition for Investment Bankers) shall maintain the same maximum rates of interest and the same method of calculation thereof upon deposits of like character, but this shall not be construed to require any bank to pay such maximum rates if it does not so desire. The Banking Act of 1933 (Section 11-B) provides that no bank which is a member of the Federal Reserve System may pay interest on demand deposits; the rules and regulations provided by clearing-house associations or other groups shall contain a stipulation that no interest is to be paid by any bank (except investment banking houses accepting deposits, which houses are subject to the Code of Fair Competition for Investment Bankers) within such group, whether member or nonmember of the Federal Reserve System, on demand deposits, provided that nothing in these rules and regulations shall be in contravention of the permissive provisions of Section 11-B of the Banking Act of 1933.

(3) *Service charges.*—Each clearing house, county association, county group, or State bank association shall, subject to the approval of the Administrator, adopt rules fixing uniform service charges to be charged by banks within such district or group in accordance with the practice now in effect whereby services rendered by banks shall be compensated for either by adequate balances carried or by a scale of charges. The Federal Reserve Act prohibits member banks from making any exchange charge for remitting to the Federal Reserve Bank of their district for cash items, and since the Federal Reserve System provides a par clearance plan, exchange charges as such shall be left to the determination of each individual bank.

(4) *Trust service.*—Trust departments shall be operated in accordance with the provisions of the Statement of Principles of Trust Institutions, adopted by the Trust Division of, and approved by, the Executive Council of the American Bankers Association on April 6, 1933. A statement of these principles is appended as Schedule A and made a part of this Code.

Article IX—General Provisions

(1) Membership in the American Bankers Association shall be open to all banks included within the provisions of this Code, and said Association shall impose no inequitable restrictions upon admission to membership therein.

(2) It is expressly provided that no provision of this Code shall be interpreted or applied so as to conflict in any way with any Federal or State banking law or any rule or order which has been or may be issued by the Federal Reserve Board, the Comptroller of the Currency, or by any State banking authority.

(3) This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the pro-

visions of Section 10 (b) of Title I of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

(4) Such other provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in the circumstances or experience may indicate.

(5) The provisions of this Code shall expire on the expiration date of Title I of the Act or on the earliest date prior thereto on which the President shall by proclamation, or the Congress shall by joint resolution, declare that the emergency recognized by Section I of the National Industrial Recovery Act has ended.

SCHEDULE A

A STATEMENT OF PRINCIPLES OF TRUST INSTITUTIONS

TRUST DIVISION AMERICAN BANKERS ASSOCIATION, 1933

FOREWORD

This statement of principles has been formulated in order that the fundamental principles of institutions engaged in trust business may be restated and thereby become better understood and recognized by the public as well as by trust institutions themselves, and in order that it may serve as a guide for trust institutions.

In the conduct of their business trusts institutions are governed by the cardinal principle that is common to all fiduciary relationships—namely, fidelity. Policies predicated upon this principle have for their objective its expression in terms of safety, good management, and personal service. Practices developed under these policies are designed to promote efficiency in administration and operation.

The fact that the services performed by trust institutions have become an integral part of the social and economic structure of the United States makes the principles of such institutions a matter of public interest.

R. M. SIMS,
President Trust Division,
American Bankers' Association.

ARTICLE I—*Definition of Terms*

SECTION 1. *Trust institutions.*—Trust institutions are corporations engaged in trust business under authority of law. They embrace not only trust companies that are engaged in trust business exclusively but also trust departments of other corporations.

SEC. 2. *Trust business.*—Trust business is the business of settling estates, administering trusts, and performing agencies in all appropriate cases for individuals; partnerships; associations; business corporations; public, educational, social, recreational, and charitable institutions; and units of government. It is advisable that a trust institution should limit the functions of its trust department to such services.

ARTICLE II—*Acceptance of Trust Business*

A trust institution is under no obligation, either moral or legal, to accept all business that is offered.

SECTION 1. *Personal trust business.*—With respect to the acceptance of personal trust business, the two determining factors are

these: Is trust service needed, and can the service be rendered properly? In personal trusts and agencies the relationship is private and the trust institution is responsible to those only who have or may have a financial interest in the account.

Sec. 2. *Corporate trust business.*—In considering the acceptance of a corporate trust or agency the trust institution should be satisfied that the company concerned is in good standing and that the enterprise is of a proper nature.

Article III—*Administration of Trust Business*

Section 1. *Personal trusts.*—In the administration of its personal trust business a trust institution should strive at all times to render unexceptionable business and financial service, but it should also be careful to render equally good personal service to beneficiaries. The first duty of a trust institution is to carry out the wishes of the creator of a trust as expressed in the trust instrument. Sympathetic, tactful, personal relationships with immediate beneficiaries are essential to the performance of this duty, keeping in mind also the interests of ultimate beneficiaries. It should be the policy of trust institutions that all personal trusts should be under the direct supervision of, and that beneficiaries should be brought into direct contact with, the administrative or senior officers of the trust department.

Sec. 2. *Confidential relationships.*—Personal trust service is of a confidential nature and the confidences reposed in a trust department by a customer should never be revealed except when required by law.

Sec. 3. *Fundamental duties of trustees.*—It is the duty of a trustee to administer a trust solely in the interest of the beneficiaries without permitting the intrusion of interests of the trustee or third parties that may in any way conflict with the interests of the trust; to keep and render accurate accounts with respect to the administration of the trust; to acquaint the beneficiaries with all material facts in connection with the trust; and, in administering the trust, to exercise the care a prudent man familiar with such matters would exercise as trustee of the property of others, adhering to the rule that the trustee is primarily a conserver.

Sec. 4. *Corporate trust business.*—In the administration of corporate trusts and agencies the trust institution should render the same fine quality of service as it renders in the administration of personal trusts and agencies. Promptness, accuracy, and protection are fundamental requirements of efficient corporate trust service. The terms of the trust instrument should be carried out with scrupulous care and with particular attention to the duties imposed therein upon the trustee for the protection of the security holder.

Article IV—*Operation of trust departments*

Section 1. *Separation of trust properties.*—The properties of each trust should be kept separate from those of all other trusts and separate also from the properties of the trust institution itself.

Sec. 2. *Investment of trust funds.*—The investment function of a trustee is care and management of property, not mere safekeeping at one extreme or speculation at the other. A trust institution should

devote to its trust investments all the care and skill that it has or can reasonably acquire. The responsibility for the investment of trust funds should not be reposed in an individual officer or employee of a trust department. All investments should be made, retained, or sold only upon the authority of an investment committee composed of capable and experienced officers or directors of the institution.

When the trust instrument definitely states the investment powers of the trustee, the terms of the instrument must be followed faithfully. If it should become unlawful or impossible or against public policy to follow literally the terms of the trust instrument, the trustee should promptly seek the guidance of the court about varying or interpreting the terms of the instrument and should not act on its own responsibility in this respect except in the face of an emergency, when the guidance of the court beforehand could not be obtained. If the trust instrument is silent about trust investments or if it expressly leaves the selection and retention of trust investments to the judgment and discretion of the trustee, the latter should be governed by considerations of the safety of principal and dependability of income and not by hope or expectation of unusual gain through speculation. However, a trustee should not be content with safety of principal alone to the disregard of the reasonable income requirements of the beneficiaries.

It is a fundamental principle that a trustee should not have any personal financial interest, direct or indirect, in the trust investments, bought for or sold to the trusts of which it is trustee, and that it should not purchase for itself any securities or other property from any of its trusts. Accordingly, it follows that a trust institution should not buy for or sell to its estates or trusts any securities or other property in which it, or its affiliate, has any personal financial interest, and should not purchase for itself, or its affiliate, any securities or other property from its estates or trusts.

ARTICLE V—*Compensation for Trust Service*

SECTION 1. A trust institution is entitled to reasonable compensation for its services. Compensation should be determined on the basis of the cost of the service rendered and the responsibilities assumed. Minimum fees in any community for trust services should be uniform and applied uniformly and impartially to all customers alike.

ARTICLE VI—*Promotional Effort*

SECTION 1. *Advertising.*—A trust institution has the same right as any other business enterprise to advertise its trust services in appropriate ways. Its advertisements should be dignified and not overstate or overemphasize the qualifications of the trust institutions. There should be no implication that legal services will be rendered. There should be no reflection, expressed or implied, upon other trust institutions or individuals, and the advertisements of all trust institutions should be mutually helpful.

SEC. 2. *Personal representation.*—The propriety of having personal representatives of trust departments is based upon the same principle

as that of advertising. Trust business is so individual and distinctive that the customer cannot always obtain from printed matter all he wishes to know about the protection and management the trust institution will give his estate and the services it will render his beneficiaries.

SEC. 3. *New trust department.*—A corporation should not enter the trust field except with a full appreciation of the responsibilities involved. A new trust department should be established only if there is enough potential trust business within the trade area of the institution to justify the proper personnel and equipment.

SEC. 4. *Entering corporate trust field.*—Since the need for trust and agency services to corporations, outside of the centers of population, is much more limited than is that of trust and agency services to individuals, a trust institution should hesitate to enter the corporate trust or agency field unless an actual demand for such services is evident, and the institution is specially equipped to render such service.

ARTICLE VII—*Relationships*

SECTION 1. *With public.*—Although a trust department is a distinctly private institution in its relations with its customers, it is affected with a public interest in its relations with the community. In its relations with the public a trust institution should be ready and willing to give full information about its own financial responsibility, its staff and equipment, and the safeguards thrown around trust business.

SEC. 2. *With bar.*—Attorneys at law constitute a professional group that perform essential functions in relation to trust business, and have a community of interest with trust institutions in the common end of service to the public. The maintenance of harmonious relations between trust institutions and members of the bar is in the best interests of both, and of the public as well. It is a fundamental principle of this relationship that trust institutions should not engage in the practice of law.

SEC. 3. *With life underwriters.*—Life underwriters also constitute a group having a community of interest with trust institutions in the common purpose of public service. Cooperation between trust institutions and life underwriters is productive of the best mutual service to the public. It is a principle of this cooperation that trust institutions should not engage in the business of selling life insurance.

Approved Code No. 47.
Registry No. 1707/02.

O

Approved Code No. 48

CODE OF FAIR COMPETITION

FOR THE

SILK TEXTILE INDUSTRY

As Approved on October 7, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Silk Textile Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said act have been met.

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations and findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved, it being distinctly understood that the minimum wage fixed in Article IV applies only to the lowest paid class of labor in the industry and is a minimum wage for that class only, and that weavers, warpers, loom fixers, and other skilled and semi-skilled workers shall be paid upon a higher wage scale which maintains the dollar differential above the lowest paid class as they existed on July 1, 1933, in accordance with the provisions of paragraph 3 of Article IV.

FRANKLIN D. ROOSEVELT.

Approval recommended:
HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
October 7, 1933.

29898——296-155——34

OCTOBER 6, 1933.

To the President:

INTRODUCTION

Submitted herewith is the report of the Hearing on the Code of Fair Competition for the Silk Textile Industry in the United States, as submitted by the Silk Association of America, Inc., of New York City, conducted in the small ballroom of the Willard Hotel, in Washington, D.C., on September 12, 1933, in accordance with the provisions of the National Industrial Recovery Act.

In accordance with the customary procedure every person who had filed a request for an appearance was freely heard in public, and all statutory and regulatory requirements were complied with.

The Code which it attached was presented by duly qualified and authorized representatives of the Industry, complying with the statutory requirements, as representing 47.6 percent in its own membership and approximately 90 percent in authorization for presentation of the Code.

EVIDENCE SUBMITTED

Evidence presented showed that in 1931 the industry employed 109,000 persons and the value of the product was 376,000,000, shrinkage in the value from $680,000,000 in 1929 being largely represented by decreasing prices rather than unit volume. This industry is particularly characterized by the existence of large numbers of small units. Only one-third of the manufacturers have investments above $250,000.

In the presentation of the Code, representatives of the Industry submitted data to show (1) that a great portion of their own goods are manufactured of rayon; and (2) that a great portion of the rayon manufactured is sold at prices above a great deal of the silk merchandise, the contention being that silk is not to be distinguished as a luxury article but as competitive. While opinion was sharply divided as to the desirability of establishing higher minimum rates for weavers in the Industry, witnesses agreed that on account of direct competition no more could be paid for weaving rayon cloth in so-called silk mills than in so-called cotton mills. It was repeatedly testified that weaving must be on the same cost basis for both sets of mills.

The wage level proposed in this code is identical with that in the cotton textile code, under which the National Rayon Weavers' Association is operating.

Objection to the wages and hours provision relied on the contention that both the Cotton Code and the Silk Code, if adopted, would provide too low a level rather than that silk alone should bear a higher rate.

A great deal of the testimony in this respect failed to understand the extent to which provision for the maintenance of differentials protects wages in the upper brackets. Explanation for this is found partly in the fact that, in contrast to the other textile industries, the minimum wage will apply to only about 10 percent of the employees in the Silk Textile Industry. As the public at large and to a considerable extent the witnesses gave attention only to the minimum rate and not to provision for maintenance of differential, they were primarily conscious of the fact that the minimum is substantially below the wage rate of about 90 percent of the Industry. In spite of the consequent protest against the wage rate itself, no evidence was submitted against the claim to equal treatment with rayon weaving.

RÉSUMÉ OF PROVISIONS OF THE CODE

The code provides for a forty hour work week, allowing for a 10 percent tolerance in the case of certain classes of maintenance employees, and an average of forty hours over a twelve weeks' period with respect to others, including office workers.

Minimum wages are at the rate of $12 in the southern section and $13 in the northern section for forty hours of labor. An exception from this minimum is with respect to learners, not to exceed 5 percent of the total pay roll, during a six weeks' apprenticeship, during which time they are to receive 80 percent of this minimum. Provision is made for maintaining previously existing differences between classes receiving more than the minimum and special provision is made for adjustment with the approval of the Administrator of those cases where this provision results in disparity of wage rates for the same work. It will be noted that numerous classes of labor exempted from minimum wage provisions in other textile codes are not so exempted in this one.

Provision is made to keep on the pay rolls some of the physically incapacitated by permitting the employment of 1 percent of the total number of such employees at not less than $8 per week.

Child labor is prohibited.

Trade objections to the application of details of the provision have been largely met by revision of the code.

The general planning committee set up by the code and designated to cooperate with the Administrator consists of eleven representatives, so that each of the several branches of the industry as defined can be given a voice on the planning and fair practice agency. Method of election is to be approved by the Administrator.

Extensive provisions are made against style piracy, discriminating between customers similarly situated, selling below cost, and the making of unconfirmed contracts. Consignment is rigidly restricted. Standard terms are set up for nine divisions of the industry.

Productive machinery is limited in its operation to two shifts of 40 hours per week.

FINDINGS

The Administrator finds that:

(a) This code complies in all respects with the pertinent provisions of Title I of the Act, including without limitation subsection (a) of Section 7 and subsection (b) of Section 10 thereof.

(b) The Silk Association of America to be truly representative of the Silk Textile Industry. The by-laws of this association provide no inequitable restrictions to membership.

(c) The code is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

(d) While not generally understood by the public, the code provides protection for substantially higher wage level than prevailed prior to the initiation of the recovery program.

(e) The code provides trade practices calculated to bring some uniformity of practice into an industry of many small units.

I recommend that the code be approved.

Respectfully submitted.

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

SILK TEXTILE INDUSTRY

Preamble

To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are submitted as a Code of Fair Competition for the Silk Textile Industry, and upon approval by the President shall be the standard of fair competition for such Industry, and shall be binding upon every member thereof.

Article I—Definitions

1. The term "industry," as used herein, means the manufacture of silk and/or rayon and/or acetate yarn (or any combination thereof) woven fabrics or any of the processes of such manufacturing except throwing, but it shall not include such manufacturing of rayon and/or acetate yarn fabrics as are governed by the provisions of the Cotton Textile Code. The term shall include also the converting of the woven fabrics enumerated above, the manufacture of silk, rayon, and/or acetate yarn sewing threads, spun silk, woven labels, and shall include such other related branches whether engaged in merchandising or manufacturing as may from time to time be brought within the provisions of this Code.

2. The term "employer," as used herein, means any person who employs labor in the conduct of any branch of the industry.

3. The term "employee," as used herein, means any person employed in the conduct of any branch of the industry (including a proprietor, his family, and his relatives doing production work).

4. The term "productive employee," as used herein, means any employee in the industry, except office employees, repair-shop crews, engineers, electricians, firemen, supervising staff, and shipping, watching, and outside crews.

5. The term "productive machinery" as used herein means all looms, and all winders, warpers, coppers, or quillers, when used for commission work, dressing frames for the spun-silk industry, spooling, coning, balling, tubing, and skeining for the sewing thread and floss industry.

6. The term " person " as used herein means any individual, partnership, association, trust, or corporation.

7. The word "Association," as used herein means " The Silk Association of America, Inc.," or its successor.

8. The word " Division " as used herein means any branch of the industry having a Divisional Committee and operating through the Association.

9. The term "converting" as used herein means the business of owning unfinished or greige goods for the purpose of having same

processed for one's own account, having same bleached, dyed, or printed, and subsequently selling same to the jobbing, cutting, or retail trade.

Article II

Employers shall comply with the requirements of the National Industrial Recovery Act as follows:

1. That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives, or in self-organization or in other concerted activities, for the purpose of collective bargaining or other mutual aid or protection;
2. That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and
3. That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

Article III—Hours of Labor and Machinery Hours

1. Employers shall not operate on a schedule of hours of labor for their productive employees in excess of forty (40) hours per week and they shall not operate productive machinery in the industry for more than two shifts of forty (40) hours each per week.
2. No other employee (excepting repair-shop crews, engineers, electricians, firemen, supervising staff, shipping, watching, and outside crews) shall work more than 480 hours in any twelve weeks, an average of 40 hours a week; and not more than 48 hours in any one week.
3. The maximum hours of labor of repair-shop crews, engineers, and electricians shall, except in case of emergency work, be 40 hours a week with a tolerance of 10 percent. Any emergency time in any establishment shall be reported monthly through the Association to the General Planning Committee hereinafter provided. A schedule of maximum hours for outside crews shall be submitted to the Administrator for approval not later than January 1, 1934. Overtime above 40 hours to be paid for at time and one-third.
4. Where a State law specifies a lower maximum number of hours that must not be exceeded, the requirements of such State law shall govern within that State.
5. The provisions for maximum hours establishes a maximum number of hours of labor per week for each employee so that under no circumstances shall any employee be employed or permitted to work for more than one employer in the aggregate in excess of the prescribed number of hours.

Article IV—Minimum Wages

1. The minimum wage that shall be paid by employers to any of their employees—except learners—shall be at the rate of $12 per

week when employed in the Southern section and at the rate of $13 per week when employed in the Northern section, for forty hours of labor. The Southern section shall include the States of Virginia, North Carolina, South Carolina, Georgia, Tennessee, Alabama, Mississippi, Louisiana, Texas, and Florida; the words "Northern section" are defined to mean the rest of the United States.

2. A learner is hereby defined as one who has served an apprenticeship of less than six weeks in the industry and the rate of pay of such employees shall not be less than 80 per cent of the minimum rate. For the purpose of wage classification, learners in any plant shall not exceed 5 percent of the total number of employees in that plant.

3. The amounts as of July 1, 1933, by which wages in the higher-paid classes, up to $30 per week, exceed wages in the lowest-paid classes, shall be maintained. But no employer, upon obtaining the consent of the Administrator, need increase wages in the higher-paid classes beyond those maintained by other employers who have increased their wages in accordance with the above provision for the same class or kind of labor in the same wage district.

4. Employees who are physically incapacitated may, of their own volition, waive their right to minimum wages, but no employer shall employ such workers at less than standard piece rates or at less than the rate of $8.00 per week for time work; no employer employing one hundred (100) or less employees may include within the category of physically incapacitated employees more than one (1) such employee; and no employer employing more than one hundred (100) employees shall include within such category more than one (1) percent of his employees.

Article V—Age Limit

No person under the age of sixteen shall be employed in the industry; it is provided, however, that where a State law provides a higher minimum age, no person below the age specified by such State law shall be employed within that State.

Article VI—Administrative Agency

1. To effectuate further the policies of the Act, a General Planning Committee is hereby designated to cooperate with the Administrator as a Planning and Fair Practice Agency for the industry. The Committee shall consist of eleven representatives of the industry elected by the members of the Association and such other employers as agree to bear their proportionate cost of the administration of this Code. This Committee shall be chosen by a fair method of selection, approved by the Administrator, and shall have in addition not more than three members without vote appointed by the President of the United States. Such agency may from time to time present to the Administrator recommendations, based on conditions in the industry as they may develop, which will tend to effectuate the operations of the provisions of this Code and the policy of the Act. Such recommendations, when approved by the Administrator, shall have the same force and effect as any other provisions of this Code.

2. Such Committee shall not present to the Administrator any Code or proposed amendment of any Code affecting any " Division " of the Industry without first conferring with that " Division " or its representatives, and if such " Division " does not consent thereto, giving the division notice of date of proposed presentation.

3. No " Division " shall make any application to the Administrator for the approval of any Code or amendment thereof without first notifying such Committee and giving it notice of the proposed date of presentation and hearing thereof.

4. The expenses of the administration of this Code shall be equitably assessed by the Committee against the members of the Association and all other employers who signify their assent to bear a proportionate share of such expenses.

Article VII—Reports

1. With a view to keeping the President informed as to the observance or nonobservance of this Code of Fair Competition, and as to whether the industry is taking appropriate steps to effectuate the declared policy of the Act, each employer will furnish the General Planning Committee, as and when required, with duly certified reports in substance as follows and in such form as may hereafter be provided:

(a) *Wages and hours of labor.*—Returns every four weeks showing actual hours worked by the various occupational groups of employees and minimum weekly rates of wages.

(b) *Machinery data.*—Mills having no looms but doing commission warping, winding copping and/or quilling, and other activities specified under " productive machinery," must furnish every four weeks such reports and information called for pursuant to the provisions of this or any amended Code. In the case of mills that have looms, returns shall be made every four weeks, showing the number of looms in place, the number of looms actually operated each week, the number of shifts, and the total number of loom hours each week.

(c) *Reports of production, stocks, and orders.*—Weekly returns showing production, in terms of the commonly used unit, i.e., linear yards or pounds or pieces; stocks on hand, both sold and unsold, stated in the same terms, and unfilled orders stated also in the same terms. The "Association " address 468 Fourth Avenue, New York City, is constituted the agency to collect and receive such reports.

2. Each person shall, from time to time, upon request of the Administrator or of the General Planning Committee approved by the Administrator, furnish any other reports and information called for pursuant to the provisions or pertinent to the purposes of this or any amended Code.

Article VIII—Competitive Practices

1. Every employer shall grant equal terms and prices to all persons making the same or similar purchases or offers to purchase from him.

2. No employer shall sell or take orders to manufacture below his cost of production. The General Planning Committee shall, subject to the approval of the Administrator, define " cost of production "

for the purposes of this Code, and the foregoing provision of this paragraph shall not become effective until such definition has been approved by the Administrator.

3. Where goods are shipped on consignment or memorandum, every employer shall require payment within ten days of receipt, at the invoice rate of the date of shipment, unless goods are sooner returned, except where defects are not discoverable by the buyer after reasonable inspection at the time of delivery, in which case he must require an immediate claim upon discovery.

4. Employers must require all disputes as to claims on finished merchandise to be made in writing, within ten working days after the receipt of the goods by the buyer, and shall refuse to make any allowance on goods after they have been cut, except where defects are not discoverable by reasonable inspection at any time prior to the cutting, in which event the employer must require an immediate claim upon discovery.

5. No employer shall take orders for, or print, or jacquard weave any design not registered with the Textile Design Registration Bureau of the Silk Association of America, Inc., or its successor; or do any work on any registered design except with the written consent of the person making the registration. This rule shall not apply to sewing threads, tie fabrics, tinsel fabrics, and flosses.

6. Every employer shall require confirmatory signed contracts in all transactions in excess of $500 between himself and buyers from or sellers to him; shall keep all documents, records, and book entries as are necessary to reflect and permit easy ascertainment of on inspection, all transactions, and all modifications thereof; and shall not omit to make or obtain, in whole or in part, any record or document usually made in the normal course of business.

7. Every employer shall endeavor to effect appropriate adjustment in contracts entered into prior to the effective date of this Code, where increased costs or delay will result from the operation of this Code. The Association is hereby constituted an agency to assist in effecting such adjustments where the facts are not agreed upon by the parties.

Article IX—Amendments, Modifications, and Additions

1. Such of the provisions of this code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated in such manner as may be indicated by the needs of the public, by changes in circumstances, or by experience; all the provisions of this code, unless so modified or eliminated, shall remain in effect until the expiration date of Title I of the National Industrial Recovery Act.

2. In order to enable the industry to conduct its operations subject to the provisions of this code, to establish fair trade practices within the industry and with those dealing with the industry and otherwise to effectuate the purpose of Title I of the Act, supplementary provisions of this code or additional codes may be submitted from time to time for the approval of the President.

3. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with provisions

of clause 10 (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

Article X

A committee of three shall be appointed by the Administrator to study machine load per operative and report to the Administrator.

Article XI

The following standard terms for each of the respective divisions shall be adhered to:

BROAD GOODS WEAVERS AND CONVERTERS

For raw broad goods, terms shall not exceed 60 days. For finished broad goods, the terms shall not exceed 6/10/60 or a maximum of 8/10 e.o.m. Additional dating as of the first of the following month may be given on any merchandise delivered after the 25th of the month and no anticipation shall be allowed at any rate higher than 6 percent per annum. No optional terms to be given.

HAT BANDS

For wholesale manufacturers of hats in the United States of America.

Terms, 10/10, e.o.m., 25th of the month as of the first of the following month; payment to be made in currency, check, or if made in trade acceptance or note, interest must be paid at the rate of 6 percent per annum; anticipation to be at the rate of 6 percent per annum.

All sales shall be made on the basis of f.o.b. shipping point. Six months after date of contract, any goods undelivered shall be billed and such billing shall constitute delivery.

RIBBONS

All sales of ribbons shall be on the basis of 6/10/60 or 7/10 e.o.m., or its equivalent, shipped after the 25th of the month as of the first of the following month. Anticipation at the rate of 6 percent per annum. No seasonal datings shall be granted. All past due bills shall bear interest at the rate of 6 percent. No ribbon manufacturer shall ship merchandise on consignment or memorandum except to duly accredited factors and/or authorized selling agents. Each ribbon manufacturer shall register with the Silk Association his authorized and accredited agents and/or factors. No goods shall be redyed or reprocessed free of charge. No exchanges shall be made; no tender of return shall be accepted after ten days, except in the case of merchandise originally submitted as samples and except in the case of manufacturing defects not discoverable by reasonable inspection at time of delivery, in which case an immediate claim must be required upon discovery. All merchandise shall be shipped

f.o.b. shipping point. The provision in Article VIII, paragraph 6, in regard to confirmation of all orders by signed contracts shall apply only to orders for future delivery in excess of three weeks. Where a contract covers the sale of goods in which the assortments are not determined at the time of sale, there must be three weeks' time allowed for delivery to be made.

SEWING THREADS AND FLOSSES

No goods may be consigned or shipped on memorandum. No datings may be allowed. The goods of other sewing thread and floss manufacturers must not be purchased or exchanged for the purpose of substitution. Cash discount, 2 percent, 10 days, e.o.m., may not be exceeded, but goods shipped between the 25th and the end of the month may, for discount purposes, be considered as shipped as of the first of the following month. No protection to retail accounts on their unsold stocks in case of decline in price. Stock protection to Notion Jobbers on 30-day purchases previous to date of decline is proper, provided such purchases do not exceed the stock on hand at the time of decline. Should the purchases amount to more than the stock on hand, the protection will be stock on hand.

SPECIAL FABRICS

Shipping on memorandum and billing at a later date constitutes an unfair method of competition as it defeats uniform selling terms. Any goods invoiced on memorandum which are subsequently invoiced regularly shall be billed on the date of shipment on memorandum. At the beginning of the spring season spring goods are to be dated no later than December 1, and at the beginning of the fall season fall goods are to be dated not later than July 1. On finished merchandise the maximum terms are to be 6 percent, 10 days, and 60 days' dating, or a maximum of 8 percent, 10 days e.o.m., goods shipped after the 25th of the month to be dated from the first of the following month.

SPUN YARNS

Maximum discount shall be 2 percent, 10 days, e.o.m. Allowance for cooperative advertising and sale promotion between buyer and seller may be permitted on novelty yarns. Purchasers shall not be allowed any commissions, bonuses, rebates, subsidies, or privileges of any kind, whether in form of money, services, or otherwise. No close-out sales shall be made without the permission of the Divisional Planning Committee.

TIE FABRICS

Terms 6/10/60, no e.o.m., dating. Anticipation at the rate of 6 percent per annum. Interest shall be paid on deferred deliveries at the rate of 6 percent per annum. Not more than sixty days shall elapse between delivery of samples and delivery of merchandise. No orders for sample lengths shall be taken without orders for goods for later delivery. No extra dating shall be given on samples. No

member of the Tie Silk Industry shall ship merchandise on consignment or memorandum except to his duly accredited agent.

WOVEN LABELS

Shipping on memorandum and billing at another date constitutes an unfair method of competition and no goods shall be billed more than sixty days after date of shipment. Terms, 2/10 e.o.m.

THROWN SILK, THROWN RAYON, AND SYNTHETIC YARN DEALERS

All transactions between buyer and seller shall be confirmed by signed contracts and subject to following terms: To Hosiery Manufacturers, 1/10 e.o.m., net 60 days' trade acceptance from date of shipment; to Weavers, 10 days, 1 percent, net 60 days' trade acceptance from date of shipment. Interest shall be paid on deferred deliveries at the rate of 6 percent per annum.

Article XII

This Code shall become effective on the second Monday following its approval by the President.

Approved Code No. 48.
Registry No. 263/01.

Approved Code No. 49

CODE OF FAIR COMPETITION

FOR THE

OPTICAL MANUFACTURING INDUSTRY

As Approved on October 9, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Optical Manufacturing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said code of fair competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said code of fair competition complies in all respects with the pertinent provisions of title I of said act and that the requirements of clauses (1) and (2) of subsection (a) of section 3 of the said act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved, subject to the following conditions:

(1) To effectuate further the policies of the Act, an Optical Manufacturing Industry Committee be created to cooperate with the Administrator as a Planning and Fair Practice Agency for the Optical Manufacturing Industry, which Committee shall consist of seven representatives of the Optical Manufacturing Industry elected by a fair method of selection, to be approved by the Administrator, and three members without vote appointed by the Administrator.

FRANKLIN D. ROOSEVELT.

Approval recommended:

Hugh S. Johnson,
Administrator.

The White House,
October 9, 1933.

SEPTEMBER 22, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: This is a report of the hearing on the Code of Fair Competition for the Optical Manufacturing Industry in the United States, conducted in Washington on August 17th, 1933, in accordance with the provisions of the National Industrial Recovery Act.

PROVISIONS OF THIS CODE AS TO WAGES AND HOURS

II. *Wages.*—On and after the effective date, the minimum wages that shall be paid by any employer in the Optical Manufacturing Industry to each employee shall be as follows:

(a) A minimum of 40¢ per hour shall be paid to not less than 75 percent of the total number of the employees of such employer.

(b) A minimum of 32½¢ per hour shall be paid to not more than 20 percent of the total number of such employees.

(c) A minimum of not less than 25¢ per hour shall be paid to not more than 5 percent of the total number of such employees. (The latter employees shall include only learners for a period not to exceed six weeks; and errand boys and errand girls.)

For the protection of a manufacturer producing a single-line product, the "total number of employees", for the purpose of this section, shall mean the total number of employees engaged in the manufacture of each single line of product, whether or not a single manufacturer produces more than one line.

III. *Hours of Labor.*—On and after the effective date the maximum hours of labor for employees shall be forty (40) hours per week. However, 8 hours per week overtime for a period not to exceed sixteen (16) consecutive weeks may be worked by the employees in those divisions where peak demand places an unusual and temporary burden for production upon such divisions, provided, that not more than 2,080 hours shall be worked by any employee in any one year.

That the maximum hours shall not apply to supervisory staff, outside salesmen, and emergency crews; provided, however, that all such excepted employees paid on an hourly basis shall be paid time and one third for all hours per week over forty (40).

ECONOMIC EFFECT OF THE CODE

A large proportion of this industry's volume is controlled by relatively few companies. In 1931 three out of 102 companies represented 52 percent of the total business volume.

In 1929 average hours per man, per week, were 47. In 1931 average hours per man, per week, were approximately 45.

Forty (40) hours per week is the most reasonable basis to use in establishing hours of labor for this industry in order to benefit the greatest number of wage earners without unduly burdening the consuming public.

On the basis of the 40-hour week, the most practical and reasonable number of employees who would be benefited by reemployment is 930.

FINDINGS

The Administrator finds that:

(a) The Code as recommended complies in all respects with the pertinent provisions of Title I of the Act, including without limitation, subsection (a) of Section 7, and subsection (b) of Section 10 thereof; and that

(b) The applicant group imposes no inequitable restrictions on admission to membership therein and is truly representative of the Optical Manufacturing Industry; and that

(c) The Code as recommended is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

It is recommended, therefore, that this Code be immediately adopted.

Respectfully submitted.

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

OPTICAL MANUFACTURING INDUSTRY

This Code is established for the purpose of effectuating the policy of Title I of the National Industrial Recovery Act.

I. Definitions

(a) As used herein, the term "Optical Manufacturing Industry" means the manufacture of spectacles, oxfords, lorgnettes, and other ophthalmic frames, mountings, and accessories; all ophthalmic lenses in quantity, eye-glass and spectacle cases, parts, sun-glasses, industrial goggles, and eye protectors and, as adapted to this industry, instruments, equipment, tools, machinery, and furniture for use in examining eyes and in making, fitting, repairing, and otherwise servicing eye-wear and ophthalmic products; provided, however, that said term "Optical Manufacturing Industry" shall not include the wholesale or retail operations with respect to the products manufactured.

(b) The term "employer" shall include every person employing labor in the conduct of any branch of the Optical Manufacturing Industry.

(c) The term "employee" shall include every person employed in any branch of the Optical Manufacturing Industry.

(d) The term "effective date" means the first Monday after the date on which this Code shall be approved by the President of the United States.

II. Wages

On and after the effective date, the minimum wages that shall be paid by any employer in the Optical Manufacturing Industry to each employee shall be as follows:

(a) A minimum of 40¢ per hour shall be paid to not less than 75 percent of the total number of the employees of such employer.

(b) A minimum of 32½¢ per hour shall be paid to not more than 20 percent of the total number of such employees.

(c) A minimum of not less than 25¢ per hour shall be paid to not more than five percent of the total number of such employees. (The latter employees shall include only learners for a period not to exceed six weeks; and errand boys and errand girls.)

For the protection of a manufacturer producing a single-line product, the "total number of employees", for the purpose of this section, shall mean the total number of employees engaged in the manufacture of each single-line product, whether or not a single manufacturer produces more than one line.

III. Hours of Labor

On and after the effective date, the maximum hours of labor for employees shall be forty (40) hours per week. However, 8 hours per week overtime for a period of not to exceed sixteen (16) consecutive weeks may be worked by the employees in those divisions where peak demand places an unusual and temporary burden for production upon such divisions, provided, that not more than 2,080 hours shall be worked by any employee in any one year.

That the maximum hours shall not apply to supervisory staff, outside salesmen, and emergency crews; provided, however, that all such excepted employees paid on an hourly basis shall be paid time and one third for all hours per week over forty (40).

IV

As required by Section 7 (a) of Title I of the National Industrial Recovery Act, it is provided:

(a) "That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

(b) "That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

(c) "That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President."

V

No employer shall employ or have in his employ, any person under 16 years of age.

Provided, however, that where a State law specifies a higher minimum age, no person below that age so specified by such law, shall be employed in that State.

VI. Reports

For the purpose of supplying the President and the Administrator with requisite data as to the observance and effectiveness of this Code, each employer shall furnish regular reports on such matters related thereto, in such substances and form and at such intervals as shall be prescribed by the Administrator and the Optical Manufacturers' Code Committee, hereinafter described. The Optical Manufacturers' Code Committee is hereby constituted the agency to provide for the collection and receipt of reports and to serve as a central clearing house and coordinating agency for the forwarding of the substance of these reports, or at his request the reports themselves, to the Administrator, the Committee to provide for receiving and holding such reports themselves in confidence.

VII

The Optical Manufacturers' Code Committee shall be composed of seven members, chosen by a fair method of selection and approved by the Administrator.

VIII

Any employer may participate in the endeavors of the Optical Manufacturers' Code Committee, relative to any revisions or additions to this Code, by accepting the proper pro rata share of the cost and responsibility of creating and administering this Code.

IX. Cancellation or Modification

This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of Clause (10) (b), Title I, of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

X. Changes and Additions

Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in circumstances may indicate. It is contemplated that from time to time supplementary provisions to the Code, or additional Codes, will be submitted for the approval of the President to prevent unfair competition in price and other unfair and destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions thereof.

XI. Partial Invalidity

If any provision of this Code is declared invalid or unenforceable, the remaining provisions thereof shall nevertheless continue in full force and effect in the same manner as if they had been separately presented for approval and approved by the President.

The undersigned duly authorized Secretary of the Optical Code Committee does hereby certify that the foregoing is a true copy of the Code of Fair Competition for the Optical Manufacturing Industry, submitted to the Administrator under the National Industrial Recovery Act, as amended by authority of the said Committee of the Optical Manufacturing Industry.

M. J. Julian.

Dated August 1933.

Approved Code No. 49
Registry No. 1031-02

O

Approved Code No. 50

CODE OF FAIR COMPETITION

FOR THE

AUTOMATIC SPRINKLER INDUSTRY

As Approved on October 9, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Automatic Sprinkler Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of title I of said act and that the requirements of clauses (1) and (2) of subsection (a) of section 3 of the said act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do approve the report and recommendations and adopt the findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:

Hugh S. Johnson,

Administrator.

The White House,

October 9, 1933.

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October 5, 1933.

The President,
The White House.

My Dear Mr. President: I have the honor to submit and recommend for your approval the Code of Fair Competition for the Automatic Sprinkler Industry.

An analysis of the provisions of the code has been made by the Administration. I find that the code complies with the requirements of clauses 1 and 2, subsection (a) of Section 3 of the National Industrial Recovery Act.

I am, my dear Mr. President,

Very sincerely yours,

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

AUTOMATIC SPRINKLER INDUSTRY

To effectuate the policy of Title I of the National Industrial Recovery Act, the following provisions are established as a Code of Fair Competition for the Automatic Sprinkler Industry in the United States.

Article I—Definitions

(a) The term "Automatic Sprinkler Industry" when used in this Code includes, but without limitation, a person, partnership or corporation engaged in the business of the manufacture of automatic sprinklers and devices and the fabrication and installation of automatic sprinkler equipments.

(b) The term "Construction Labor" when used in this Code includes labor performed by men in the installation of automatic sprinkler equipments.

(c) The term "Manufacturing Labor" when used in this Code includes labor performed in the shops of the employers in the manufacture and fabrication of automatic sprinkler devices and equipments.

Article II—Provisions From National Recovery Act

The Automatic Sprinkler Industry will comply with the following specific provisions of the National Industrial Recovery Act:

(a) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(b) That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

(c) That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

(d) In any cases in which the cost of performing contracts entered into prior to the approval of this Code is increased because of the operation of this Code, it is equitable and promotive of the purposes of the National Industrial Recovery Act and of this Code, for adjustments of such contracts to be made which reflects such increased costs, and the Automatic Sprinkler Industry Code Authority, as provided in Article IX of this Code, is hereby constituted as an agency to assist in effecting such adjustments by arbitration or other cooperative action.

Article III—Regulations of Hours of Work

(a) No construction employee in the Automatic Sprinkler Industry shall be employed in excess of forty (40) hours per week.

(b) No manufacturing employee in the Automatic Sprinkler Industry shall be employed in excess of forty (40) hours per week, except watchmen who may work not to exceed fifty-six (56) hours per week.

(c) No employees in the Automatic Sprinkler Industry, including accounting, clerical, office, service, and sales employees (excepting the employees heretofore specified in this Article III, outside salesmen and the employees in managerial or executive capacity who receive more than thirty-five (35) dollars per week), shall be employed in excess of forty (40) hours per week.

Article IV—Minimum Wage Rates

(a) The minimum pay for construction labor, except common labor, shall be at the rate of forty-three and three quarters (43¾) cents per hour except in the States of Louisiana, Florida, Georgia, North Carolina, South Carolina, Alabama, Mississippi, Southern half of Arkansas and Southern half of Virginia, where it shall be thirty-seven and one half (37½) cents per hour.

1. Common labor to be paid not less than eighty (80) percent of the minimum wage, the total number of such common labor employees in any calendar month not to exceed eight (8) percent of the total number of skilled and semiskilled employees during the same period.

(b) The minimum pay for manufacturing labor, except watchmen, shall be at the rate of forty (40) cents per hour; watchmen shall be paid not less than seventy (70) percent of this minimum rate.

(c) The minimum pay for accounting, clerical, office, service, and sales employees, except office boys, shall be not less than fifteen ($15) dollars per week in any city of over five hundred thousand (500,000) population; nor less than fourteen dollars and fifty cents ($14.50) in any city of between two hundred and fifty thousand (250,000) and five hundred thousand (500,000) population; nor less than fourteen ($14) dollars in any city of between two thousand five hundred (2,500) and two hundred and fifty thousand (250,000) population. Office boys shall be paid not less than eighty (80) percent of these minimum rates.

(d) This Article (IV) establishes a guaranteed minimum rate of pay regardless of whether the employee is compensated on the basis of a time rate or on a piecework performance, or otherwise.

(e) No employee shall be classified in any one of the excepted classes hereinabove defined, unless he performs functions identical with those performed by employees thus classified on June 16, 1933.

(f) There shall be an equitable readjustment of compensation now in excess of the minimum wages herein established.

Article V—Minimum Age

Employers in the Automatic Sprinkler Industry shall not employ any person under the age of sixteen (16) years; provided, however,

that where a State law provides a higher minimum age, no person below the age specified by such State law shall be employed within that State.

Article VI—Unfair Method of Competition

The following practices are hereby declared to be unfair methods of competition:

(a) To sell any products or services below the reasonable cost of such products or services.

1. For this purpose, "cost" is defined as the cost of direct labor plus the cost of materials, plus a proper amount of overhead, all as determined on the basis of a system of cost accounting formulated by the Code Authority with the approval of the Administrator.

(b) To sell Automatic Sprinkler Devices to irresponsible, inexperienced or incompetent contractors.

1. Each manufacturer in the Automatic Sprinkler Industry shall file from time to time with the Code Authority a list of automatic sprinkler contractors qualified under this Section to whom the manufacturer will exclusively sell automatic sprinkler devices. Each automatic sprinkler contractor, to qualify, must agree in writing to comply with and be bound by all the provisions of this Code, when engaged on Automatic Sprinkler installations.

2. The Code Authority, subject to the approval of the Administrator, shall approve or disapprove the list of automatic sprinkler contractors and shall have the power to strike from said list any contractor, who, after hearing, shall be found by it to have violated this Code or who shall be found to be irresponsible, inexperienced or incompetent, and shall likewise add to such list the name of any automatic sprinkler contractor omitted therefrom who is qualified. If any contractor who has been omitted from any list by reason of disqualification, thereafter becomes qualified, he shall be placed upon the list. Any contractor may appeal to the Administrator from a ruling of the Code Authority in regard to his status.

3. The operation of this Article VI (b) and the actions of the Code Authority thereunder shall at all times be subject to the Administrator's approval.

(c) To sell automatic sprinkler devices to owners or lessees of plants or properties for installation on such plants or properties by such owners or lessees; provided, however, that nothing herein contained shall prohibit sales to owners or lessees for installation by such owners or lessees in replacement of automatic sprinkler installations theretofore installed by such owners or lessees or their predecessors in title; and provided further that sales may be made to owners or lessees for installation by such owners or lessees in any other case, if the prior written consent of the Code Authority is obtained. If any application of this paragraph should involve unjust discrimination against any manufacturer or any owner or lessee, such manufacturer or owner or lessee may appeal to the Administrator, who may grant relief.

(d) To fail to comply with the Rules and Regulations of the Insurance or Governmental authorities having jurisdiction with reference to the manufacture and installation of Automatic Sprinklers,

provided, however, that if such rules and regulations should at any time hereafter work hardship upon any manufacturer, said manufacturer may appeal to the Administrator, who may grant relief.

(e) To aid and abet the practice by insurance interests of receiving or quoting of prices for the installation of automatic sprinkler equipments, or the preparation of detail construction plans and specifications for the installation of automatic sprinkler equipments and the distribution or sale of such plans and specifications.

(f) To use other than the standard forms of contract and the standard form of license agreement adopted by the National Automatic Sprinkler Association as and when approved by the Code Authority and the Administrator, and provided that this contract shall not be construed to require the abrogation of any existing license contract.

(g) To leave out of a bid materials or labor required in plans and specifications or to fail to state that certain work is not included for the price submitted, or to sell or install used material or devices or those which do not conform to the standards prescribed by Insurance or Governmental authorities having jurisdiction without the prior consent of the buyer and the insurance or other authorities having jurisdiction; unless the Administrator has granted relief upon appeal to him as provided in Section (d) of this Article VI.

(h) To give or offer to give rebates, refunds, credits, allowances, unearned discounts, or special services directly or indirectly in connection with any work performed or to receipt bills for work of any kind until payment is made.

(i) To aid and abet in the practice known as "bid peddling."

Article VII—Arbitration

The use of arbitration in the settlement of commercial disputes between employers or between buyers and sellers under the arbitration rules of the American Arbitration Association is recognized as an economical and effective method of adjusting business controversies.

Article VIII—Administrative Expense

Every manufacturer in the Automatic Sprinkler Industry desiring to participate in the activities of the Code Authority may do so, provided that he bears an equitable share of the expense incident to the administration of this Code of Fair Competition under such rules and regulations as may be adopted by the Code Authority, subject to the approval of the Administrator.

Article IX—Administration—Industry Committee

(a) To effectuate further policies of the Act, and Automatic Sprinkler Industry Committee, called the Code Authority, is hereby designated to cooperate with the Administrator as a Planning and Fair Practice Agency for the Automatic Sprinkler Industry. This Code Authority shall consist of three representatives of the Automatic Sprinkler manufacturing companies elected by a fair method of selection, to be approved by the Administrator, and not more than three members without vote who may be appointed by the President

of the United States, or his delegated authority under the National Industrial Recovery Act. Such agency may from time to time present to the Administrator recommendations based on conditions in their industry as they may develop from time to time which will tend to effectuate the operation of the provisions of this Code and the policy of the National Recovery Act.

(b) The Code Authority is empowered and set up to cooperate with the Administrator to make investigations as to the functioning and observance of any provisions of this Code, at its own instance or on complaint by any persons affected, and to report the same to the Administrator.

(c) In addition to information to be submitted to the Code Authority, there shall be furnished to government agencies such statistical information as the Administrator may deem necessary for the purpose recited in Section 3(a) of the National Industrial Recovery Act.

(d) The Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of Clause 10b of the National Industrial Recovery Act, to cancel or modify from time to time any order, approval, license, rule, or regulation issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

(e) Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, or his delegated authority, be modified or eliminated as changes in the circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions to this Code or additional codes will be submitted for the approval of the President, or his delegated authority, to prevent unfair competition in price and other purposes and policies of Title I of the National Industrial Recovery Act consistent with the provisions thereof.

(f) This Code shall become effective not later than ten (10) days after its approval by the President.

Approved Code No. 50.
Registry No. 1118/01.

Approved Code No. 51

CODE OF FAIR COMPETITION

FOR THE

UMBRELLA MANUFACTURING INDUSTRY

As Approved on October 9, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Umbrella Manufacturing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of title I of said act and that the requirements of clauses (1) and (2) of subsection (a) of section 3 of the said act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved, subject to the following conditions:

(1) To effectuate further the policies of the act, a Planning and Fair Practice Agency for the Umbrella Manufacturing Industry be created to cooperate with the Administrator, which Agency shall consist of the thirteen members of the Executive Committee, approved by the Administrator, and three members without vote appointed by the Administrator.

FRANKLIN D. ROOSEVELT.

Approval recommended:
HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
October 9, 1933.

29861—296-158——34

OCTOBER 4, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval, the Code of Fair Competition for the Umbrella Manufacturing Industry.

An analysis of the provisions of the Code has been made by the Administrator. So far as can be judged in advance of actual operation the Code as it stands is in the main equitable and adequate. I find that the Code complies with the requirements of clauses 1 and 2, subsection (a) of section 3 of the National Industrial Recovery Act.

Respectfully submitted.

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

UMBRELLA MANUFACTURING INDUSTRY

Article I—Purposes

To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are submitted as a Code of Fair Competition for the Umbrella Manufacturing Industry, and, upon approval by the President, shall be the standard of fair competition for this industry.

Article II—Definitions

Whenever used in this Code, the terms hereinafter in this Article set forth shall, unless the context otherwise clearly indicates, have the respective meanings set forth in this article. The definition of any such term in the singular shall apply to the use of such term in the plural and vice versa.

The term " The Industry " means and includes the business of manufacturing umbrellas, parasols, and covers thereof.

The term " Member of the Industry " means and includes any person, firm, trust, corporation, or association engaged wholly or in part in the business of manufacturing umbrellas, parasols, and covers thereof.

The term "Association " means the National Association of Umbrella Manufacturers, Inc., a New York membership corporation.

The term " Employee " as used herein includes any person engaged in any phase of the Industry in any capacity, irrespective of the method of the payment of such person's wages.

The term " Effective Date of the Code ", wherever used herein, means the first Monday after the date on which the Code shall have been approved by the President pursuant to the National Industrial Recovery Act.

Article III—Hours

1. No employer shall employ any employee more than five (5) days in any one week or in excess of forty (40) hours per week, or in excess of eight (8) hours in any one day. The provisions of this section shall apply to salesmen, officers, and directors of manufacturing corporations, partners in, or individual owners of, manufacturing plants, when such designated persons are engaged in the actual manufacture of products in the industry.

(a) The maximum hours fixed in Section 1 shall not apply (1) to employees in a managerial or executive capacity, who now receive more than thirty-five dollars ($35.00) per week, nor (2) to outside salesmen who devote their entire time to selling.

(b) The maximum hours per day fixed in Section 1 shall not apply to employees engaged in emergency repair work, and in no case shall employees, so engaged in such work, exceed the total of sixteen (16) hours work in two successive days. Time and one third shall be paid for all hours in excess of eight (8) in any one day.

(c) The maximum hours fixed in Section 1 shall not apply to watchmen who shall work not to exceed a total of eighty-four (84) hours in any 2-week period, same to consist of three 12-hour shifts in one week and four 12-hour shifts in the succeeding week.

2. To further effectuate the policies of the National Industrial Recovery Act manufacturers of umbrellas shall not work more than one shift of employees on the basis of hours and schedule of pay herein outlined. In the event it becomes necessary to work more than one shift, application for amendment to this provision shall be made to the Planning and Fair Practice Agency herein established who shall, after proper investigation, petition the Administrator for a ruling on the point in question.

Article IV—Wages

1. The minimum hourly wages that shall be paid by any employer to any employee in Metropolitan New York, which is hereby interpreted to mean an area within fifty (50) miles of Times Square, New York City, shall be at the following rates: cutters sixty-five cents (65¢); operators forty-two and a half cents (42½¢); tippers forty cents (40¢); and examiners, finishers, mounters, steamers, and shippers thirty-five cents (35¢).

(a) Outside of Metropolitan New York, as defined in the preceding paragraph, the minimum hourly wages that shall be paid by any employer to any employee shall be at the following rates: cutters sixty cents (60¢); operators forty cents (40¢); tippers thirty-seven and a half cents (37½¢); and examiners, finishers, mounters, steamers, and shippers thirty-two and a half cents (32½¢).

(b) Except as hereinbefore provided, the minimum wages that shall be paid to any employee of this Industry shall be at the rate of fourteen dollars ($14.00) per week in Metropolitan New York, as hereinbefore defined, and thirteen dollars ($13.00) per week outside of Metropolitan New York, as hereinbefore defined, except as follows:

2. Learners, who are hereby defined to be persons having less than six (6) weeks of experience in the Umbrella Manufacturing Industry, may be paid eighty percent (80%) of the wages hereinbefore provided to be paid for each separate and general classification hereinbefore set forth; provided, however, that the number of learners during any calendar month shall not exceed five percent (5%) of the total number of employees.

3. Where, because of infirmities due to age, it is not possible for an employee working on a piecework basis to earn the hourly rates herein provided, the Planning and Fair Practice Agency may, with the approval of the Administrator, permit such employees to con-

tinue in employment at a minimum rate of not less than eight dollars ($8.00) per week; provided, however, that they shall be paid the same rate per piece as other workers. Such employees shall not, in any case, exceed more than five percent (5%) of the total number of employees regularly employed. Any employer having such infirm employees in his employ shall, in his petition to the Planning and Fair Practice Agency, set forth the length of time which said person has been in his employ, the amount of wages earned per week during the preceding six (6) months, the age of the person, the sex, the kind of work performed, the hours worked, and the infirmity which prevents earning the minimum wage. This provision shall apply only to those now in the employ of the Member of the Industry who petitions for the continuance of their employment and who had said employees in his employ on or before July 15, 1933.

4. To avoid frustration of the wage provisions of this Code, by changing from hour to piecework or other rates, it is hereby provided that the minimum wage provisions in this Code establish a guaranteed minimum rate of pay per hour of employment, regardless of whether the employees' compensation is otherwise based on a time rate, piecework, or other basis of performance.

5. The weekly compensation for employment now in excess of the minimum wages hereby agreed to (notwithstanding that the hours of work in any such employment may be hereby reduced) shall not be reduced, and it is hereby declared to be the policy of the Industry to increase such pay for such employment by an equitable readjustment of all pay schedules. It shall be the function of the Planning and Fair Practice Agency provided for in Article VII, Section 2, of the Code to observe the operation of these provisions and recommend to the Administrator such further provisions as experience may indicate to be appropriate to effectuate their purposes.

Article V—Child Labor

Employers shall not employ, nor have in their employ, any person under the age of sixteen (16) years; provided, however, that where a State law specifies a higher minimum age no member of this industry shall employ within that State a person below the age specified by such State law.

Article VI—Home Work

Home work in this Industry is prohibited.

Article VII—Administration

1. With a view to keeping the President informed as to the observance or non-observance of this Code of Fair Competition and as to whether the industry is taking proper steps to effectuate the declared policy of the National Industrial Recovery Act, each member of the Industry will furnish duly certified reports in substance as follows and in such form as may hereafter be provided, subject to the approval of the Administrator:

(a) Wages and hours of Labor: Returns every four weeks showing actual hours worked by the various groups of employees and minimum weekly rates of wages.

(b) Machinery data: Returns every four weeks specifying the number of machines as set up, the number of machines actually in operation each week, and the total number of work hours for each machine each week, and the number of machines owned and the number of machines hired.

(c) Reports of production: Monthly returns showing production in terms of the commonly used unit, umbrellas and parasols, as well as stocks on hand and such other information as the Administrator may request.

(d) The Association is constituted the Agency to collect and receive such reports, which are to be kept confidential, and compiled in such manner as not to reveal the identity of the individual employer concerned.

2. To further effectuate the policy of the Act, a Planning and Fair Practice Agency is hereby set up to cooperate with the Administrator and to explain the provisions of this Code for the Industry, with the approval of the Administrator. Said Agency shall consist of members of the Executive Committee of the Association.

Such Agency is also set up to cooperate with the Administrator in making investigations as to the functioning and observance of any of the provisions of this Code at its own instance or on a complaint by any person affected and to report the same to the Administrator. Such Agency may from time to time present to the Administrator recommendations based on conditions in the Industry as they may develop from time to time, which will tend to effectuate the provisions of this Code and the policy of the National Industrial Recovery Act.

3. The Agency may, with the approval of the Administrator, from time to time appoint such committees as it shall deem necessary or proper in order to effectuate the purposes of the Code and delegate to any such committee its general or any particular powers hereunder.

4. Any member of the Industry is privileged to take part in any and all activities of the Association having to do with the Code for the Industry, and to receive such reports concerning Code activities as may from time to time be sent to members of the Association, and in every other way to directly and indirectly participate in the Code work of the Association, either by becoming a member of the Association and paying to the Association the dues provided to be paid by a member of like standing, or by becoming a Code Associate and paying to the Association a pro rata share of the costs of carrying on the Code work of the Association.

Article VIII—Prices and Terms of Payment

1. Members of the Industry shall not sell any products or accessories below cost. The Planning and Fair Practice Agency may, with the approval of the Administrator, from time to time require employers to furnish complete information relating to their costs, which shall be verified by a Certified Public Accountant.

2. It is the judgment of the Industry that an accurate knowledge of costs is indispensable to intelligent and fair competition. The Planning and Fair Practice Agency shall, with the approval of the Administrator, provide a system of Cost Accounting capable of uniform application in the Industry. No employer shall sell any product below the cost as determined by the application of this formula to his operations.

3. All shipments shall be made f.o.b. factory or f.o.b. the cities of regularly established sales offices of the shipper. For the purpose of this provision an office shall mean a regular "sales office" and not merely the residence or office address of a salesman or shipper.

4. A uniform system of discounts is hereby established as follows: 2% 10 days, 60 days extra; 3% 10 days, end of month; 3% 10 days, receipt of goods.

Article IX—Unfair Methods of Competition

1. For all purposes of the Code the following described acts shall constitute unfair methods of competition.

(a) Commercial bribery in any form, commissions or presents to employers for the purchasers, over-liberal entertainment, paying or allowing secret rebates, unearned discounts, refunds, credits or concessions in the form of free goods, advertising allowances, secret transportation allowances, or the like, or any other act which will directly or indirectly affect any of the foregoing acts.

(b) Inducing the breach or attempting to prevent the performance of any contract.

(c) The misbranding or false marking of products of the industry or any misrepresentation in connection with the sale thereof for the purpose or with the effect of misleading or deceiving purchasers.

(d) Payment of allowances by secret rebates, refunds, credits, unearned discounts in any form.

(e) Any statement, written or oral, or any act constituting a false disparagement of the weight, substance, strength, grade, or quality of the products of any other member of the Industry, or reference to any deceptive tests or false statements, written or oral, regarding price quoted by any member of the Industry, or regarding the credit standing or ability of any member of the Industry, to perform any contractual obligation, or to the condition of employment among the employees of any member of the Industry.

(f) The making of false reports of capacity, production, inventories, sales, orders, or shipments.

(g) Making or giving to any purchaser of any product any guarantee of protection in any form against the decline in the market price of such product.

(h) The sale, shipment, or delivery of products on consignment or on terms other than regular terms.

(i) Stating in the invoice of any product as the date thereof a date other than the actual date of the shipment of such product or of the original contract of sale.

(j) Contracting for labor to be performed on premises other than the regular plant or plants of the member of the Industry entering into the contract, provided, that for good cause shown, the Planning

and Fair Practice Agency, with the approval of the Administrator, may permit products to be manufactured for any member of the Industry in the plant or plants of any other member of the Industry.

(k) Failing to clearly mark on invoice the nature and quality of goods sold as seconds, outmoded merchandise, sample lines, or shop-worn items. In no case shall a manufacturer classify and/or sell as seconds more than three percent (3%) of his total production except that those manufacturers, who customarily manufacture umbrellas from old, second-hand, damaged, or otherwise imperfect umbrella covers, gores, or parts, shall be permitted to manufacture and sell umbrellas of this class, but no such umbrella shall be offered for sale, nor shall it be sold, unless there is firmly sewn on the selvage of the umbrella cover, next to the handle, a label plainly marked in English "made of second-hand materials." Material of the label shall be different in color from the material used in the cover so that it will be clearly discernible.

(l) The acceptance of returned merchandise for credit except for defects in material and/or workmanship, or error in the shipment thereof or for error in original billing.

(m) Shipment, sale, or offer to sell or dispose of assorted lots of umbrellas unless the quantities of each classification (designated according to covering fabric) and the price of each of them is clearly stated on the invoice or bill.

(n) Aiding or abetting any person, firm, association, or corporation to use any unfair method of competition.

(o) Any violation of any other provision of the Code, whether or not herein expressed to be such, or using or employing any practice not hereinabove specifically described, which the Planning and Fair Practice Agency for the Code shall, upon the approval of the Administrator of the National Industrial Recovery Act, have declared to be a practice that would tend to defeat the policy of Title I of the National Industrial Recovery Act and, therefore, an unfair method of competition, and of which determination by such Agency and the Administrator, notice shall have been given to the members of the Industry, in such form as the Agency, subject to the approval of the Administrator, shall designate.

Article X—General

1. Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

2. No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing, and

3. Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

4. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of Subsection (b) of Section 10 of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act and specifically, but without limitation, to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

5. Where the costs of executing contracts entered into in the Umbrella Manufacturing Industry prior to the approval of the President of the United States of this Code are increased by the application of the provisions of the National Industrial Recovery Act to the Industry, it is equitable and promotive of the purposes of the National Industrial Recovery Act that appropriate adjustments of such contracts to reflect such increased costs be arrived at by arbitral proceeding or otherwise, and the Association is constituted an agency to assist in effecting such adjustments.

6. In order to enable the Industry to conduct its operations, subject to the provisions of the Code to establish fair trade practices within the Industry and with those dealing with the Industry, and otherwise to effectuate the purpose of Title I of the National Industrial Recovery Act, supplementary provisions of this Code or additional Codes may be submitted from time to time for the approval of the President.

7. Within each State this Code shall not supersede any laws of such State imposing more stringent requirements regulating the age of employees, wages, hours of work or health, fire, or general working conditions than under this Code.

8. In addition to the information required to be submitted to the Code Authority there shall be furnished to government agencies such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the Act.

9. No provision of this Code shall be so applied as to permit monopolies or monopolistic practices or to eliminate, oppress, or discriminate against small enterprises.

I, Philip O. Dietsch, do hereby certify that I am the duly appointed Managing Director of the National Umbrella Manufacturers Association, Inc., and further certify that the foregoing is a true copy of the Code of Fair Competition for the Umbrella Manufacturing Industry submitted to the Administration under the National Industrial Recovery Act, as amended by authority of the Executive Committee of the National Umbrella Manufacturers Association, Inc.

Philip O. Dietsch, *Managing Director.*

September 30, 1933.

Approved Code No. 51.
Registry No. 1661-1-01.

O

Approved Code No. 52

CODE OF FAIR COMPETITION

FOR

MUTUAL SAVINGS BANKS

As Approved on October 9, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Mutual Savings Banks Code of Fair Competition, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said code of fair competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said code of fair competition complies in all respects with the pertinent provisions of title I of said act and that the requirements of clauses (1) and (2) of subsection (a) of section 3 of said act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said code of fair competition be and is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:

HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
October 9, 1933.

29860——296-159——34

October 4, 1933.

The President,

The White House.

My Dear Mr. President: I have the honor to submit and recommend for your approval the Mutual Savings Banks Code of Fair Competition. Within sixty days after your approval, a supplementary code of fair practices provisions shall be filed with the Administrator for his approval.

The Code was proposed by, and has been accepted by, the National Association of Mutual Savings Banks, representing 92% of the 565 mutual savings banks in the country, 96% of their total assets of $10,938,000,000, and 96% of their total number of depositors of 13,300,000.

The Code has been approved by the several Advisory Boards of the National Recovery Administration.

A complete report is being transmitted herewith to you. Significant features are: there have been only a few minor failures of mutual savings banks and not one in the State of New York; they have more employees now than in 1929; a small number of employees fall within the minimum wage level of the Code; and the statement by Labor Advisors that banking employees receive higher comparative wages than those paid by industry generally.

I find that the Code complies with the pertinent provisions of clauses (1) and (2), subsection (a) of Section 3 of the National Industrial Recovery Act.

Respectfully submitted.

Hugh S. Johnson,
Administrator.

CODE OF FAIR COMPETITION

FOR

MUTUAL SAVINGS BANKS

PREAMBLE

To effectuate the policy of Title I of the National Industrial Recovery Act during the period of emergency, the following provisions are established as a Code of Fair Competition for Mutual Savings Banks.

Article I—Definitions

The term "mutual savings bank" as used herein means a savings bank operating under a state law, without capital stock or stockholders, and solely in the interests of its depositors.

The provisions of this Code shall apply to and affect only the regular banking operations of Mutual Savings Banks.

The term "employer" as used herein means any mutual savings bank.

The terms "employee" or "banking employee" as used herein shall mean any person employed by a mutual savings bank in any capacity in connection with its banking functions and operations.

The term "United States proper" as used herein shall mean the forty-eight (48) states of the United States and the District of Columbia.

The term "Administrator" as used herein shall mean the National Recovery Administrator.

Population for the purposes of this Code shall be determined by reference to the 1930 Federal Census.

Article II—Effective Date

The effective date of this Code, except as specifically provided for hereinafter, shall be the second Monday after its approval by the President of the United States.

Article III—General Labor Provisions

Employers shall comply with the following provisions of Section 7 (a) of Title I of the National Industrial Recovery Act:

(1) Employees shall have the right to organize and bargain collectively through representatives of their own choosing and shall be free from the interference, restraint or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(2) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain

from joining, organizing, or assisting a labor organization of his own choosing.

(3) Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

Article IV—Child Labor

On and after the effective date of this Code no person under sixteen (16) years of age shall be employed by any bank; provided, however, that where a state law prescribes a higher minimum age, no person below the age specified by such state law shall be employed within such state.

Article V—Hours of Employment

(1) On and after the effective date of this Code no banking employee shall work or be permitted to work more than forty (40) hours per week averaged over a period of thirteen (13) consecutive weeks.

(2) The maximum hours of employment prescribed in the foregoing paragraph shall be subject to the following exceptions:

(a) Where cases of seasonal or peak requirements impose upon banking facilities an unusual demand, employees of banks subject to such peak demand may work forty-eight (48) hours per week for a period not to exceed twelve (12) consecutive weeks in any calendar year. Any such increase in hours of employment shall be reported monthly to the Banking Code Committee provided for in Article VII hereinafter.

(b) All banking employees required to perform extra work or observe later hours in connection with examinations as required by law, over which the bank has no control, shall be exempt during such periods from the limitations upon hours of employment prescribed in the foregoing paragraphs.

(c) Employees in banking institutions employing not more than two (2) persons in addition to executive officers, in towns of less than 2,500 population, not part of a larger trade area, and employees in a managerial or executive capacity or in any other capacity of distinction or sole responsibility (regardless of the location of the bank) who receive more than thirty-five (35) dollars per week, shall be exempt from the limitations upon hours of employment prescribed in the foregoing paragraphs.

(d) These provisions for working hours shall not apply to night watchmen employed to safeguard the assets of the bank, who cannot with safety be shifted or changed during the night period.

Article VI—Wages

(1) On and after the effective date of this Code no employee in cities of over 500,000 population, or in the immediate trade area of such cities, shall be paid less than at the rate of $15.00 per week; no employee in cities between 250,000 and 500,000 population, or in the immediate trade area of such cities, shall be paid less than at

the rate of $14.50 per week; no employee in cities between 2,500 and 250,000 population, or in the immediate trade area of such cities, shall be paid less than at the rate of $14.00 per week. In towns of less than 2,500 population the wages of all classes of employees shall be increased by not less than twenty (20) percent, provided that this shall not require an increase in wages to more than the rate of $12.00 per week.

(2) It is provided, however, that employees without previous banking experience or training employed as apprentices may be paid during a continuous period of not more than six (6) months at the rate of eighty (80) percent of the minimum wages prescribed in the foregoing paragraph. No bank shall include within the category of apprentices more than one such employee for every twenty (20) employees or fraction thereof.

(3) Employers shall not reduce the compensation for regular employment now in excess of the minimum wages provided for herein, notwithstanding that the hours worked in such employment may be hereby reduced.

Article VII—Administration

(1) To effectuate further the policies of the National Industrial Recovery Act, a Mutual Savings Banks Code Committee is hereby set up to act as a planning and fair-practice agency and to cooperate with the Administrator in the administration and enforcement of this Code. This Committee shall consist of fifteen (15) representatives of the National Association of Mutual Savings Banks, who shall be truly representative of the membership of the Association, a representative selected by fifty-one (51) percent (measured by total resources) of the nonmembers of the National Association of Mutual Savings Banks, and a representative or representatives, without vote, appointed by the President of the United States.

(2) The Mutual Savings Banks Code Committee may from time to time present to the Administrator recommendations, based upon conditions in the banking business, which will tend to effectuate the operation of the provisions of this Code and the policy of the National Industrial Recovery Act. Such recommendations shall, upon approval of the Administrator after such public notice and hearing as he may prescribe, become operative as part of this Code.

(3) The Mutual Savings Banks Code Committee may, subject to the approval of the Administrator, require from all banks such reports as are necessary to effectuate the purposes of this Code, and shall upon its own initiative or upon complaint of any person affected make investigation as to the functioning and observance of any provision of the Code and report the results of such investigation to the Administrator.

(4) The Administrator may from time to time, after consultation with the Mutual Savings Banks Code Committee, issue such administrative interpretations of the various provisions of this Code as are necessary to effectuate its purposes within the provisions of the National Industrial Recovery Act of 1933, and such interpretations shall become operative as a part of this Code. Such interpre-

tations shall be promptly communicated to members of the Association, and any member shall have the right to appeal to the Administrator and be heard.

Article VIII—Fair Trade Practices

(1) Within sixty (60) days after the approval of this Code, the Mutual Savings Banks Code Committee shall present to the Administrator for his approval a supplementary Code containing fair trade-practice provisions.

(2) If the hours of banking operation of any mutual savings bank are reduced, no such bank shall by reason of this fact reduce the number of its employees below the number employed as of June 1, 1933. By hours of banking operation is meant the time within which the doors of the mutual savings bank are open for the purpose of serving the public.

Article IX—General Provisions

(1) Membership in the National Association of Mutual Savings Banks shall be open to all banks included within the provisions of this Code and said Association shall impose no inequitable restrictions upon admission to membership therein.

(2) It is expressly provided that no provision of this Code shall be interpreted or applied so as to conflict in any way with any federal or state banking law or any rule, regulation, or order which may have been or may be issued by any federal or state banking authority applicable to mutual savings banks.

(3) This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of Section 10 (b) of Title I of the National Industrial Recovery Act, from time to time to cancel or modify any order. approval, license, rule, or regulation issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

(4) Such other provisions of this Code as are not required to be included herein by the National Industrial Recovery Act, may, with the approval of the President, be modified or eliminated as changes in the circumstances or experience may indicate.

(5) The provisions of this Code shall expire on the expiration date of Title I of the Act or on the earliest date prior thereto on which the President shall by proclamation, or the Congress shall by joint resolution, declare that the emergency recognized by Section I of the National Industrial Recovery Act has ended.

Approved Code No. 52.
Registry No. 1707-03.

O

Approved Code No. 53

CODE OF FAIR COMPETITION

FOR THE

HANDKERCHIEF INDUSTRY

As Approved on October 9, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Handkerchief Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of the said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations and findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
October 9, 1933

29900——296-160——34

OCTOBER 4, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval, the Code of Fair Competition for the Handkerchief Industry. The Code has been approved by the Labor Advisory Board, the Consumers Advisory Board, and the Industrial Advisory Board.

An analysis of the provisions of the Code has been made by the Administration; and a complete report is being transmitted to you. I find that the Code complies with the requirements of clauses 1 and 2, subsection (a) of Section 3 of the National Industrial Recovery Act.

I am, my dear Mr. President,

Very sincerely yours,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

HANDKERCHIEF INDUSTRY

Article I

To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are submitted as a Code of Fair Competition for the Handkerchief Industry, and shall be the standard of fair competition for this industry and shall be binding upon every member of the industry.

Article II—Definitions

1. The term " industry " as used herein includes the manufacture, embellishment, and finishing, either by hand or by machine, of handkerchiefs, except that it shall not include the embellishment of handkerchiefs by Schiffli embroidery machines, so-called " hand-loom " machines, and so-called " hand-embroidery machines."

2. The term " member of the industry " as used herein shall include:

(a) Handkerchief manufacturers who own or operate their plants and whose production is sold, in whole or in part, directly by them or through salesmen, agents, or representatives, to the wholesale or retail trades;

(b) Handkerchief manufacturers owning plants or operating plants exclusively on a contract basis for others, in whole or in part engaged in the production or finishing of handkerchiefs.

(c) Those who purchase materials and have same fabricated into handkerchiefs, plain or embellished, by contractors, agents, sub-agents, or individuals within the confines of the United States or its insular possessions or territories;

(d) Those engaged in the Handkerchief Industry under more than one of the above classifications, or otherwise engaged as employers or on their own behalf.

3. The term " employee " as used herein includes any person engaged in any phase of the industry, in any capacity, receiving compensation for his services, irrespective of the nature or method of compensation.

4. The term " employer " as used herein includes any one for whose benefit or on whose business such an employee is engaged.

5. The term " Southern Section of the United States " as used herein shall include the States of Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas, and Virginia.

6. The terms " President ", "Administrator ", and "Act ", as used herein, shall mean respectively, the President of the United States, the Administrator of the National Recovery Administration or his duly authorized Deputy, and the National Industrial Recovery Act.

7. The term "effective date" as used herein shall mean and this Code shall become effective on the tenth (10th) day after this Code shall have been approved by the President of the United States.

Article III—Hours of Labor

1. Except as hereinafter provided, no employee shall work, or be permitted to work, in excess of eight (8) hours in any twenty-four (24) hour period, or in excess of forty (40) hours in any one week. Overtime is expressly prohibited, except as hereinafter provided.

2. No member of the industry shall operate any machine employed in the manufacture or embellishment of handkerchiefs, whether operated by power or by hand, on a schedule of more than one shift of forty (40) hours in any one week, except that, for a limited time or times, due to emergency arising through accident or similar cause, the Code Authority may, upon the express approval of the Administrator, authorize the operation of machines for more than forty (40) hours per week.

3. Members of shipping crews shall not work, or be permitted to work, in excess of forty (40) hours in any one week or more than eight (8) hours in any twenty-four (24) hour period, except that such employees may be permitted to work forty-eight (48) hours per week during a maximum of sixteen (16) weeks in any calendar year, provided, that for any and all such overtime work, such employees shall be paid at not less than the hourly rate payable to them for the regular forty (40) hour week.

4. Members of repair-shop crews, machinists, electricians, and drivers shall not work, or be permitted to work, in excess of forty-five (45) hours in any one week, except that persons employed in such capacities may be employed in excess of this schedule in case of emergency arising through accident or similar cause. Overtime shall be paid for at not less than the regular hourly rate for such employee.

5. No employee shall work or be permitted to work for a total number of hours in excess of the number of hours prescribed for each week and day, whether employed by one or more employers.

6. The provisions of this Article shall have no reference to members of outside sales force or to watchmen.

7. The provisions of this Article shall have no reference to executives, or to persons in administrative or supervisory capacities, or to engineers or firemen, provided such persons receive not less than twenty-five dollars ($25.00) per week.

8. The provisions of this Article shall not apply to manufacturing operations carried on outside the Continental portion of the United States.

Article IV—Wages

1. In the Southern Section of the United States no employee shall be paid at less than the rate of twelve dollars ($12.00) per week of forty (40) hours. In all other sections of the United States no employee shall be paid at less than the rate of thirteen dollars ($13.00) per week of forty (40) hours.

2. In the event that the differentials herein provided between the Southern and other sections of the United States result in an unfair disadvantage to any section, the Administrator may, either on the recommendation of the Code Authority or at his own instance, make such wage readjustments as may be necessary to maintain the proper competitive relationship between sections of the country.

3. Each member of the industry shall file with the Confidential Agency of the Code Authority duly certified schedules of rates of pay for piecework production for each type of standard operation in force in his plant, and shall advise said Agency of any change or alteration which may at any time be made in such schedules. Said Confidential Agency shall report to the Code Authority, under key numbers, all such schedules, in order that the Code Authority may be kept informed as to the observance or non-observance of this Code. Unless ordered by the Administrator, said Confidential Agency shall in no case disclose the name of anyone to which any key number may have reference.

4. No learner engaged in the actual manufacture of handkerchiefs shall be paid at less than the rate of nine dollars ($9.00) per week of forty (40) hours. A person shall be deemed a learner for no more than eight (8) weeks. Any time worked by a learner shall be deemed a part of his learning period, whether such time is worked continuously or in more than one shop or for more than one employer. The number of learners in any one plant at any operation shall not exceed ten per cent (10%) of the total number of employees engaged in said operation in said plant.

5. The wage rates for occupations other than those receiving the minimum wage herein prescribed, shall at least maintain the difference in earning for those occupations for a full-time week existing on July 1, 1933; provided, however, that these rates shall be subject to reconsideration for adjustment by the Code Authority and by the Administrator. Subject to review by the Code Authority and by the Administrator, no employer shall reduce the weekly compensation for employment now in excess of the minimum wages hereby agreed to, notwithstanding that the hours worked in such employment may hereby be reduced.

6. No employee shall be paid less than the minimum rate of wages set forth in this Article regardless of whether such employee is compensated on a time-rate or piece-rate basis.

7. To assure employment to workers who are physically handicapped or who are handicapped on account of age or otherwise, such employees are exempted from the provisions of Section 1 of this Article, provided, however, that the number of such employees in any given operation shall not exceed in number six percent (6%) of the total number of workers employed in such operation in such plant, and provided further, that persons so employed shall receive not less than eighty percent (80%) of the minimum wages provided in this Article. Any member of the industry employing such employees shall file with the Code Authority the names of all such employees, with such further information as the Code Authority or the Administrator may prescribe.

8. On and after January 1, 1934, the manufacture or partial manufacture of handkerchiefs at home shall be prohibited, except

that handkerchiefs made entirely by hand may be manufactured at home.

9. The manufacture and processing of handkerchiefs on which the labor cost of the hand operation is equal to sixty percent (60%) or more of the total labor cost of the finished handkerchief, shall not be bound by the provisions of Sections 1, 4, 7, and 8 of this Article, provided that the wholesale price of such handkerchiefs is not less than three dollars and fifty cents ($3.50) per dozen. The Code authority shall study the geographical distribution of members of the industry coming within the privilege of this exception and shall make to the Administrator recommendations for confining the privilege of this exception within a certain geographical range or ranges. Any member of the industry coming within the privilege of this exception shall not manufacture, or cause to be manufactured, any handkerchiefs, either in whole or in part, elsewhere than within the Continental portion of the United States and sell the same in the Continental portion of the United States unless he shall clearly specify the place of manufacture on each handkerchief so manufactured.

10. The provisions of this article shall not apply to manufacturing operations carried on outside the Continental portion of the United States.

Article V—Minimum Age

No person under sixteen (16) years of age shall be employed in the industry.

Article VI—Administration

1. To further effectuate the purposes of the Act, a Code Authority is hereby set up to cooperate with the Administrator in the administration of this Code. This Code Authority shall consist of nine (9) members or such other number as may be approved from time to time by the Administrator to be selected as hereinafter set forth. Nine (9) members shall be appointed by the Board of Directors of the Handkerchief Industry Association, Inc., and the Administrator, in his discretion, may appoint additional members to represent the Administrator or such groups or interests as may be agreed upon.

2. In order that the Code Authority shall at all times be truly representative of the industry and in other respects comply with the provisions of the Act, the Administrator may provide such hearings as he may deem proper; and thereafter if he shall find that the Code Authority is not truly representative or does not in other respects comply with the provisions of the Act, may require an appropriate modification in the method of selection of the Code Authority.

3. Each trade or industrial association participating in the selection or activities of the Code Authority shall: (1) impose no inequitable restrictions on membership, and (2) submit to the Administrator true copies of its articles of association, by-laws, regulations, and any amendments when made thereto, together with such other information as to membership, organization, and activities

as the Administrator may deem necessary to effectuate the purposes of the Act.

4. The Code Authority shall have the following duties and powers to the extent permitted by the Act, subject to the right of the Administrator on review to disapprove or modify any action taken by the Code Authority.

(a) To elect officers and to assign to them such duties as it may consider advisable, to set up rules for its own procedure and to provide for its continuance as the administrative agency of this Code in accordance with the terms of the Act and the principles herein set forth.

(b) To obtain from time to time from members of the industry reports in such form and at such times, in respect of wages, hours of labor, conditions of employment, number of employees, and other matters pertinent to the purposes of this Code as the Code Authority may prescribe, and to submit reports to the Administrator in such form and at such times as he may require, in order that the President may be kept informed with respect of the observance or non-observance hereof, and further to effectuate the policy of the Act.

(c) To select a Confidential Agency to obtain from all members of the industry certified reports of such character and in such form as the Code Authority may prescribe. The Agency shall be in no way engaged in the industry or connected with any member thereof. All information received shall be held as secret and confidential between the Agency and the reporting member. The Agency shall analyze, consolidate, and digest the reports and shall disclose to the Code Authority only the general findings. The findings shall be available to all members of the industry who shall have cooperated with the Code Authority in the administration of this Code, and the reports shall be available to the Administrator.

(d) To make surveys, compile reports, collect statistics and trade information, make recommendations for the betterment of the industry, investigate unfair trade practices, consider proposals for amendments to this Code, and otherwise act for the benefit of the industry.

(e) To set up a uniform accounting system for each division or subdivision of the industry. Any member of the industry shall have the privilege of continuing any cost system now in use or of instituting a new cost system suitable and adapted to his particular needs, provided that the selling price arrived at by the use of any such system shall not be less than the cost of that particular article which would be arrived at by the use of the uniform cost system recommended by the Code Authority, and approved by the Administrator.

(f) To recommend to the Administrator appropriate facilities for the registration of new, novel, or original styles, effects, designs, patterns, or types of handkerchiefs, which recommendations, upon the approval of the Administrator, shall become effective provisions hereof.

(g) To make recommendations concerning the establishment of an appropriate NRA insignia for the exclusive use of members of the industry.

(h) To recommend to the proper authority, should the provisions of this Code so increase the cost of domestic manufacture as to greatly increase the proportion of foreign imports and impair the competitive ability of domestic manufacturers operating under this Code, such tariff and other regulations as will maintain the normal competitive relationship between domestic and foreign manufacturers.

(i) To study the problem of home work in this industry and to recommend to the Administrator appropriate means for its effective regulation and control.

(j) To recommend to the Administrator appropriate regulations regarding the shipment of goods on consignment or memorandum, which recommendations, upon the approval of the Administrator, shall become effective provisions hereof.

(k) To coordinate the Administration of this Code with such codes, if any, as may be related to any division or subdivision of this industry, with a view to promoting joint and harmonious action on matters of common interest.

(l) To delegate to such trade association and other agencies as it deems proper, authority and power to carry out any of its activities provided for herein, and to defray the expenses incident thereto. This shall not relieve the Code Authority of any of its responsibilities under this Code.

5. Members of the industry shall be entitled to participate in and share the benefits of the activities of the Code Authority and to participate in the selection of the members thereof by assenting to and complying with the requirements of this Code and sustaining their reasonable share of the expenses of its administration. The reasonable share of the expenses of administration shall be determined by the Code Authority, subject to review by the Administrator, on the basis of volume of business and/or such other factors as may be deemed equitable to be taken into consideration.

6. Any action by the Code Authority affecting the rights of any person subject to this Code shall be subject to review by the Administrator.

Article VII—Recommendations

The Code Authority shall study the following matters, or any other matters, relating to trade practices and the operation thereof, and may make recommendations thereon to the Administrator. Upon the approval of the Administrator, and after such hearing as he may prescribe, such recommendations, or any part of them, shall become a part of this Code and shall have full force and effect as provisions hereof.

1. The abuse of buying power to force uneconomic or unjust terms or conditions of sale upon sellers, and the abuse of selling power to force uneconomic or unjust terms of sale upon buyers.

2. The offering for sale of any merchandise under any trade mark, trade name, slogan, or other mark of identification in unfair imitation of the trade mark, trade name, slogan, or other mark of identification of another person.

3. Procuring, or attempting to procure, any information concerning the business of a person which is properly regarded by such per-

son as a trade secret or confidential within its organization (except on consent of such person), other than information relating to a violation of any provision of this Code.

4. The use of so-called "commercially fast" colors (other than in light shades) in the manufacture of handkerchiefs made of dyed material.

5. The use of so-called "commercially fast" colors, other than in pastel or light shades.

6. The use of colors or shades, other than vat dye or of colors of equal strength and fastness on printed handkerchiefs, except those printed by hand block.

7. The sale of handkerchiefs printed in colors or shades other than vat dye or of colors of equal strength and fastness, except those printed by hand block.

8. The dyeing of the finished handkerchief and the material of which the handkerchief is made.

Article VIII—Trade Practices

1. No member of the industry shall, directly or indirectly, give or permit to be given, or offer to give, money or anything of value to agents, employees or representatives of customers or prospective customers, or to agents, employees or representatives of competitors' customers or prospective customers, without the knowledge of their employers or principals, as an inducement to influence their employers or principals to purchase or contract to purchase from the makers of such gift or offer, or to influence such employers or principals to refrain from dealing or contracting to deal with competitors.

2. No member of the industry shall make or allow to be made any secret payments or allowance of rebates, refunds, commissions, credits, or unearned discounts, whether in the form of money or otherwise, or secretly extend to certain purchasers any special services or privileges not extended to all purchasers on like terms and conditions.

3. No member of the industry shall extend to a buyer the right to confirm a proposed purchase for a period of more than thirty (30) days from the date when said buyer placed the order as subject to further confirmation. No option shall be extended to a buyer for more than thirty (30) days.

4. No stock protection or price guaranty shall be given.

5. No member of the industry shall accept the return of merchandise sold to a customer in good faith and shipped in accordance with specifications. In no event shall any merchandise be accepted for return, if retained by a customer for more than five (5) days after receipt of the merchandise, unless said merchandise is returned because of hidden defects affecting the salability of the merchandise. No merchandise shall be accepted for return if retained more than sixty (60) days from date of invoice.

6. No member of the industry shall accept the return of merchandise for exchange.

7. No member of the industry shall disseminate, publish, or circulate any materially false or misleading information relative to any product of a competitor or the credit standing or ability of a competitor to perform any work or manufacture or produce any product.

or to the conditions of employment among the employees of a competitor.

8. No member of the industry shall ship handkerchiefs which do not conform substantially in quality and value to the samples submitted or to the representations made prior to securing the order, except with the knowledge and consent of the purchaser.

9. No member of the industry shall make any sale or contract of sale of any handkerchief under any description which does not substantially describe such article in terms customarily used in the industry.

10. No member of the industry shall use any work, name, label, or brand indicating a place or country or origin or type of a handkerchief, associated in the trade with a place or country or origin, except as to articles actually made in said place or country of origin.

11. No member of the industry shall maliciously induce or attempt to induce the breach of an existing oral or written contract between a competitor and his customer or source of supply, or interfere with or obstruct the performance of any such contractual duties or services.

12. No member of the industry shall willfully aid or abet another member of the industry to commit any unfair practice.

13. No member of the industry shall accept from a purchasing agent or purchasing agency any order for merchandise designated for or addressed to the account of another member of the industry without the knowledge and consent of such other member of the industry.

14. No member of the industry shall use the words "Hand Rolled Hem" to designate that class of handmade hem known as "Whipped Edge", which latter term means any hem or edge on which the thread used to fasten same is whipped or looped around and encloses the entire rolled edge.

15. No member of the industry shall falsely mark or brand any product of the industry with the tendency to mislead or deceive customers or prospective customers as to the grade, quality, quantity, substance, character, nature, origin, size, finish or preparation of any product of the industry, or otherwise.

16. No member of the industry shall make or cause to be made or knowingly permit to be made or published any false, materially inaccurate, or deceptive statement by way of advertisement or otherwise, concerning the grade, quality, quantity, substance, character, nature, origin, size, finish or preparation of any product of the industry, having the tendency or capacity to mislead or deceive purchasers or prospective purchasers.

17. All specifications as to size of handkerchief, count of cloth, type of cloth, whether combed or carded, as well as the number of stitches on the hem, shall be in substantial conformity with samples or specifications submitted by seller to buyer. There shall be a reasonable tolerance for variations resulting from the manufacturing processes. All shipments of handkerchiefs embellished with initials or other embroidery shall conform to types as specified, whether hand-machine or so-called "hand-loom embroidery" or Schiffli machine embroidery or all-hand embroidery. Misrepresentation of type or methods of process of embroidery is prohibited. Substitution of one type of embroidery for another is likewise pro-

hibited. The designation of linen qualities by Counts or Setts is not permissible, unless such Counts or Setts contain the standard number of threads to the square inch and unless the yarn numbers in such Counts or Setts are those generally used in the Irish Linen Industry in the weaving of such Counts or Setts and are recognized by the Irish Linen Weaving Industry as standard.

18. Samples shall be furnished at the same price as the merchandise, if said samples are made in accordance with the seller's make-up. No member of the industry shall absorb any part of any increase in the cost incurred by the seller for samples other than those of his usual make-up. Samples shall be given to purchasers or retailers only when accompanied by a stock order based upon the said samples.

19. No member of the industry shall sell merchandise in the regular course of trade below his cost as defined in Article VI, Section 4 (e). The Code Authority shall, upon request and subject to review by the Administrator, determine whether or not any given transaction was made in the regular course of trade.

20. Nothing in this Code shall limit the effect of any adjudication by the Courts or holding by the Federal Trade Commission on complaint, finding, and order, that any practice or method is unfair, providing that such adjudication or holding is not inconsistent with any provision of the Act, or this Code.

Article IX—Terms of Sale

Terms of sale for this industry shall be—

1. Net cash ten (10) days; or with an equalizing differential in the price, two percent (2%) ten (10) days—sixty (60) extra; or two and one-half percent (2½%) ten (10) days—thirty (30) extra; or three percent (3%) ten (10) days; or C.O.D., three percent (3%).

2. All the above terms shall be effective from date of invoice or of shipment, whichever may be earlier.

3. Extra dating is expressly prohibited.

4. The terms for the members of the industry described in Section 2 (b) of Article II shall be net cash within ten (10) days.

5. No member of the industry shall allow discount if bill is not paid within five (5) days of due date at the office at which the account is due and payable.

6. Members of the industry shall charge legal interest on all past due accounts, which charge shall accrue at maturity of bill plus five days grace.

7. No member of the industry shall allow anticipation exceeding six percent (6%) per annum.

8. No member of the industry shall violate any of the provisions of this Article, directly or indirectly, either by false bookkeeping methods or otherwise.

9. All shipments shall be F.O.B. point of origin, except that shipments of packaged, trade-marked handkerchiefs distributed directly to the retailer by the manufacturer may be F.O.B. destination.

Article X

1. Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

2. No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

3. Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

4. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of subsection (b) of Section 10 of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act and specifically, but without limitation, to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

5. Within each state, no provision of this Code shall supersede any laws of such state imposing more stringent requirements, regulating the age of employees, wages, hours of work, or health, fire, or general working conditions, than under this Code.

6. No member of the industry shall manufacture, or cause to be manufactured, any handkerchiefs, in whole or in part, in any prison, prison camp, penitentiary, reformatory, or other penal institution, or in any place by means of prison labor.

7. No work shall be done or be permitted to be done in any basements, unsanitary buildings, buildings unsafe on account of fire risks, or otherwise dangerous. In any state in which buildings used in the industry, including dwellings, are subject to inspection by the Department of Labor of such state, or of the Government of the United States, no work shall be done in such buildings or dwellings without the provisions relating to such inspection having first been complied with, and proof of such compliance having been supplied to the Code Authority.

8. Any employer who at any time shall manufacture any article or articles subject to the provisions of this Code, shall be bound by all the provisions of this Code as to all employees engaged in whole or in part in such manufacture. In case any employee shall be engaged partly in such manufacture and partly in the manufacture of goods of another character, this Code shall apply to such portion of such employee's time as is applied to the manufacture of articles subject to this Code.

9. No provision of this Code shall be so applied as to permit monopolies, or monopolistic practices, or to eliminate, oppress, or discriminate against small enterprises.

10. In addition to information required to be submitted to the Code Authority, there shall be furnished to Government Agencies

such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the National Industrial Recovery Act.

11. The Handkerchief Industry approves the practice of handling disputes between its members, between members and their customers, and between members and those from whom they purchase, in a fair and reasonable manner coupled with a spirit of moderation and good will, and every effort should be made by the disputants themselves to arrive at an agreement. In the event that they are unable to agree, the dispute should be settled by arbitration as provided by the American Arbitration Society.

Approved Code No. 53.
Registry No. 237/1/01.

Approved Code No. 54

CODE OF FAIR COMPETITION

FOR THE

THROWING INDUSTRY

As Approved on October 11, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16th, 1933, for my approval of a Code of Fair Competition for the Throwing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act, and that the requirements of clauses (1) and (2) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16th, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be, and it is hereby, approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:

Hugh S. Johnson,

Administrator.

The White House,

October 11, 1933.

29901°——296-161——34

OCTOBER 11, 1933.

To the PRESIDENT:

INTRODUCTION

Submitted herewith is the report of the Hearing on the Code of Fair Competition for the Throwing Industry in the United States, as submitted by the Throwsters Research Institute, Incorporated, of New York City, conducted in the Chinese Room of the Mayflower Hotel, in Washington, D.C., on August 29, 1933, in accordance with the provisions of the National Industrial Recovery Act.

The following papers are included and annexed:

1. Code as finally proposed.
2. Notice of Hearing.
3. By-Laws of the Throwsters Research Institute.
4. State of procedure.
5. List of witnesses.
6. Transcript of the records.
7. Statistical analysis.
8. Report of Deputy.

In accordance with the customary procedure every person who had filed a request for an appearance was freely heard in public, and all statutory and regulatory requirements were complied with.

The Code which is attached was presented by duly qualified and authorized representatives of the Industry, complying with the statutory requirements, as representing 90% of total spindles in the Industry.

POSITION OF THE INDUSTRY

The industry consists of winding silk from the skein into thread suitable for weaving, the hard twisting of silk and rayon into crepe yarn and the doubling of these yarns associated with twisting.

The industry employs approximately fifty thousand (50,000) persons and the annual charges for services rendered approximate forty-seven million dollars ($47,000,000). Over sixty percent do commission throwing. Of the weavers who do no commission throwing eight hundred and forty-six thousand (846,000) have accepted the code, and one hundred and seventy-eight thousand (178,000) have not. For this 17.3% of the weavers who do no commission throwing the code has been completely rewritten. This has been done in an extreme effort to avoid regulating throwing as part of the larger process of cloth manufacture and to avoid having rayon mills operate under conflicting provisions.

In accepting this code the industry is actually placing itself at a competitive disadvantage with the rayon weavers, whom it has agreed to exempt. Until some coordination shall have been established with respect to Textile Codes, this code will at least provide

an even wage rate for the Throwing Industry and will avoid interfering with rayon mills' operation. It must be regarded as a compromise.

RÉSUMÉ OF PROVISIONS OF THE CODE

The Code provides for a minimum wage of 30¢ per hour in the southern section and 32½¢ per hour in the northern section and provides a maximum working week of forty hours for productive employees. Provision is made for limiting night work to a skeleton shift of not over 35% of the largest day shift, to be males over eighteen years of age and to receive a minimum of 40¢ per hour in the southern section and 43.3¢ per hour in the northern section. Mills throwing rayon for their own use exclusively are exempted from this provision, as well as from any recommendations which might be made in the future as to further limitations on machine hours.

Under minimum wages—learners are excepted.

The running of machinery between 7:00 A.M. Saturday and 6:00 A.M. Monday is prohibited except for mills throwing rayon exclusively for their own use.

Hours are limited to forty hours except with respect to certain maintenance categories for which forty-four hour employment is permitted.

Child labor is prohibited.

A representative committee is set up to cooperate with the Administrator.

FINDINGS

The Administrator finds that:

(a) This code complies in all respects with the pertinent provisions of Title I of the Act, including without limitation subsection (a) of Section 7 and subsection (b) of Section 10 thereof.

(b) The Throwsters Research Institute to be truly representative of the Throwing Industry. The By-Laws of this Institute provide no inequitable restrictions to membership.

(c) The code is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

(d) Objections to the code have largely been met by altering important provisions of the code so as to exempt from the application of important provisions those mills for whom the throwing of their own rayon yarn is part of a larger process of manufacture.

(e) Other provisions of the code are calculated to bring greater orderliness into what has been a chaotic market.

I recommend that the code be approved.

Respectfully submitted.

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

THROWING INDUSTRY

PREAMBLE

To effectuate the policy of Title I of the National Industrial Recovery Act, the following provisions are established as a Code of Fair Competition for the Throwing Industry during the period of emergency as defined by the Federal Government.

Section 1—Definitions

Section I. The term " throwing industry " as used herein shall be understood to embrace all plants of throwing machinery within the United States whether owned and/or operated by commission throwsters or by those throwing material for sale or for their own use and made of silk, rayon, or acetate yarns.

The term " throwing machinery " shall be understood to embrace any machinery when used for the twisting of silk yarns and for the twisting of single or multiple rayon or acetate yarns except only original producers of rayon or acetate yarns with seven turns or less per inch and except sewing threads and except ply novelty twisted yarns of the type of boucle, ratine and frille usually made on double feed roll twisters. The term " throwing machinery " shall be further understood to include winding, doubling, reeling, coning, copping, and tubing machinery and other machinery commonly used but only when used in preparing said yarns for the twisting processes or in packaging said threads after the completion of said twisting processes.

The term " employee " shall mean all persons employed in the conduct of any branch of the throwing industry.

The term "productive employee " as used herein shall include all employees in the throwing industry except repairshop and cleaning crews, engineers, electricians, firemen, supervising staff, office employees, shipping, watching, soaking, laboratory, and outside crews.

The term " employer " shall be understood to embrace any person, partnership, association, corporation or trust, including trustees in bankruptcy and receivers, engaged in the throwing industry.

The term " effective date " as used herein is defined to be the first Monday after this Code is approved by the President.

Section 2—Conditions of Employment

Sec. II. (a) All employers shall comply with the requirements of Section 7 (a) of Title I of the National Recovery Act, as follows:

1. Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of

labor, or their agents, in the designation of such representatives or in self-organization or other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

2. No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

3. Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

(b) On and after the effective date hereof no person under the age of sixteen shall be employed in the Throwing Industry, provided, however, that where a state law provides a higher minimum age, no person below the age specified by such state law shall be employed within that State.

(c) On and after the effective date, all employees of the Throwing Industry, excepting bobbin and skein carriers, bobbin cleaners, and " learners " as hereinafter defined shall receive a minimum wage at the rate of 30¢ per hour when employed in the southern section of the industry and at the rate of 32½¢ per hour when employed in the northern section and under no conditions, by means of fines, rebates or other methods, and regardless of whether the employees' compensation is based on a time rate or piece work performance, shall the actual pay received by employees be brought below the minimum here named. The southern section of the industry shall be understood to include only the following states: Texas, Oklahoma, Arkansas, Louisiana, Mississippi, Alabama, Florida, Georgia, South Carolina, Tennessee, North Carolina, Kentucky, Virginia, West Virginia, Maryland. At no time shall the total number of bobbin and skein carriers and bobbin cleaners be in excess of 10% of the total number of employees of the shift and the rate of pay of such casual and incidental labor shall not be less than 80% of the minimum rate. No employee shall receive for forty hours of labor less compensation than he received or would have received as of April 1, 1933 for a period not exceeding fifty hours per week.

On and after the effective date, a learner is hereby defined as one who has worked less than twelve weeks in the throwing industry and such learners shall be started at a minimum wage at the rate of twenty (20¢) cents per hour. At the conclusion of the first six weeks the said minimum shall be increased to twenty six (26¢) cents per hour and at the expiration of the second six weeks period such employees shall no longer be classified as learners and shall receive not less than the minimum wage rate then in force. Also, in order that the status of every learner may at all times be clearly defined, and so that such learner may be properly accredited with his or her time of service upon seeking employment in another mill, the following procedure shall be adhered to: Upon expiration of the first six weeks of the learning period, and not before, the learner shall be given by the employer a card bearing his or her name, signed by the employer, stating the time served as a learner, and the class of work upon which such learner has been so engaged; and, upon expiration of the full twelve weeks learning period, and not before, the said card shall be exchanged for a second and similar card acknowledging that the

employee has served twelve weeks and is no longer a learner on the class of work upon which he or she has been engaged. All cards so defining the status of the employees referred to shall be in identical form, said form to be prescribed by the code administration committee.

The foregoing provisions as to hourly wage rates shall be subject to the proviso that where a state law provides a higher minimum wage, no person employed within that state shall be paid a wage below that required by such state law.

(d) On and after the effective date hereof no productive employee shall work or be employed in the throwing industry for more than forty hours in any one week.

1. On and after the effective date hereof, operation of throwing machinery in any week shall be permitted only between the hours of 6 A.M. on Monday and 7 A.M. of the following Saturday; and such operation of machinery shall further be subject to the following limitations: Full working shifts shall be limited to two of not more than forty hours each with the exception that a reduced force of male operatives over 18 years of age and not to exceed 35 percent of the total number working in all throwing processes on the larger of the two full shifts may be employed as and when necessary during the time when neither of the full shifts is working. The minimum hourly wage to be received by the productive employees on this reduced force as referred to shall be at the rate of 40 cents per hour when employed in the southern section of the industry and at the rate of 43.3 cents per hour when employed in the northern section. The provisions of this subdivision (d) No. 1 with regard to the operation of throwing machinery shall not apply to throwing machinery in weaving plants operating under the Code of Fair Competition for the Cotton Textile Industry, providing that the yarn thrown is rayon or other synthetic threads for their own use only in their own plants; but such excepted machinery shall not operate more than 121 hours each week unless the Code of Fair Competition for the throwing industry shall be amended to allow machine operation more than 121 hours each week.

2. Nonproductive employees, as excepted in defining "productive employee" in Section I hereof, other than supervising staff, shall in no case receive less than the minimum hourly wage herein prescribed for productive employers; and may work not more than forty hours in any one week excepting only that this working time for such nonproductive employees may be extended to 44 hours when necessary and may be further extended in emergency provided such emergency work is duly reported monthly to the Code Administration Committee. Any employee working more than 44 hours in any one week shall be paid one and one third times the hourly rate for the hours worked over 44.

Section 3—Regulations

Sec. III. (a) On and after the effective date, each employer in the throwing industry shall be obliged to post conspicuously in each room in his mill or mills a printed notice, to be furnished by the Throwsters Research Institute, which shall cite the several regula-

tions of this Code relating to hours, minimum wages, and learners. Said notice shall further inform employees as to how and where to report violations of the regulations of this Code. Every employer in the throwing industry shall be obliged to admit at any time an authorized representative of the Throwsters Research Institute to check the fact that said notices are so posted and other regulations of the Code strictly observed. The Labor Department in each State will be requested by the Throwsters Research Institute to cooperate by also checking the fact that the said notices are so posted and are kept posted.

(b) Every employer shall use an accounting system which conforms to the principles of and is at least as detailed and complete as the standard and uniform method of costing to be formulated or approved by the Code Administration Committee, with such variations therefrom as may be required by the individual conditions affecting any employer or group of employers.

(c) With a view to keeping the President informed as to the observance or nonobservance of this Code of Fair Competition and any supplements thereto and as to whether the throwing industry is taking appropriate steps to effectuate the declared policy of the National Recovery Act, such employer shall be required to furnish duly certified reports, in substance as follows, to the Throwsters Research Institute in such form as may hereafter be required by said Institute.

Wages and Hours of Labor.—Returns every four weeks for *Each Department*, showing:

(1) Average number of employees in each shift.
(2) Minimum hourly wage paid to any employee.
(3) Maximum hours worked by any employee.
(4) Total pay roll and total pay-roll hours.

Machinery Data.—Returns every four weeks for *Each Department*, showing:

(1) Number spindles in place.
(2) Average spindles operated during period.
(3) Total hours machinery operated each week in each department.

Production Data.—Returns every week showing:

(1) Kind and amount of raw material put in work during the week.
(2) Description of throwing to be done.
(3) Price at which throwing was taken.

Section 4—Administration

Sec. IV. To further effectuate the policies of the Act, a Code Administration Committee is set up to cooperate with the Administrator as a Planning and Fair Practice Committee for the industry. This Committee shall consist of twelve members in addition to the President of the Throwsters Research Institute, Inc., who shall be Chairman. The executive Secretary of the Throwsters Research Institute, Inc., shall serve as Secretary of the Code Administration Committee. There shall be at least one committee member chosen from each of the following groups of employers—commission throw-

ster of weaving yarns, commission throwster of knitting yarns, rayon and/or cotton weaver, knitter, yarn dealer and silk weaver.

The Code Administration Committee shall be chosen by vote by the members of the Throwster Research Institute, Inc., and other signers of this Code who shall have contributed, or agreed to contribute to the cost of administration, an amount equal to the dues they would pay were they members of the Throwsters Research Institute, Inc. Each voter shall have one vote for each 5,000 spindles or fraction thereof operated by him and registered with the Throwsters Research Institute, Inc.

The Administrator shall appoint an impartial representative or representatives not to exceed three in number who shall have no vote but shall in all other respects be members of the said Code Administration Committee.

The Committee responsible for the formation of the Code, with the representative or representatives of the NRA as provided for herein, shall function as a Code Administration Committee hereunder until the election of the Code Administration Committee is effected and said election shall take place within six weeks after the final approval of this Code.

Based on conditions in the industry as they may develop, the Code Administration Committee shall present to the Administrator recommendations which will tend to effectuate the operation of the provisions of this Code and the policies of the National Recovery Act, and in particular along the following lines:

No. 1. Recommendations that it shall be within the power of the Code Administration Committee to further limit the machine hours after a trial period of 90 days if in its judgment, and upon the operating records received, it shall have become apparent that the resulting production is in excess of the needs of those who supply material for processing by the throwing industry, and further thereafter to restore or amend such machine hours as may from time to time become necessary. This provision for flexibility is essential for the Throwing Industry because it has no command over volume, being wholly dependent upon the demands and needs of the weaving, knitting, and allied trades. This provision shall not apply to throwing machinery provided the yarn thrown thereon is for the employers' own use only in their own plants, and operating under the Cotton Textile Code.

No. 2. Recommendations that each employer who may wish to purchase or build throwing machinery, and any individuals of corporations desiring to establish plants of throwing machinery, may do so only after having procured from the Administration permission for such purchase or erection or for such establishment of plants; and the Code Administration Committee is hereby empowered to act as the agent of the Administration to receive applications for such permissions and to recommend the granting or withholding of same; and it shall be the duty of the Code Administration Committee in such proceeding to furnish the National Recovery Administration with a full and duly authenticated statement of the facts upon which its recommendation is based.

No. 3. Recommendation by the Code Administration Committee after study of the number of spindles to be operated by an employee

on different classes of yarn upon the feasibility of establishing standards, to be reported to the National Recovery Administration.

Such recommendations, when approved by the Administrator, shall have the same force and effect as any other provisions of this Code.

Section 5—Cancellation or Modification by the President

Sec. V. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provision of Clause 10 (b) of the National Industrial Recovery Act, from time to time, to cancel or modify any order, approval, license, rule or regulation, issued under Title I of said Act, and specifically to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

Section 6—Amendment

Sec. VI. Such of the provisions of this Code as are not required to be included therein by the National Industrial Recovery Act, may with the approval of the President, be modified or eliminated as changes in circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions to the Code or Additional codes will be submitted for the approval of the President to prevent unfair and destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act.

Section 7—Violation

Sec. VII. Upon receiving evidence that an employer has violated or is violating any provision of this Code or of the National Industrial Recovery Act, or is endeavoring directly or indirectly to defeat the purposes of the Code and of the Act, the Code Administration Committee shall recommend to the Administrator that, provided the evidence is regarded by him as adequate, the offending employer shall in addition to any penalties or fine or imprisonment that may be imposed under the Act, be deprived of all use of the Blue Eagle Insignia.

Approved Code No. 54
Registry No. 274/1/01

Approved Code No. 55

CODE OF FAIR COMPETITION

FOR THE

COMPRESSED AIR INDUSTRY

As Approved on October 11, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933 for my approval of a Code of Fair Competition for the Compressed Air Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
October 11, 1933.

OCTOBER 9, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval the Code of Fair Competition for the Compressed Air Industry.

An analysis of the provisions of the Code has been made by the Administrator. I find that the Code complies with the requirements of the National Industrial Recovery Act.

I am, my dear Mr. President,

Very sincerely yours,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

COMPRESSED AIR INDUSTRY

Article I—Purpose

To effectuate the policy of Title I of the National Industrial Recovery Act, the following provisions are submitted as a Code of fair competition for the Compressed Air Industry, and upon approval by the President shall be the standard of fair competition for this Industry.

Article II—Definitions

The term "compressed air industry" as used herein is defined to mean the manufacture for sale of air and gas compressors (requiring more than 10 H.P.), reciprocating vacuum pumps and pneumatic machinery and/or parts thereof other than refrigeration equipment. The term "person" as used herein shall include but without limitation natural persons, partnerships, associations, trusts, trustees, trustees in bankruptcy, receivers, and corporations. The term "employer" as used herein shall include every person actively engaged in the manufacture for sale of the products of the compressed air industry as herein defined. The term "effective date" as used herein is defined to be the eleventh day after this Code shall have been approved by the President of the United States.

Article III—Applicant

This Code is presented by COMPRESSED AIR INSTITUTE, a trade association, all the members of which are engaged in the manufacture for sale of the products of the compressed air industry as herein defined, in association with Machinery and Allied Products Institute, of which Compressed Air Institute is a constituent member.

Article IV—Employment

As required by Section 7 (a) of Title I of the National Industrial Recovery Act, it is hereby provided:—

"1. That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

"2. That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

3. That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President."

Article V—Wages

(a) On and after the effective date no employer shall employ any one under the age of 16 years; provided, however, that where a state law provides a higher minimum age, no person below the age specified by such state law shall be employed within that state.

(b) On and after the effective date the minimum wage that shall be paid by any employer to any unskilled employee engaged in the production of the products of the compressed air industry and in labor operations directly incident thereto shall be 40 cents per hour, unless the rate per hour for the same class of labor on July 15th, 1929, was less than 40 cents, in which case the rate per hour paid shall be not less than the rate per hour paid on July 15th, 1929, and provided, that in no event shall the rate per hour paid be less than 35 cents, and provided also that learners (other than apprentices as defined in paragraph (d) of this Article V) may be paid not less than 80 percent of such minimum wage but the total number of learners shall not exceed 5 percent of the total number of employees covered by the provisions of this paragraph (b) and provided, further, that after three months of work learners shall be paid not less than the minimum wage herein provided.

(c) On and after the effective date the minimum wage that shall be paid by any employer to all employees other than those engaged in the production of the products of the compressed air industry and in labor operations directly incident thereto shall be at the rate of $15 per week, whether calculated on an hourly, weekly, monthly, piece-work, or any other basis in accordance with the usual custom of the employer, provided, however, that office boys or girls may be paid not less than 80 percent of such minimum wage, but the total number of such office boys or girls shall not exceed 5 percent of the total number of employees covered by the provisions of this paragraph (c).

(d) Nothing in this Article V shall apply to, or affect a bona-fide apprentice employed under a system or course of training which, when completed, will make the apprentice a skilled mechanic.

(e) Not later than 90 days after the effective date each employer in the compressed air industry shall report to the Administrator through the Supervisory Agency, hereinafter provided for, the action taken by such employer in adjusting the hourly wage rates for all employees receiving more than the minimum rates provided in paragraph (b) of this Article V, but receiving less than $35 per week of regular work period.

Article VI—Hours

On and after the effective date no employer shall employ any employee except executives, administrative, supervisory, and technical employees and their respective staffs, who are paid at the rate of $35 or more per week, traveling, sales and service employees, watch-

men, and firemen, in excess of 40 hours per week, provided, however, that these limitations shall not apply to conditions of seasonal or peak demand which create an unusual and temporary burden for production or installation; in such special cases such number of hours may be worked as are required by the necessities of the situation, but not to exceed 48 hours per week for any 6 weeks in any calendar 6 months' period; and provided further, that these limitations shall not apply to employees on emergency, maintenance, or repair work, or to very special cases where restriction of hours of highly skilled workers would unavoidably reduce or delay production. Where in any case an employee whose hours of work are herein specified (other than salaried employees) shall work in excess of 8 hours per day at least time and one third shall be paid for the excess hours worked.

Article VII—Administration

Compressed Air Institute is hereby designated an agency for promoting the performance of the provisions of this Code by the members of the compressed air industry; provided, however, that no inequitable restrictions upon membership in such Institute shall at any time be imposed.

With a view to keeping the President of the United States and the Administrator informed as to the observance or non-observance of this Code, and as to whether the compressed air industry is taking appropriate steps to effectuate in all respects the declared policy of the National Industrial Recovery Act, each employer shall, when required by the Supervisory Agency, prepare and file with such person or organization as the Supervisory Agency may designate, an earnings statement and balance sheet in a form prescribed by the Supervisory Agency. Each employer shall likewise prepare and file with such person or organization as the Supervisory Agency may designate and at such times and in such manner as may be prescribed, statistics of plant capacity, volume of production, volume of sales in units and dollars, orders received, unfilled orders, stocks on hand, inventory, both raw and finished, number of employees, wage rates, employee earnings, hours of work, and such other data or information as the Supervisory Agency may from time to time require. In addition to information required to be submitted to the Supervisory Agency, there shall be furnished to Government agencies such statistical information as the Administrator may deem necessary for the purpose recited in Section 3 (a) of the National Industrial Recovery Act.

Article VIII—Supervisory Agency

To administer and supervise, and to facilitate the enforcement of the provisions of, this Code there shall be a committee of five members connected with the compressed air industry called the Supervisory Agency. The President or the Administrator may appoint not more than three additional members without vote. The committee shall be elected at a meeting of employers called immediately after the approval by the President of this Code and held immediately prior to the effective date thereof. The meeting shall be

called by Compressed Air Institute, and notice thereof shall be sent by telegraph and registered mail to all known manufacturers in the compressed air industry. The notice shall specifically state that voting at the meeting may be in person or by proxy. The members of the committee shall be elected by a vote of the employers present in person or by proxy at such meeting passed in two ways:

(a) One member, by a majority vote of employers present in person or by proxy as such and

(b) Four members, by a 51% vote by employers present in person or by proxy weighted on the basis of one vote for each $50,000 of sales of products of the industry made in the calendar year 1932 as reported to the Secretary of Compressed Air Institute, but each employer shall have at least one vote. Members of the Committee to fill vacancies due to death or resignation or because a member thereof has ceased to be connected with the industry shall be elected at meetings of employers called by Compressed Air Institute on at least ten (10) days notice by registered mail sent to all known manufacturers in the compressed air industry. At such meetings the vote shall be taken in the manner hereinabove described.

If formal complaint is made to Compressed Air Institute or to the Supervisory Agency that the provisions of this Code have been violated by any employer, the supervisory agency or the proper supervisory committee hereinafter provided for shall make such investigation as in its opinion is necessary.

Article IX—Statistics Confidential

Except as otherwise provided in the National Industrial Recovery Act, all statistics, data, and information filed in accordance with the provisions of Article VII shall be confidential; and the statistics. data, and information of one employer shall not be revealed to any other employer, except that for the purpose of facilitating the administration and enforcement of the provisions of this Code the Supervisory Agency, by their duly authorized representatives (who shall not be in the employ of any employer affected by this Code), and the Administrator shall have access to any and all statistics, data, and information that may be furnished in accordance with the provisions of this Code.

Article X—Open to All Employers

Any member of the compressed air industry is eligible for membership in the Compressed Air Institute. Any employer shall be entitled to vote on and share in the benefits of the activities of the Supervisory Agency, and may participate in any endeavors of Compressed Air Institute in the preparation of any revisions of or additions or supplements to this Code by accepting his proper pro rata share of the reasonable cost of creating and administering it, as determined by the Supervisory Agency.

Article XI—Accounting and Costing

Every employer shall use an accounting system which conforms to the principles of and is at least as detailed and complete as the

uniform and standard method of accounting and the uniform and standard method of costing to be formulated or approved by the Supervisory Agency, with such variations therefrom as may be required by the individual conditions affecting any employer or group of employers and as may be approved by the Supervisory Agency and made supplements to said formulated or approved methods of accounting and costing.

Article XII—No Selling Below Cost

No employer shall sell or exchange any product of his manufacture at a price or upon terms or conditions that will result in the customer paying for the goods received less than the cost to the seller, determined in accordance with the uniform and standard method of costing hereinabove prescribed, provided. however,

1. That inventories which must be converted into cash to meet emergency needs, dropped lines or seconds, may be disposed of in such manner and on such terms and conditions as the proper supervisory committee may approve and as are necessary to move such products into buyers' hands, and provided, further,
2. That selling below cost in order to meet existing competition on products of equivalent design, character, quality, or specifications shall not be deemed a violation of this Article if provision therefor is made in supplemental Codes for any branch or subdivision of the industry, which may be hereafter prepared and duly approved by the President.

Article XIII—Price Lists

If the Supervisory Agency determines that in any branch or sub-division of the compressed air industry it has been the generally recognized practice to sell a specified product on the basis of printed net price lists, or price lists with discount sheets and fixed terms of sale and payment, each manufacturer of such product shall within ten (10) days after notice of such determination file with the Supervisory Agency a net price list or a price list and discount sheet, as the case may be, individually prepared by him, showing his current prices, or prices and discounts, and terms of sale and payment, and the Supervisory Agency shall immediately send copies thereof to all known manufacturers of such specified product. Revised price list and/or discount sheets may be filed from time to time thereafter with the Supervisory Agency by any manufacturer of such product, to become effective upon the date specified therein, but such revised price lists and/or discount sheets shall be filed with the Supervisory Agency twenty (20) days in advance of the effective date, unless the proper Supervisory Committee shall authorize a shorter period. Copies of such revised price lists and /or discount sheets with notice of the effective date specified, shall be immediately sent to all known manufacturers of such product, who thereupon may file, to become effective upon the date when the revised price list and/or discount sheet first filed shall go into effect, revisions of their price lists and/or discount sheets establishing prices or prices and discounts not lower than those established in the revised price lists and/or discount sheets first filed.

If the Supervisory Agency shall determine that in any branch or subdivision of the compressed air industry not now selling its product on the basis of price lists, with or without discount sheets, with fixed terms of payment, the distribution or marketing conditions in said branch or subdivision are the same as or similar to the distribution or marketing conditions in a branch or subdivision of the industry where the use of price lists, with or without discount sheets, is well recognized, and that a system of selling on net price lists or price lists and discount sheets with fixed terms of payment should be put into effect in such branch or subdivision, each manufacturer of the product or products of such branch or subdivision shall within twenty (20) days after notice of such determination file with the Supervisory Agency net price lists or price lists and discount sheets, containing fixed terms of payment, showing his prices and discounts and terms of payment, and such price lists and/or discount sheets may be revised in the manner hereinabove provided.

The Supervisory Agency shall have power on its own initiative or on the complaint of any employer to investigate any price for any product shown in any net price list or price list with discount sheet filed with the Supervisory Agency by any employer, and, for the purpose of the investigation thereof, to require such employer to furnish such information concerning the cost of manufacturing and selling such product as the Supervisory Agency shall deem necessary or proper for such purpose. If the Supervisory Agency after such investigation shall determine that such price is an unfair price for such product, having regard to the cost of manufacturing and selling such product, and that the maintenance of such unfair price may result in unfair competition in the industry and be contrary to the spirit of the National Industrial Recovery Act, the Supervisory Agency may require the employer that filed the list or discount sheet in which such unfair price is shown to file a new list or discount sheet showing a fair price for such product, which fair price shall become effective immediately upon the filing of such list or discount sheet. If such employer shall not within ten (10) days after notice to it of such determination by the Supervisory Agency file a new list or discount sheet showing such fair price for such product, the Supervisory Agency shall have power to fix a fair price for such product, which fair price, however, shall not be more than the price of any other employer at that time effective for such product, and in respect of which the Supervisory Agency shall not theretofore have begun an investigation or a complaint shall not have been made by any employer. When the decision of the Supervisory Agency fixing such fair price shall have been filed with the Secretary of Compressed Air Institute and the Secretary shall have given notice thereof to such employer, such fair price shall be the price for such employer for such product until it shall have been changed as in this Code provided.

No employer shall sell directly or indirectly by any means whatsoever, any product of the industry covered by the provisions of this Article at a price lower or at discounts greater or on more favorable terms of payment than those provided in his current net price lists or price lists and discount sheets. The operation of this Article XIII shall at all times be subject to review by the Administrator.

Article XIV—Distributors Resales

No employer shall cooperate in the violation of this Code by selling to or through any distributor who does not agree to resell only in accordance with the provisions of this Code. This Article shall be in effect until the approval by the President of a Code for such distributors.

Article XV—Export Sales

The provisions of this Code concerning sales shall not apply to direct export sales of any product, or to sales of any product destined ultimately for export, or to sales of parts used in the manufacture of products for export. The term " export " shall include shipments to foreign countries and to the territories and possessions of the United States.

Article XVI—Industry Groups

Aggregations of employers having a common interest and common problems will be grouped by Compressed Air Institute for administrative purposes in various sub-divisions or product classifications and report of such grouping made to the Administrator. In each sub-division or product classification there will be a supervisory committee appointed by the Supervisory Agency and report thereof made to the Administrator.

Article XVII—Status Prior to Effective Date

Prior to its approval by the President, applicant may at any time change or modify any provision of this Code (except those provisions required by Sections 7 (a) and 10 (b) of the Act), or may withdraw this Code.

The applicant will not be deemed to have consented to any change or modification of this Code which may be effected by the President's order of approval, unless such change or modification is submitted to the applicant and consented to by the applicant.

Article XVIII—Rights of President

The President may from time to time cancel or modify any order, approval, license, rule, or regulation issued under Title I of the National Industrial Recovery Act.

Article XIX—Amendments and Additions

Such of the provisions of this Code as are not required by the National Industrial Recovery Act to be included herein may, with the approval of the President of the United States, be modified or eliminated as changed circumstances or experience may indicate. This Code is intended to be a basic Code, and study of the trade practices of the compressed-air industry will be continued by the Executive Committee of Compressed Air Institute with the inten-

tion of submitting, from time to time, to the Administrator for approval additions to or revisions of this Code applicable to all employers in the compressed-air industry and supplemental Codes applicable to one or more branches or subdivisions or product classifications of the compressed-air industry, such supplemental Codes, however, to conform to and be consistent with the provisions of this Code as now constituted or hereafter changed.

Article XX—Segregation of Industry

If any employer of labor in the compressed-air industry is also an employer of labor in any other industry, the provisions of this Code shall apply to and affect only that part of his business which is included in the compressed-air industry.

Approved Code No. 55.
Registry No. 1304/1/02.

Approved Code No. 56

CODE OF FAIR COMPETITION

FOR THE

HEAT EXCHANGE INDUSTRY

As Approved on October 11, 1933

By

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Heat Exchange Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
October 11, 1933.

29859——296-162——34

OCTOBER 9, 1933.

THE PRESIDENT,

The White House, Washington, D.C.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval the Code of Fair Competition for the Heat Exchange Industry.

An analysis of the provisions of the Code has been made by the Administrator. I find that the Code complies with the requirements of the National Industrial Recovery Act.

I am, my dear Mr. President,

Very sincerely yours,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

HEAT EXCHANGE INDUSTRY

Article I—Purpose

To effectuate the policy of Title I of the National Industrial Recovery Act, the following provisions are submitted as a Code of fair competition for the Heat Exchange Industry, and upon approval by the President shall be the standard of fair competition for this Industry.

Article II—Definitions

The term " heat exchange industry " as used herein is defined to mean the manufacture for sale of steam and vapor condensers, tubular heat exchangers, storage heaters, direct-contact heaters, de-aerators, cooling towers, and kindred and allied apparatus and/or parts thereof. The term " person " as used herein shall include but without limitation natural persons, partnerships, associations, trusts, trustees, trustees in bankruptcy, receivers, and corporations. The term " employer " as used herein shall include every person actively engaged in the manufacture for sale of the products of the heat exchange industry as herein defined. The term " effective date " as used herein is defined to be the eleventh day after this code shall have been approved by the President of the United States.

Article III—Applicant

This code is presented by Heat Exchange Institute, a trade association, all the members of which are engaged in the manufacture for sale of the products of the heat exchange industry as herein defined, in association with Machinery and Allied Products Institute, of which Heat Exchange Institute is a constituent member.

Article IV—Employment

As required by Section 7 (a) of Title I of the National Industrial Recovery Act, it is hereby provided:

(1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

2. That no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

3. That employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

Article V—Wages

(a) On and after the effective date no employer shall employ any one under the age of 16 years; provided, however, that where a state law provides a higher minimum age, no person below the age specified by such state law shall be employed within that state.

(b) On and after the effective date the minimum wage that shall be paid by any employer to any unskilled employee engaged in the production of the products of the heat exchange industry and in labor operations directly incident thereto shall be 40 cents per hour, unless the rate per hour for the same class of labor on July 15th, 1929, was less than 40 cents, in which case the rate per hour paid shall be not less than the rate per hour paid on July 15th, 1929, and provided, that in no event shall the rate per hour paid be less than 35 cents, and provided also that learners (other than apprentices as defined in paragraph (d) of this Article V) may be paid no less than 80 percent of such minimum wage, but the total number of learners shall not exceed 5 percent of the total number of employees covered by the provisions of this paragraph (b) and provided further, that after three months of work learners shall be paid not less than the minimum wage herein provided.

(c) On and after the effective date the minimum wage that shall be paid by any employer to all employees other than those engaged in the production of the products of the heat exchange industry and in labor operations directly incident thereto shall be at the rate of $15.00 per week, whether calculated on an hourly, weekly, monthly, piecework, or any other basis in accordance with the usual custom of the employer, provided, however, that office boys or girls may be paid not less than 80 percent of such minimum wage, but the total number of such office boys or girls shall not exceed 5 percent of the total number of employees covered by the provisions of this paragraph (c).

(d) Nothing in this Article V shall apply to or affect a bona fide apprentice employed under a system or course of training which when completed will make the apprentice a skilled mechanic.

(e) Not later than 90 days after the effective date each employer in the heat exchange industry shall report to the Administrator through the Supervisory Agency, hereinafter provided for, the action taken by such employer in adjusting the hourly wage rates for all employees receiving more than the minimum rates provided in paragraph (b) of this Article V, but receiving less than $35.00 per week of regular work period.

Article VI—Hours

On and after the effective date no employer shall employ any employee except executives, administrative, supervisory, and technical employees and their respective staffs who are paid at the rate of $35.00 or more per week, traveling sales and service employees,

watchmen, and firemen, in excess of 40 hours per week, provided, however, that these limitations shall not apply to conditions of seasonal or peak demand which create an unusual and temporary burden for production or installation; in such special cases such number of hours may be worked as are required by the necessities of the situation, but not to exceed 48 hours per week for any six weeks in any calendar 6 months' period; and provided further that these limitations shall not apply to employees on emergency, maintenance, or repair work, or to very special cases, where restriction of hours of highly skilled workers would unavoidably reduce or delay production. Where in any case an employee whose hours of work are herein specified (other than salaried employees) shall work in excess of 8 hours per day at least time and one third shall be paid for the excess hours so worked.

Article VII—Administration

Heat Exchange Institute is hereby designated an agency for promoting the performance of the provisions of this code by the members of the heat exchange industry; provided, however, that no inequitable restrictions upon membership in such Institute shall at any time be imposed.

With a view to keeping the President of the United States and the Administrator informed as to the observance or nonobservance of this code, and as to whether the heat exchange industry is taking appropriate steps to effectuate in all respects the declared policy of the National Industrial Recovery Act, each employer shall, when required by the Supervisory Agency, prepare and file with such person or organization as the Supervisory Agency may designate, an earnings statement and balance sheet in a form prescribed by the Supervisory Agency. Each employer shall likewise prepare and file with such person or organization as the Supervisory Agency may designate and at such times and in such manner as may be prescribed statistics of plant capacity, volume of production, volume of sales in units and dollars, orders received, unfilled orders, stocks on hand, inventory, both raw and finished, number of employees, wage rates, employee earnings, hours of work, and such other data or information as the Supervisory Agency may from time to time require. In addition to information required to be submitted to the Supervisory Agency, there shall be furnished to Government agencies such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the National Industrial Recovery Act.

Article VIII—Supervisory Agency

To administer and supervise, and to facilitate the enforcement of the provisions of this code there shall be a committee of five members connected with the heat exchange industry called the Supervisory Agency. The President or the Administrator may appoint not more than three additional members without vote. The committee shall be elected at a meeting of employers called immediately after the approval by the President of this code and held immediately prior to the effective date thereof. The meeting shall be called by Heat Exchange Institute and notice thereof shall be sent by telegraph

and registered mail to all known manufacturers in the heat exchange industry. The notice shall specifically state that voting at the meeting may be in person or by proxy. The members of the committee shall be elected by a vote of the employers present in person or by proxy at such meeting passed in two ways: (a) one member by a majority vote of employers present in person or by proxy as such, and (b) four members by a 51% vote by employers present in person or by proxy weighted on the basis of one vote for each $50,000 of sales of products of the Industry made in the calendar year 1932 as reported to the Secretary of Heat Exchange Institute, but each employer shall have at least one vote. Members of the Committee to fill vacancies due to death or resignation or because a member thereof has ceased to be connected with the industry shall be elected at meetings of employers called by Heat Exchange Institute on at least ten (10) days' notice by registered mail sent to all known manufacturers in the heat exchange industry. At such meetings the vote shall be taken in the manner hereinabove described.

If formal complaint is made to Heat Exchange Institute or to the Supervisory Agency that the provisions of this code have been violated by any employer, the supervisory agency or the proper supervisory committee hereinafter provided for shall make such investigation as in its opinion is necessary.

Article IX—Statistics

Except as otherwise provided in the National Industrial Recovery Act, all statistics, data, and information filed in accordance with the provisions of Article VII shall be confidential, and the statistics, data, and information of one employer shall not be revealed to any other employer except that for the purpose of facilitating the administration and enforcement of the provisions of this code, the Supervisory Agency, by their duly authorized representatives (who shall not be in the employ of any employer affected by this code) and the Administrator shall have access to any and all statistics, data, and information that may be furnished in accordance with the provisions of this code.

Article X—Participation

Any member of the heat exchange industry is eligible for membership in the Heat Exchange Institute. Any employer shall be entitled to vote on, and share in the benefits of the activities of, the Supervisory Agency, and may participate in any endeavors of Heat Exchange Institute in the preparation of any revisions of, or additions or supplements to, this code by accepting his proper prorata share of the reasonable cost of creating and administering it, as determined by the Supervisory Agency.

Article XI—Accounting and Costing

Every employer shall use an accounting system which conforms to the principles of and is at least as detailed and complete as the uniform and standard method of accounting and the uniform and

standard method of costing to be formulated or approved by the Supervisory Agency, with such variations therefrom as may be required by the individual conditions affecting any employer or group of employers and as may be approved by the Supervisory Agency and made supplements to said formulated or approved methods of accounting and costing.

Article XII—Sales Below Cost

No employer shall sell or exchange any product of his manufacture at a price or upon terms or conditions that will result in the customer paying for the goods received less than the cost to the seller, determined in accordance with the uniform and standard method of costing hereinabove prescribed; provided, however, (1) that inventories which must be converted into cash to meet emergency needs, dropped lines, or seconds may be disposed of in such manner and on such terms and conditions as the proper supervisory committee may approve and as are necessary to move such product into buyers' hands; and provided further, (2) that selling below cost in order to meet existing competition on products of equivalent design, character, quality, or specifications shall not be deemed a violation of this Article if provision therefor is made in supplemental codes for any branch or subdivision of the industry, which may be hereafter prepared and duly approved by the President.

Article XIII—Price Lists

If the Supervisory Agency determines that in any branch or subdivision of the heat-exchange industry it has been the generally recognized practice to sell a specified product on the basis of printed net price lists, or price lists with discount sheets and fixed terms of sale and payment, each manufacturer of such product shall within ten (10) days after notice of such determination file with the Supervisory Agency a net price list or a price list and discount sheet, as the case may be, individually prepared by him, showing his current prices, or prices and discounts, and terms of sale and payment, and the Supervisory Agency shall immediately send copies thereof to all known manufacturers of such specified product. Revised price lists and/or discount sheets may be filed from time to time thereafter with the Supervisory Agency by any manufacturer of such product, to become effective upon the date specified therein, but such revised price lists and/or discount sheets shall be filed with the Supervisory Agency twenty (20) days in advance of the effective date, unless the proper Supervisory Committee shall authorize a shorter period. Copies of such revised price lists and/or discount sheets, with notice of the effective date specified, shall be immediately sent to all known manufacturers of such product, who thereupon may file, to become effective upon the date when the revised price list and/or discount sheet first filed shall go into effect, revisions of their price lists and/or discount sheets establishing prices or prices and discounts not lower than those established in the revised price lists and/or discount sheets first filed.

If the Supervisory Agency shall determine that in any branch or subdivision of the heat-exchange industry not now selling its product on the basis of price lists, with or without discount sheets, with fixed terms of payment, the distribution or marketing conditions in said branch or subdivision are the same as or similar to the distribution or marketing conditions in a branch or subdivision of the industry where the use of price lists, with or without discount sheets, is well recognized, and that a system of selling on net price lists or price lists and discount sheets with fixed terms of payment should be put into effect in such branch or subdivision, each manufacturer of the product or products of such branch or subdivision shall within twenty (20) days after notice of such determination file with the Supervisory Agency net price lists or price lists and discount sheets, containing fixed terms of payment, showing his prices and discounts and terms of payment, and such price lists and/or discount sheets may be revised in the manner hereinabove provided.

The Supervisory Agency shall have power on its own initiative or on the complaint of any employer to investigate any price for any product shown in any net price list or price list with discount sheet filed with the Supervisory Agency by any employer, and, for the purpose of the investigation thereof, to require such employer to furnish such information concerning the cost of manufacturing and selling such product as the Supervisory Agency shall deem necessary or proper for such purpose. If the Supervisory Agency after such investigation shall determine that such price is an unfair price for such product, having regard to the cost of manufacturing and selling such product, and that the maintenance of such unfair price may result in unfair competition in the industry and be contrary to the spirit of the National Industrial Recovery Act, the Supervisory Agency may require the employer that filed the list or discount sheet in which such unfair price is shown to file a new list or discount sheet showing a fair price for such product, which fair price shall become effective immediately upon the filing of such list or discount sheet. If such employer shall not within ten (10) days after notice to it of such determination by the Supervisory Agency file a new list or discount sheet showing such fair price for such product, the Supervisory Agency shall have power to fix a fair price for such product, which fair price, however, shall not be more than the price of any other employer at that time effective for such product, and in respect of which the Supervisory Agency shall not theretofore have begun an investigation or a complaint shall not have been made by any employer. When the decision of the Supervisory Agency fixing such fair price shall have been filed with the Secretary of Heat Exchange Institute and the Secretary shall have given notice thereof to such employer, such fair price shall be the price for such employer for such product until it shall have been changed as in this code provided.

No employer shall sell directly or indirectly by any means whatsoever any product of the industry covered by the provisions of this Article at a price lower or at discounts greater or on more favorable terms of payment than those provided in his current net price lists or price lists and discount sheets. The operation of this Article XIII shall at all times be subject to review by the Administrator.

ARTICLE XIV—DISTRIBUTORS' RESALES

No employer shall cooperate in the violation of this code by selling to or through any distributor who does not agree to resell only in accordance with the provisions of this code. This Article shall be in effect until the approval by the President of a code for such distributors.

ARTICLE XV—INDUSTRY GROUPS

Aggregations of employers having a common interest and common problems will be grouped by Heat Exchange Institute for administrative purposes in various subdivisions or product classifications and report of such grouping made to the Administrator. In each subdivision or product classification there will be a supervisory committee appointed by the Supervisory Agency and report thereof made to the Administrator.

ARTICLE XVI—EXPORT SALES

The provisions of this code concerning sales shall not apply to direct export sales of any product, or to sales of any product destined ultimately for export, or to sales of parts used in the manufacture of products for export. The term "export" shall include shipments to foreign countries and to the territories and possessions of the United States.

ARTICLE XVII—STATUS PRIOR TO EFFECTIVE DATE

Prior to its approval by the President, applicant may at any time change or modify any provision of this code (except those provisions required by Sections 7 (a) and 10 (b) of the Act), or may withdraw this code.

The applicant will not be deemed to have consented to any change or modification of this code which may be effected by the President's order of approval, unless such change or modification is submitted to the applicant and consented to by the applicant.

ARTICLE XVIII—RIGHTS OF PRESIDENT

The President may from time to time cancel or modify any order, approval, license, rule, or regulation issued under Title I of the National Industrial Recovery Act.

ARTICLE XIX—AMENDMENTS AND ADDITIONS

Such of the provisions of this code as are not required by the National Industrial Recovery Act to be included herein may, with the approval of the President of the United States, be modified or eliminated as changed circumstances or experience may indicate. This code is intended to be a basic code, and study of the trade practices of the heat exchange industry will be continued by the Executive Committee of Heat Exchange Institute with the intention of submitting, from time to time, to the Administrator for approval, additions

to, or revisions of this code applicable to all employers in the heat exchange industry and supplemental codes applicable to one or more branches or subdivisions or product classifications of the heat exchange industry, such supplemental codes, however, to conform to and be consistent with the provisions of this code as now constituted or hereafter changed.

Article XX—Segregation of Industry

If any employer of labor in the heat exchange industry is also an employer of labor in any other industry, the provisions of this code shall apply to and affect only that part of his business which is included in the heat exchange industry.

Approved Code No. 56.
Registry No. 1129/1/10.

Approved Code No. 57

CODE OF FAIR COMPETITION

FOR THE

PUMP MANUFACTURING INDUSTRY

As Approved on October 11, 1933

BY

PRESIDENT ROOSEVELT

Executive Order

An application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Pump Manufacturing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of clauses (1) and (2) of subsection (a) of Section 3 of the said Act have been met.

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and is hereby approved.

Approval recommended:

FRANKLIN D. ROOSEVELT.

HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
October 11, 1933.

29104°——296-80——34

OCTOBER 9, 1933.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval, the Code of Fair Competition for the Pump Manufacturing Industry.

An analysis of the provisions of the Code has been made by the Administrator. I find that the Code complies with the requirements of the National Industrial Recovery Act.

I am, my dear Mr. President,

Very sincerely yours,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION

FOR THE

PUMP MANUFACTURING INDUSTRY

Article I—Purpose

To effectuate the policy of Title I of the National Industrial Recovery Act, the following provisions are submitted as a Code of Fair Competition for the Pump Manufacturing Industry, and upon approval by the President shall be the standard of fair competition for this industry.

Article II—Definitions

The term " pump manufacturing industry " as used herein is defined to mean the manufacture for sale of pumps, pumping equipment, and/or parts thereof except as manufactured and sold solely as an original or as a replacement part of the product of another industry as now or hereafter organized, and except that there shall not be included therein the manufacture for sale of hand pumps, windmills, and domestic water-supply systems and parts and accessories thereof. The term " person " as used herein shall include, but without limitation, natural persons, partnerships, associations, trusts, trustees, trustees in bankruptcy, receivers, and corporations. The term " employer " as used herein shall include every person actively engaged in the manufacture for sale of the products of the pump manufacturing industry as herein defined. The term " effective date " as used herein is defined to be the eleventh day after this code shall have been approved by the President of the United States.

Article III—Applicant

This code is presented by Hydraulic Institute, a trade association, all the members of which are engaged in the manufacture for sale of the products of the pump manufacturing industry as herein defined, in association with Machinery and Allied Products Institute, of which Hydraulic Institute is a constituent member.

Article IV—Employment

As required by Section 7 (a) of Title I of the National Industrial Recovery Act, it is hereby provided:

"(1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; (2) that no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain

from joining, organizing, or assisting a labor organization of his own choosing; and (3) that employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President."

Article V—Wages

(a) On and after the effective date no employer shall employ any one under the age of 16 years; provided, however, that where a state law provides a higher minimum age, no person below the age specified by such state law shall be employed within that state.

(b) On and after the effective date the minimum wage that shall be paid by any employer to any unskilled employee engaged in the production of the products of the pump manufacturing industry and in labor operations directly incident thereto shall be 40 cents per hour, unless the rate per hour for the same class of labor on July 15th, 1929, was less than 40 cents, in which case the rate per hour paid shall not be less than the rate per hour paid on July 15th, 1929. and provided, that in no event shall the rate per hour paid be less than 35 cents, and provided also that learners (other than apprentices as defined in paragraph (d) of this Article V) may be paid not less than 80 percent of such minimum wage, but the total number of learners shall not exceed 5 percent of the total number of employees covered by the provisions of this paragraph (b) and provided. further, that after three months of work learners shall be paid not less than the minimum wage herein provided.

(c) On and after the effective date the minimum wage that shall be paid by any employer to all employees other than those engaged in the production of the products of the pump manufacturing industry, and in labor operations directly incident thereto, shall be at the rate of $15 per week, whether calculated on an hourly, weekly, monthly. piecework, or any other basis in accordance with the usual custom of the employer, provided, however, that office boys or girls may be paid not less than 80 percent of such minimum wage, but the total number of such office boys or girls shall not exceed 5 percent of the total number of employees covered by the provisions of this paragraph (c).

(d) Nothing in this Article V shall apply to, or affect a bona fide apprentice employed under a system or course of training which, when completed, will make the apprentice a skilled mechanic.

(e) Not later than 90 days after the effective date each employer in the pump manufacturing industry shall report to the Administrator through the Supervising Agency, hereinafter provided for, the action taken by such employer in adjusting the hourly wage rates for all employees receiving more than the minimum rates provided in paragraph (b) of this Article V, but receiving less than $35 per week of regular work period.

Article VI—Hours

On and after the effective date no employer shall employ any employee except executives, administrative, supervisory, and technical employees and their respective staffs, who are paid at the rate

of $35 or more per week, traveling sales and service employees, watchmen, and firemen, in excess of 40 hours per week, provided, however, that these limitations shall not apply to conditions of seasonal or peak demand which create an unusual and temporary burden for production or installation; in such special cases such number of hours may be worked as are required by the necessities of the situation. but not to exceed 48 hours per week for any 6 weeks in any calendar 6 months' period; and provided, further, that these limitations shall not apply to employees on emergency, maintenance, or repair work, or to very special cases where restriction of hours of highly skilled workers would unavoidably reduce or delay production. Where in any case an employee whose hours of work are herein specified (other than salaried employees) shall work in excess of 8 hours per day at least time and one-third shall be paid for the excess hours so worked.

Article VII—Administration

Hydraulic Institute is hereby designated an agency for promoting the performance of the provisions of this code by the members of the pump manufacturing industry; provided, however, that no inequitable restrictions upon membership in such Institute shall at any time be imposed.

With a view to keeping the President of the United States and the Administrator informed as to the observance or nonobservance of this code, and as to whether the pump manufacturing industry is taking appropriate steps to effectuate in all respects the declared policy of the National Industrial Recovery Act, each employer shall, when required by the Supervisory Agency, prepare and file with such person or organization as the Supervisory Agency may designate, an earnings statement and balance sheet in a form prescribed by the Supervisory Agency. Each employer shall likewise prepare and file with such person or organization as the Supervisory Agency may designate and at such times and in such manner as may be prescribed statistics of plant capacity, volume of production, volume of sales in units and dollars, orders received, unfilled orders, stocks on hand, inventory, both raw and finished, number of employees, wage rates, employees earnings. hours of work, and such other data or information as the Supervisory Agency may from time to time require. In addition to information required to be submitted to the Supervisory Agency, there shall be furnished to Government agencies such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the National Industrial Recovery Act.

Article VIII—Supervisory Agency

To administer and supervise and to facilitate the enforcement of the provisions of this code, there shall be a committee of five (5) members connected with the pump manufacturing industry called the Supervisory Agency. The President or the Administrator may appoint not more than three additional members without vote. The committee shall be elected at a meeting of employers called im-

mediately after the approval by the President of this code and held immediately prior to the effective date thereof. The meeting shall be called by Hydraulic Institute and notice thereof shall be sent by telegraph and registered mail to all known manufacturers in the pump-manufacturing industry. The notice shall specifically state that voting at the meeting may be in person or by proxy. The members of the committee shall be elected by a vote of the employers present in person or by proxy at such meeting, passed in two ways: (a) one member by a majority vote of employers present in person or by proxy as such, and (b) four members by a 51 percent vote by employers present in person or by proxy, weighted on the basis of one vote for each $50,000 of sales of products of the industry made in the calendar year 1932, as reported to the Secretary of Hydraulic Institute, but each employer shall have at least one vote. Members of the Committee to fill vacancies due to death or resignation or because a member thereof has ceased to be connected with the industry, shall be elected at meetings of employers called by Hydraulic Institute on at least ten (10) days' notice by registered mail sent to all known manufacturers in the pump manufacturing industry. At such meetings the vote shall be taken in the manner hereinabove described.

If formal complaint is made to Hydraulic Institute or to the Supervisory Agency that the provisions of this code have been violated by any employer, the Supervisory Agency or the proper supervisory committee hereinafter provided for shall make such investigation as in its opinion is necessary.

Article IX—Statistics

Except as otherwise provided in the National Industrial Recovery Act, all statistics, data, and information filed in accordance with the provisions of Article VII shall be confidential, and the statistics, data, and information of one employer shall not be revealed to any other employer except that for the purpose of facilitating the administration and enforcement of the provisions of this code, the Supervisory Agency, by their duly authorized representatives, (who shall not be in the employ of any employer affected by this code), and the Administrator shall have access to any and all statistics, data, and information that may be furnished in accordance with the provisions of this code.

Article X—Participation

Any member of the pump manufacturing industry is eligible for membership in the Hydraulic Institute. Any employer shall be entitled to vote on, and share in the benefits of the activities of the Supervisory Agency, and may participate in any endeavors of Hydraulic Institute in the preparation of any revisions of, or additions or supplements to, this code by accepting his proper pro rata share of the reasonable cost of creating and administering it, as determined by the Supervisory Agency.

Article XI—Accounting and Costing

Every employer shall use an accounting system which conforms to the principles of and is at least as detailed and complete as the uniform and standard method of accounting and the uniform and standard method of costing to be formulated or approved by the Supervisory Agency, with such variations therefrom as may be required by the individual conditions affecting any employer or group of employers and as may be approved by the Supervisory Agency and made supplements to said formulated or approved methods of accounting and costing.

Article XII—Sales Below Cost

No employer shall sell or exchange any product of his manufacture at a price or upon terms or conditions that will result in the customer paying for the goods received less than the cost to the seller, determined in accordance with the uniform and standard method of costing hereinabove prescribed, provided, however, (1) that inventories which must be converted into cash to meet emergency needs, dropped lines or seconds, may be disposed of in such manner and on such terms and conditions as the proper supervisory committee may approve and as are necessary to move such product into buyers' hands and provided, further (2) that selling below cost in order to meet existing competition on products of equivalent design, character, quality, or specifications shall not be deemed a violation of this Article if provision therefor is made in supplemental codes for any branch or subdivision of the industry, which may be hereafter prepared and duly approved by the President.

Article XIII—Price Lists

If the Supervisory Agency determines that in any branch or subdivision of the pump manufacturing industry it has been the generally recognized practice to sell a specified product on the basis of printed net price lists, or price lists with discount sheets and fixed terms of sale and payment, each manufacturer of such product shall within ten (10) days after notice of such determination file with the Supervisory Agency a net price list or a price list and discount sheet, as the case may be, individually prepared by him, showing his current prices, or prices and discounts, and terms of sale and payment, and the Supervisory Agency shall immediately send copies thereof to all known manufacturers of such specified product. Revised price lists and/or discount sheets may be filed from time to time thereafter with the Supervisory Agency by any manufacturer of such product, to become effective upon the date specified therein, but such revised price lists and/or discount sheets shall be filed with the Supervisory Agency twenty (20) days in advance of the effective date, unless the proper Supervisory Committee shall authorize a shorter period. Copies of such revised price lists and/or discount sheets, with notice of the effective date specified, shall be immediately sent to all known

manufacturers of such product, who thereupon may file, to become effective upon the date when the revised price list and/or discount sheet first filed shall go into effect, revisions of their price lists and/or discount sheets establishing prices or prices and discounts not lower than those established in the revised price lists and/or discount sheets first filed.

If the Supervisory Agency shall determine that in any branch or subdivision of the pump manufacturing industry not now selling its product on the basis of price lists, with or without discount sheets, with fixed terms of payment, the distribution or marketing conditions in said branch or subdivision are the same as or similar to the distribution or marketing conditions in a branch or subdivision of the industry where the use of price lists, with or without discount sheets, is well recognized, and that a system of selling on net price lists or price lists and discount sheets with fixed terms of payment should be put into effect in such branch or subdivision, each manufacturer of the product or products of such branch or subdivision shall, within twenty (20) days after notice of such determination, file with the Supervisory Agency net price lists or price lists and discount sheets, containing fixed terms of payment, showing his prices and discounts and terms of payment, and such price lists and/or discount sheets may be revised in the manner hereinabove provided.

The Supervisory Agency shall have power on its own initiative or on the complaint of any employer to investigate any price for any product shown in any net price list or price list with discount sheet filed with the Supervisory Agency by any employer, and, for the purpose of the investigation thereof, to require such employer to furnish such information concerning the cost of manufacturing and selling such product as the Supervisory Agency shall deem necessary or proper for such purpose. If the Supervisory Agency after such investigation shall determine that such price is an unfair price for such product, having regard to the cost of manufacturing and selling such product, and that the maintenance of such unfair price may result in unfair competition in the industry and be contrary to the spirit of the National Industrial Recovery Act, the Supervisory Agency may require the employer that filed the list or discount sheet in which such unfair price is shown to file a new list or discount sheet showing a fair price for such product, which fair price shall become effective immediately upon the filing of such list or discount sheet. If such employer shall not within ten (10) days after notice to it of such determination by the Supervisory Agency file a new list or discount sheet showing such fair price for such product, the Supervisory Agency shall have power to fix a fair price for such product, which fair price, however, shall not be more than the price of any other employer at that time effective for such product, and in respect of which the Supervisory Agency shall not theretofore have begun an investigation or a complaint shall not have been made by any employer. When the decision of the Supervisory Agency fixing such fair price shall have been filed with the Secretary of Hydraulic Institute and the Secretary shall have given notice thereof to such employer, such fair price shall be the price for such employer for such product until it shall have been changed as in this code provided.

No employer shall sell directly or indirectly by any means whatsoever, any product of the industry covered by the provisions of this Article at a price lower or at discounts greater or on more favorable terms of payment than those provided in his current net price lists or price lists and discount sheets. The operation of this Article XIII shall at all times be subject to review by the Administrator.

Article XIV—Distributors Resales

No employer shall cooperate in the violation of this code by selling to or through any distributor who does not agree to resell only in accordance with the provisions of this code. This Article shall be in effect until the approval by the President of a code for such distributor.

Article XV—Export Sales

The provisions of this code concerning sales shall not apply to direct export sales of any product, or to sales of any product destined ultimately for export, or to sales of parts used in the manufacture of products for export. The term " export " shall include shipments to foreign countries and to the territories and possessions of the United States.

Article XVI—Industry Groups

Aggregations of employers having a common interest and common problems will be grouped by Hydraulic Institute for administrative purposes in various subdivisions or product classifications and report of such grouping made to the Administrator. In each subdivision or product classification there will be a supervisory committee appointed by the Supervisory Agency and report thereof made to the Administrator.

Article XVII—Status Prior to Effective Date

Prior to its approval by the President, applicant may at any time change or modify any provision of this code (except those provisions required by Sections 7 (a) and 10 (b) of the Act), or may withdraw this code.

The applicant will not be deemed to have consented to any change or modification of this code which may be effected by the President's order of approval, unless such change or modification is submitted to the applicant and consented to by the applicant.

Article XVIII—Rights of President

The President may from time to time cancel or modify any order, approval, license, rule, or regulation issued under Title I of the National Industrial Recovery Act.

Article XIX—Amendments and Additions

Such of the provisions of this code as are not required by the National Industrial Recovery Act to be included herein may, with the

approval of the President of the United States, be modified or eliminated as changed circumstances or experience may indicate. This code is intended to be a basic code, and study of the trade practices of the pump manufacturing industry will be continued by the Executive Committee of Hydraulic Institute with the intention of submitting, from time to time, to the Administrator for approval, additions to, or revisions of this code applicable to all employers in the pump-manufacturing industry and supplemental codes applicable to one or more branches or subdivisions or product classifications of the pump manufacturing industry, such supplemental codes, however, to conform to and be consistent with the provisions of this code as now constituted or hereafter changed.

Article XX—Segregation of Industry

If any employer of labor in the pump manufacturing industry is also an employer of labor in any other industry, the provisions of this code shall apply to and affect only that part of his business which is included in the pump-manufacturing industry.

Approved Code No. 57.
Registry No. 1326/1/02.

ACT OF CONGRESS

29467°—33——1

[PUBLIC—NO. 67—73D CONGRESS]

[H.R. 5755]

AN ACT

To encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—INDUSTRIAL RECOVERY

DECLARATION OF POLICY

SECTION 1. A national emergency productive of widespread unemployment and disorganization of industry, which burdens interstate and foreign commerce, affects the public welfare, and undermines the standards of living of the American people, is hereby declared to exist. It is hereby declared to be the policy of Congress to remove obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof; and to provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among trade groups, to induce and maintain united action of labor and management under adequate governmental sanctions and supervision, to eliminate unfair competitive practices, to promote the fullest possible utilization of the present productive capacity of industries, to avoid undue restriction of production (except as may be temporarily required), to increase the consumption of industrial and agricultural products by increasing purchasing power, to reduce and relieve unemployment, to improve standards of labor, and otherwise to rehabilitate industry and to conserve natural resources.

ADMINISTRATIVE AGENCIES

SEC. 2. (a) To effectuate the policy of this title, the President is hereby authorized to establish such agencies, to accept and utilize such voluntary and uncompensated services, to appoint, without regard to the provisions of the civil service laws, such officers and employees, and to utilize such Federal officers and employees, and, with the consent of the State, such State and local officers and employees, as he may find necessary, to prescribe their authorities, duties, responsibilities, and tenure, and, without regard to the Classification Act of 1923, as amended, to fix the compensation of any officers and employees so appointed.

(b) The President may delegate any of his functions and powers under this title to such officers, agents, and employees as he may designate or appoint, and may establish an industrial planning and research agency to aid in carrying out his functions under this title.

(c) This title shall cease to be in effect and any agencies established hereunder shall cease to exist at the expiration of two years after the date of enactment of this Act, or sooner if the President shall by proclamation or the Congress shall by joint resolution declare that the emergency recognized by section 1 has ended.

CODES OF FAIR COMPETITION

Sec. 3. (a) Upon the application to the President by one or more trade or industrial associations or groups, the President may approve a code or codes of fair competition for the trade or industry or subdivision thereof, represented by the applicant or applicants, if the President finds (1) that such associations or groups impose no inequitable restrictions on admission to membership therein and are truly representative of such trades or industries or subdivisions thereof, and (2) that such code or codes are not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of this title: *Provided*, That such code or codes shall not permit monopolies or monopolistic practices: *Provided further*, That where such code or codes affect the services and welfare of persons engaged in other steps of the economic process, nothing in this section shall deprive such persons of the right to be heard prior to approval by the President of such code or codes. The President may, as a condition of his approval of any such code, impose such conditions (including requirements for the making of reports and the keeping of accounts) for the protection of consumers, competitors, employees, and others, and in furtherance of the public interest, and may provide such exceptions to and exemptions from the provisions of such code, as the President in his discretion deems necessary to effectuate the policy herein declared.

(b) After the President shall have approved any such code, the provisions of such code shall be the standards of fair competition for such trade or industry or subdivision thereof. Any violation of such standards in any transaction in or affecting interstate or foreign commerce shall be deemed an unfair method of competition in commerce within the meaning of the Federal Trade Commission Act, as amended; but nothing in this title shall be construed to impair the powers of the Federal Trade Commission under such Act, as amended.

(c) The several district courts of the United States are hereby invested with jurisdiction to prevent and restrain violations of any code of fair competition approved under this title; and it shall be the duty of the several district attorneys of the United States, in their respective districts, under the direction of the Attorney General, to institute proceedings in equity to prevent and restrain such violations.

(d) Upon his own motion, or if complaint is made to the President that abuses inimical to the public interest and contrary to the policy herein declared are prevalent in any trade or industry or subdivision thereof, and if no code of fair competition therefor has theretofore been approved by the President, the President, after such public notice and hearing as he shall specify, may prescribe and approve a code of fair competition for such trade or industry or subdivision

thereof, which shall have the same effect as a code of fair competition approved by the President under subsection (a) of this section.

(e) On his own motion, or if any labor organization, or any trade or industrial organization, association, or group, which has complied with the provisions of this title, shall make complaint to the President that any article or articles are being imported into the United States in substantial quantities or increasing ratio to domestic production of any competitive article or articles and on such terms or under such conditions as to render ineffective or seriously to endanger the maintenance of any code or agreement under this title, the President may cause an immediate investigation to be made by the United States Tariff Commission, which shall give precedence to investigations under this subsection, and if, after such investigation and such public notice and hearing as he shall specify, the President shall find the existence of such facts, he shall, in order to effectuate the policy of this title, direct that the article or articles concerned shall be permitted entry into the United States only upon such terms and conditions and subject to the payment of such fees and to such limitations in the total quantity which may be imported (in the course of any specified period or periods) as he shall find it necessary to prescribe in order that the entry thereof shall not render or tend to render ineffective any code or agreement made under this title. In order to enforce any limitations imposed on the total quantity of imports, in any specified period or periods, of any article or articles under this subsection, the President may forbid the importation of such article or articles unless the importer shall have first obtained from the Secretary of the Treasury a license pursuant to such regulations as the President may prescribe. Upon information of any action by the President under this subsection the Secretary of the Treasury shall, through the proper officers, permit entry of the article or articles specified only upon such terms and conditions and subject to such fees, to such limitations in the quantity which may be imported, and to such requirements of license, as the President shall have directed. The decision of the President as to facts shall be conclusive. Any condition or limitation of entry under this subsection shall continue in effect until the President shall find and inform the Secretary of the Treasury that the conditions which led to the imposition of such condition or limitation upon entry no longer exists.

(f) When a code of fair competition has been approved or prescribed by the President under this title, any violation of any provision thereof in any transaction in or affecting interstate or foreign commerce shall be a misdemeanor and upon conviction thereof an offender shall be fined not more than $500 for each offense, and each day such violation continues shall be deemed a separate offense.

AGREEMENTS AND LICENSES

Sec. 4. (a) The President is authorized to enter into agreements with, and to approve voluntary agreements between and among, persons engaged in a trade or industry, labor organizations, and trade or industrial organizations, associations, or groups, relating to any trade or industry, if in his judgment such agreements will aid in effectuating the policy of this title with respect to transactions in or

affecting interstate or foreign commerce, and will be consistent with the requirements of clause (2) of subsection (a) of section 3 for a code of fair competition.

(b) Whenever the President shall find that destructive wage or price cutting or other activities contrary to the policy of this title are being practiced in any trade or industry or any subdivision thereof, and, after such public notice and hearing as he shall specify, shall find it essential to license business enterprises in order to make effective a code of fair competition or an agreement under this title or otherwise to effectuate the policy of this title, and shall publicly so announce, no person shall, after a date fixed in such announcement, engage in or carry on any business, in or affecting interstate or foreign commerce, specified in such announcement, unless he shall have first obtained a license issued pursuant to such regulations as the President shall prescribe. The President may suspend or revoke any such license, after due notice and opportunity for hearing, for violations of the terms or conditions thereof. Any order of the President suspending or revoking any such license shall be final if in accordance with law. Any person who, without such a license or in violation of any condition thereof, carries on any such business for which a license is so required, shall, upon conviction thereof, be fined not more than $500, or imprisoned not more than six months, or both, and each day such violation continues shall be deemed a separate offense. Notwithstanding the provisions of section 2 (c), this subsection shall cease to be in effect at the expiration of one year after the date of enactment of this Act or sooner if the President shall by proclamation or the Congress shall by joint resolution declare that the emergency recognized by section 1 has ended.

Sec. 5. While this title is in effect (or in the case of a license, while section 4 (a) is in effect) and for sixty days thereafter, any code, agreement, or license approved, prescribed, or issued and in effect under this title, and any action complying with the provisions thereof taken during such period, shall be exempt from the provisions of the antitrust laws of the United States.

Nothing in this Act, and no regulation thereunder, shall prevent an individual from pursuing the vocation of manual labor and selling or trading the products thereof; nor shall anything in this Act, or regulation thereunder, prevent anyone from marketing or trading the produce of his farm.

LIMITATIONS UPON APPLICATION OF TITLE

Sec. 6. (a) No trade or industrial association or group shall be eligible to receive the benefit of the provisions of this title until it files with the President a statement containing such information relating to the activities of the association or group as the President shall by regulation prescribe.

(b) The President is authorized to prescribe rules and regulations designed to insure that any organization availing itself of the benefits of this title shall be truly representative of the trade or industry or subdivision thereof represented by such organization. Any organization violating any such rule or regulation shall cease to be entitled to the benefits of this title.

(c) Upon the request of the President, the Federal Trade Commission shall make such investigations as may be necessary to enable the President to carry out the provisions of this title, and for such purposes the Commission shall have all the powers vested in it with respect of investigations under the Federal Trade Commission Act, as amended.

SEC. 7. (a) Every code of fair competition, agreement, and license approved, prescribed, or issued under this title shall contain the following conditions: (1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; (2) that no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and (3) that employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

(b) The President shall, so far as practicable, afford every opportunity to employers and employees in any trade or industry or subdivision thereof with respect to which the conditions referred to in clauses (1) and (2) of subsection (a) prevail, to establish by mutual agreement, the standards as to the maximum hours of labor, minimum rates of pay, and such other conditions of employment as may be necessary in such trade or industry or subdivision thereof to effectuate the policy of this title; and the standards established in such agreements, when approved by the President, shall have the same effect as a code of fair competition, approved by the President under subsection (a) of section 3.

(c) Where no such mutual agreement has been approved by the President he may investigate the labor practices, policies, wages, hours of labor, and conditions of employment in such trade or industry or subdivision thereof; and upon the basis of such investigations, and after such hearings as the President finds advisable, he is authorized to prescribe a limited code of fair competition fixing such maximum hours of labor, minimum rates of pay, and other conditions of employment in the trade or industry or subdivision thereof investigated as he finds to be necessary to effectuate the policy of this title, which shall have the same effect as a code of fair competition approved by the President under subsection (a) of section 3. The President may differentiate according to experience and skill of the employees affected and according to the locality of employment; but no attempt shall be made to introduce any classification according to the nature of the work involved which might tend to set a maximum as well as a minimum wage.

(d) As used in this title, the term "person" includes any individual, partnership, association, trust, or corporation; and the terms "interstate and foreign commerce" and "interstate or foreign commerce" include, except where otherwise indicated, trade or commerce among the several States and with foreign nations, or between the

District of Columbia or any Territory of the United States and any State, Territory, or foreign nation, or between any insular possessions or other places under the jurisdiction of the United States, or between any such possession or place and any State or Territory of the United States or the District of Columbia or any foreign nation, or within the District of Columbia or any Territory or any insular possession or other place under the jurisdiction of the United States.

APPLICATION OF AGRICULTURAL ADJUSTMENT ACT

Sec. 8. (a) This title shall not be construed to repeal or modify any of the provisions of title I of the Act entitled "An Act to relieve the existing national economic emergency by increasing agricultural purchasing power, to raise revenue for extraordinary expenses incurred by reason of such emergency, to provide emergency relief with respect to agricultural indebtedness, to provide for the orderly liquidation of joint-stock land banks, and for other purposes", approved May 12, 1933; and such title I of said Act approved May 12, 1933, may for all purposes be hereafter referred to as the "Agricultural Adjustment Act."

(b) The President may, in his discretion, in order to avoid conflicts in the administration of the Agricultural Adjustment Act and this title, delegate any of his functions and powers under this title with respect to trades, industries, or subdivisions thereof which are engaged in the handling of any agricultural commodity or product thereof, or of any competing commodity or product thereof, to the Secretary of Agriculture.

OIL REGULATION

Sec. 9. (a) The President is further authorized to initiate before the Interstate Commerce Commission proceedings necessary to prescribe regulations to control the operations of oil pipe lines and to fix reasonable, compensatory rates for the transportation of petroleum and its products by pipe lines, and the Interstate Commerce Commission shall grant preference to the hearings and determination of such cases.

(b) The President is authorized to institute proceedings to divorce from any holding company any pipe-line company controlled by such holding company which pipe-line company by unfair practices or by exorbitant rates in the transportation of petroleum or its products tends to create a monopoly.

(c) The President is authorized to prohibit the transportation in interstate and foreign commerce of petroleum and the products thereof produced or withdrawn from storage in excess of the amount permitted to be produced or withdrawn from storage by any State law or valid regulation or order prescribed thereunder, by any board, commission, officer, or other duly authorized agency of a State. Any violation of any order of the President issued under the provisions of this subsection shall be punishable by fine of not to exceed $1,000, or imprisonment for not to exceed six months, or both.

RULES AND REGULATIONS

Sec. 10. (a) The President is authorized to prescribe such rules and regulations as may be necessary to carry out the purposes of

this title, and fees for licenses and for filing codes of fair competition and agreements, and any violation of any such rule or regulation shall be punishable by fine of not to exceed $500, or imprisonment for not to exceed six months, or both.

(b) The President may from time to time cancel or modify any order, approval, license, rule, or regulation issued under this title; and each agreement, code of fair competition, or license approved, prescribed, or issued under this title shall contain an express provision to that effect.

TITLE II—PUBLIC WORKS AND CONSTRUCTION PROJECTS

FEDERAL EMERGENCY ADMINISTRATION OF PUBLIC WORKS

SECTION 201. (a) To effectuate the purposes of this title, the President is hereby authorized to create a Federal Emergency Administration of Public Works, all the powers of which shall be exercised by a Federal Emergency Administrator of Public Works (hereafter referred to as the "Administrator"), and to establish such agencies, to accept and utilize such voluntary and uncompensated services, to appoint, without regard to the civil service laws, such officers and employees, and to utilize such Federal officers and employees, and, with the consent of the State, such State and local officers and employees as he may find necessary, to prescribe their authorities, duties, responsibilities, and tenure, and, without regard to the Classification Act of 1923, as amended, to fix the compensation of any officers and employees so appointed. The President may delegate any of his functions and powers under this title to such officers, agents, and employees as he may designate or appoint.

(b) The Administrator may, without regard to the civil service laws or the Classification Act of 1923, as amended, appoint and fix the compensation of such experts and such other officers and employees as are necessary to carry out the provisions of this title; and may make such expenditures (including expenditures for personal services and rent at the seat of government and elsewhere, for law books and books of reference, and for paper, printing and binding) as are necessary to carry out the provisions of this title.

(c) All such compensation, expenses, and allowances shall be paid out of funds made available by this Act.

(d) After the expiration of two years after the date of the enactment of this Act, or sooner if the President shall by proclamation or the Congress shall by joint resolution declare that the emergency recognized by section 1 has ended, the President shall not make any further loans or grants or enter upon any new construction under this title, and any agencies established hereunder shall cease to exist and any of their remaining functions shall be transferred to such departments of the Government as the President shall designate: *Provided*, That he may issue funds to a borrower under this title prior to January 23, 1939, under the terms of any agreement, or any commitment to bid upon or purchase bonds, entered into with such borrower prior to the date of termination, under this section, of the power of the President to make loans.

SEC. 202. The Administrator, under the direction of the President, shall prepare a comprehensive program of public works, which shall include among other things the following: (a) Construction, repair, and improvement of public highways and park ways, public buildings, and any publicly owned instrumentalities and facilities; (b) conservation and development of natural resources, including control, utilization, and purification of waters, prevention of soil or coastal erosion, development of water power, transmission of electrical energy, and construction of river and harbor improvements and flood control and also the construction of any river or drainage improvement required to perform or satisfy any obligation incurred by the United States through a treaty with a foreign Government heretofore ratified and to restore or develop for the use of any State or its citizens water taken from or denied to them by performance on the part of the United States of treaty obligations heretofore assumed: *Provided*, That no river or harbor improvements shall be carried out unless they shall have heretofore or hereafter been adopted by the Congress or are recommended by the Chief of Engineers of the United States Army; (c) any projects of the character heretofore constructed or carried on either directly by public authority or with public aid to serve the interests of the general public; (d) construction, reconstruction, alteration, or repair under public regulation or control of low-cost housing and slum-clearance projects; (e) any project (other than those included in the foregoing classes) of any character heretofore eligible for loans under subsection (a) of section 201 of the Emergency Relief and Construction Act of 1932, as amended, and paragraph (3) of such subsection (a) shall for such purposes be held to include loans for the construction or completion of hospitals the operation of which is partly financed from public funds, and of reservoirs and pumping plants and for the construction of dry docks; and if in the opinion of the President it seems desirable, the construction of naval vessels within the terms and/or limits established by the London Naval Treaty of 1930 and of aircraft required therefor and construction of heavier-than-air aircraft and technical construction for the Army Air Corps and such Army housing projects as the President may approve, and provision of original equipment for the mechanization or motorization of such Army tactical units as he may designate: *Provided, however*, That in the event of an international agreement for the further limitation of armament, to which the United States is signatory, the President is hereby authorized and empowered to suspend, in whole or in part, any such naval or military construction or mechanization and motorization of Army units: *Provided further*, That this title shall not be applicable to public works under the jurisdiction or control of the Architect of the Capitol or of any commission or committee for which such Architect is the contracting and/or executive officer.

SEC. 203. (a) With a view to increasing employment quickly (while reasonably securing any loans made by the United States) the President is authorized and empowered, through the Administrator or through such other agencies as he may designate or create, (1) to construct, finance, or aid in the construction or financing of any public-works project included in the program prepared pursuant to section

202; (2) upon such terms as the President shall prescribe, to make grants to States, municipalities, or other public bodies for the construction, repair, or improvement of any such project, but no such grant shall be in excess of 30 per centum of the cost of the labor and materials employed upon such project; (3) to acquire by purchase, or by exercise of the power of eminent domain, any real or personal property in connection with the construction of any such project, and to sell any security acquired or any property so constructed or acquired or to lease any such property with or without the privilege of purchase: *Provided*, That all moneys received from any such sale or lease or the repayment of any loan shall be used to retire obligations issued pursuant to section 209 of this Act, in addition to any other moneys required to be used for such purpose; (4) to aid in the financing of such railroad maintenance and equipment as may be approved by the Interstate Commerce Commission as desirable for the improvement of transportation facilities; and (5) to advance, upon request of the Commission having jurisdiction of the project, the unappropriated balance of the sum authorized for carrying out the provisions of the Act entitled "An Act to provide for the construction and equipment of an annex to the Library of Congress", approved June 13, 1930 (46 Stat. 583); such advance to be expended under the direction of such Commission and in accordance with such Act: *Provided*, That in deciding to extend any aid or grant hereunder to any State, county, or municipality the President may consider whether action is in process or in good faith assured therein reasonably designed to bring the ordinary current expenditures thereof within the prudently estimated revenues thereof. The provisions of this section and section 202 shall extend to public works in the several States, Hawaii, Alaska, the District of Columbia, Puerto Rico, the Canal Zone, and the Virgin Islands.

(b) All expenditures for authorized travel by officers and employees, including subsistence, required on account of any Federal public-works projects, shall be charged to the amounts allocated to such projects, notwithstanding any other provisions of law; and there is authorized to be employed such personal services in the District of Columbia and elsewhere as may be required to be engaged upon such work and to be in addition to employees otherwise provided for, the compensation of such additional personal services to be a charge against the funds made available for such construction work.

(c) In the acquisition of any land or site for the purposes of Federal public buildings and in the construction of such buildings provided for in this title, the provisions contained in sections 305 and 306 of the Emergency Relief and Construction Act of 1932, as amended, shall apply.

(d) The President, in his discretion, and under such terms as he may prescribe, may extend any of the benefits of this title to any State, county, or municipality notwithstanding any constitutional or legal restriction or limitation on the right or power of such State, county, or municipality to borrow money or incur indebtedness.

SEC. 204. (a) For the purpose of providing for emergency construction of public highways and related projects, the President is

authorized to make grants to the highway departments of the several States in an amount not less than $400,000,000, to be expended by such departments in accordance with the provisions of the Federal Highway Act, approved November 9, 1921, as amended and supplemented, except as provided in this title, as follows:

(1) For expenditure in emergency construction on the Federal aid highway system and extensions thereof into and through municipalities. The amount apportioned to any State under this paragraph may be used to pay all or any part of the cost of surveys, plans, and of highway and bridge construction including the elimination of hazards to highway traffic, such as the separation of grades at crossing, the reconstruction of existing railroad grade crossing structures, the relocation of highways to eliminate railroad crossings, the widening of narrow bridges and roadways, the building of footpaths, the replacement of unsafe bridges, the construction of routes to avoid congested areas, the construction of facilities to improve accessibility and the free flow of traffic, and the cost of any other construction that will provide safer traffic facilities or definitely eliminate existing hazards to pedestrian or vehicular traffic. No funds made available by this title shall be used for the acquisition of any land, right of way, or easement in connection with any railroad grade elimination project.

(2) For expenditure in emergency construction on secondary or feeder roads to be agreed upon by the State highway departments and the Secretary of Agriculture: *Provided*, That the State or responsible political subdivision shall provide for the proper maintenance of said roads. Such grants shall be available for payment of the full cost of surveys, plans, improvement, and construction of secondary or feeder roads, on which projects shall be submitted by the State highway department and approved by the Secretary of Agriculture.

(b) Any amounts allocated by the President for grants under subsection (a) of this section shall be apportioned among the several States seven-eighths in accordance with the provisions of section 21 of the Federal Highway Act, approved November 9, 1921, as amended and supplemented (which Act is hereby further amended for the purposes of this title to include the District of Columbia), and one-eighth in the ratio which the population of each State bears to the total population of the United States, according to the latest decennial census and shall be available on July 1, 1933, and shall remain available until expended; but no part of the funds apportioned to any State need be matched by the State, and such funds may also be used in lieu of State funds to match unobligated balances of previous apportionments of regular Federal-aid appropriations.

(c) All contracts involving the expenditure of such grants shall contain provisions establishing minimum rates of wages, to be predetermined by the State highway department, which contractors shall pay to skilled and unskilled labor, and such minimum rates shall be stated in the invitation for bids and shall be included in proposals for bids for the work.

(d) In the expenditure of such amounts, the limitations in the Federal Highway Act, approved November 9, 1921, as amended and

supplemented, upon highway construction, reconstruction, and bridges within municipalities and upon payments per mile which may be made from Federal funds, shall not apply.

(e) As used in this section the term "State" includes the Territory of Hawaii and the District of Columbia. The term "highway" as defined in the Federal Highway Act approved November 9, 1921, as amended and supplemented, for the purposes of this section, shall be deemed to include such main parkways as may be designated by the State and approved by the Secretary of Agriculture as part of the Federal-aid highway system.

(f) Whenever, in connection with the construction of any highway project under this section or section 202 of this Act, it is necessary to acquire rights of way over or through any property or tracts of land owned and controlled by the Government of the United States, it shall be the duty of the proper official of the Government of the United States having control of such property or tracts of land with the approval of the President and the Attorney General of the United States, and without any expense whatsoever to the United States, to perform any acts and to execute any agreements necessary to grant the rights of way so required, but if at any time the land or the property the subject of the agreement shall cease to be used for the purposes of the highway, the title in and the jurisdiction over the land or property shall automatically revert to the Government of the United States and the agreement shall so provide.

(g) Hereafter in the administration of the Federal Highway Act, and Acts amendatory thereof or supplementary thereto, the first paragraph of section 9 of said Act shall not apply to publicly owned toll bridges or approaches thereto, operated by the highway department of any State, subject, however, to the condition that all tolls received from the operation of any such bridge, less the actual cost of operation and maintenance, shall be applied to the repayment of the cost of its construction or acquisition, and when the cost of its construction or acquisition shall have been repaid in full, such bridge thereafter shall be maintained and operated as a free bridge.

Sec. 205. (a) Not less than $50,000,000 of the amount made available by this Act shall be allotted for (A) national forest highways, (B) national forest roads, trails, bridges, and related projects, (C) national park roads and trails in national parks owned or authorized, (D) roads on Indian reservations, and (E) roads through public lands, to be expended in the same manner as provided in paragraph (2) of section 301 of the Emergency Relief and Construction Act of 1932, in the case of appropriations allocated for such purposes, respectively, in such section 301, to remain available until expended.

(b) The President may also allot funds made available by this Act for the construction, repair, and improvement of public highways in Alaska, the Canal Zone, Puerto Rico, and the Virgin Islands.

Sec. 206. All contracts let for construction projects and all loans and grants pursuant to this title shall contain such provisions as are necessary to insure (1) that no convict labor shall be employed on any such project; (2) that (except in executive, administrative, and supervisory positions), so far as practicable and feasible, no individual directly employed on any such project shall be permitted to work more than thirty hours in any one week; (3) that all em-

ployees shall be paid just and reasonable wages which shall be compensation sufficient to provide, for the hours of labor as limited, a standard of living in decency and comfort; (4) that in the employment of labor in connection with any such project, preference shall be given, where they are qualified, to ex-service men with dependents, and then in the following order: (A) To citizens of the United States and aliens who have declared their intention of becoming citizens, who are bona fide residents of the political subdivision and/or county in which the work is to be performed, and (B) to citizens of the United States and aliens who have declared their intention of becoming citizens, who are bona fide residents of the State, Territory, or district in which the work is to be performed: *Provided*, That these preferences shall apply only where such labor is available and qualified to perform the work to which the employment relates; and (5) that the maximum of human labor shall be used in lieu of machinery wherever practicable and consistent with sound economy and public advantage.

Sec. 207. (a) For the purpose of expediting the actual construction of public works contemplated by this title and to provide a means of financial assistance to persons under contract with the United States to perform such construction, the President is authorized and empowered, through the Administrator or through such other agencies as he may designate or create, to approve any assignment executed by any such contractor, with the written consent of the surety or sureties upon the penal bond executed in connection with his contract, to any national or State bank, or his claim against the United States, or any part of such claim, under such contract; and any assignment so approved shall be valid for all purposes, notwithstanding the provisions of sections 3737 and 3477 of the Revised Statutes, as amended.

(b) The funds received by a contractor under any advances made in consideration of any such assignment are hereby declared to be trust funds in the hands of such contractor to be first applied to the payment of claims of subcontractors, architects, engineers, surveyors, laborers, and material men in connection with the project, to the payment of premiums on the penal bond or bonds, and premiums accruing during the construction of such project on insurance policies taken in connection therewith. Any contractor and any officer, director, or agent of any such contractor, who applies, or consents to the application of, such funds for any other purpose and fails to pay any claim or premium hereinbefore mentioned, shall be deemed guilty of a misdemeanor and shall be punished by a fine of not more than $1,000 or by imprisonment for not more than one year, or by both such fine and imprisonment.

(c) Nothing in this section shall be considered as imposing upon the assignee any obligation to see to the proper application of the funds advanced by the assignee in consideration of such assignment.

SUBSISTENCE HOMESTEADS

Sec. 208. To provide for aiding the redistribution of the overbalance of population in industrial centers $25,000,000 is hereby made available to the President, to be used by him through such agencies as he may establish and under such regulations as he may make, for

making loans for and otherwise aiding in the purchase of subsistence homesteads. The moneys collected as repayment of said loans shall constitute a revolving fund to be administered as directed by the President for the purposes of this section.

RULES AND REGULATIONS

SEC. 209. The President is authorized to prescribe such rules and regulations as may be necessary to carry out the purposes of this title, and any violation of any such rule or regulation shall be punishable by fine of not to exceed $500 or imprisonment not to exceed six months, or both.

ISSUE OF SECURITIES AND SINKING FUND

SEC. 210. (a) The Secretary of the Treasury is authorized to borrow, from time to time, under the Second Liberty Bond Act, as amended, such amounts as may be necessary to meet the expenditures authorized by this Act, or to refund any obligations previously issued under this section, and to issue therefor bonds, notes, certificates of indebtedness, or Treasury bills of the United States.

(b) For each fiscal year beginning with the fiscal year 1934 there is hereby appropriated, in addition to and as part of, the cumulative sinking fund provided by section 6 of the Victory Liberty Loan Act, as amended, out of any money in the Treasury not otherwise appropriated, for the purpose of such fund, an amount equal to 2½ per centum of the aggregate amount of the expenditures made out of appropriations made or authorized under this Act as determined by the Secretary of the Treasury.

REEMPLOYMENT AND RELIEF TAXES

SEC. 211. (a) Effective as of the day following the date of the enactment of this Act, section 617 (a) of the Revenue Act of 1932 is amended by striking out " 1 cent " and inserting in lieu thereof " 1½ cents ".

(b) Effective as of the day following the date of the enactment of this Act, section 617 (c) (2) of such Act is amended by adding at the end thereof a new sentence to read as follows: "As used in this paragraph the term ' benzol ' does not include benzol sold for use otherwise than as a fuel for the propulsion of motor vehicles, motor boats, or airplanes, and otherwise than in the manufacture or production of such fuel."

SEC. 212. Titles IV and V of the Revenue Act of 1932 are amended by striking out "1934 " wherever appearing therein and by inserting in lieu thereof " 1935 ". Section 761 of the Revenue Act of 1932 is further amended by striking out " and on July 1, 1933 " and inserting in lieu thereof " and on July 1, 1933, and on July 1, 1934,".

SEC. 213. (a) There is hereby imposed upon the receipt of dividends (required to be included in the gross income of the recipient under the provisions of the Revenue Act of 1932) by any person other than a domestic corporation, an excise tax equal to 5 per centum of the amount thereof, such tax to be deducted and withheld from such dividends by the payor corporation. The tax imposed by this section shall not apply to dividends declared before the date of the enactment of this Act.

(b) Every corporation required to deduct and withhold any tax under this section shall, on or before the last day of the month following the payment of the dividend, make return thereof and pay the tax to the collector of the district in which its principal place of business is located, or, if it has no principal place of business in the United States, to the collector at Baltimore, Maryland.

(c) Every such corporation is hereby made liable for such tax and is hereby indemnified against the claims and demands of any person for the amount of any payment made in accordance with the provisions of this section.

(d) The provisions of sections 115, 771 to 774, inclusive, and 1111 of the Revenue Act of 1932 shall be applicable with respect to the tax imposed by this section.

(e) The taxes imposed by this section shall not apply to the dividends of any corporation enumerated in section 103 of the Revenue Act of 1932.

Sec. 214. Section 104 of the Revenue Act of 1932 is amended by striking out the words "the surtax" wherever occurring in such section and inserting in lieu thereof "any internal-revenue tax." The heading of such section is amended by striking out "surtaxes" and inserting in lieu thereof "internal-revenue taxes." Section 13(c) of such Act is amended by striking out "surtax" and inserting in lieu thereof "internal-revenue tax."

Sec. 215. (a) For each year ending June 30 there is hereby imposed upon every domestic corporation with respect to carrying on or doing business for any part of such year an excise tax of $1 for each $1,000 of the adjusted declared value of its capital stock.

(b) For each year ending June 30 there is hereby imposed upon every foreign corporation with respect to carrying on or doing business in the United States for any part of such year an excise tax equivalent to $1 for each $1,000 of the adjusted declared value of capital employed in the transaction of its business in the United States.

(c) The taxes imposed by this section shall not apply—

(1) to any corporation enumerated in section 103 of the Revenue Act of 1932;

(2) to any insurance company subject to the tax imposed by section 201 or 204 of such Act;

(3) to any domestic corporation in respect of the year ending June 30, 1933, if it did not carry on or do business during a part of the period from the date of the enactment of this Act to June 30, 1933, both dates inclusive; or

(4) to any foreign corporation in respect of the year ending June 30, 1933, if it did not carry on or do business in the United States during a part of the period from the date of the enactment of this Act to June 30, 1933, both dates inclusive.

(d) Every corporation liable for tax under this section shall make a return under oath within one month after the close of the year with respect to which such tax is imposed to the collector for the district in which is located its principal place of business or, if it has no principal place of business in the United States, then to the collector at Baltimore, Maryland. Such return shall contain such information and be made in such manner as the Commissioner with

the approval of the Secretary may by regulations prescribe. The tax shall, without assessment by the Commissioner or notice from the collector, be due and payable to the collector before the expiration of the period for filing the return. If the tax is not paid when due, there shall be added as part of the tax interest at the rate of 1 per centum a month from the time when the tax became due until paid. All provisions of law (including penalties) applicable in respect of the taxes imposed by section 600 of the Revenue Act of 1926 shall, in so far as not inconsistent with this section, be applicable in respect of the taxes imposed by this section. The Commissioner may extend the time for making the returns and paying the taxes imposed by this section, under such rules and regulations as he may prescribe with the approval of the Secretary, but no such extension shall be for more than sixty days.

(e) Returns required to be filed for the purpose of the tax imposed by this section shall be open to inspection in the same manner, to the same extent, and subject to the same provisions of law, including penalties, as returns made under title II of the Revenue Act of 1926.

(f) For the first year ending June 30 in respect of which a tax is imposed by this section upon any corporation, the adjusted declared value shall be the value, as declared by the corporation in its first return under this section (which declaration of value cannot be amended), as of the close of its last income-tax taxable year ending at or prior to the close of the year for which the tax is imposed by this section (or as of the date of organization in the case of a corporation having no income-tax taxable year ending at or prior to the close of the year for which the tax is imposed by this section). For any subsequent year ending June 30, the adjusted declared value in the case of a domestic corporation shall be the original declared value plus (1) the cash and fair market value of property paid in for stock or shares, (2) paid-in surplus and contributions to capital, and (3) earnings and profits, and minus (A) the value of property distributed in liquidation to shareholders, (B) distributions of earnings and profits, and (C) deficits, whether operating or nonoperating; each adjustment being made for the period from the date as of which the original declared value was declared to the close of its last income-tax taxable year ending at or prior to the close of the year for which the tax is imposed by this section. For any subsequent year ending June 30, the adjusted declared value in the case of a foreign corporation shall be the original declared value adjusted, in accordance with regulations prescribed by the Commissioner with the approval of the Secretary, to reflect increases or decreases (for the period specified in the preceding sentence) in the capital employed in the transaction of its business in the United States.

(g) The terms used in this section shall have the same meaning as when used in the Revenue Act of 1932.

Sec. 216. (a) There is hereby imposed upon the net income of every corporation, for each income-tax taxable year ending after the close of the first year in respect of which it is taxable under section 215, an excess-profits tax equivalent to 5 per centum of such portion of its net income for such income-tax taxable year as is in excess of 12½ per centum of the adjusted declared value of its capital stock (or in the case of a foreign corporation the adjusted

declared value of capital employed in the transaction of its business in the United States) as of the close of the preceding income-tax taxable year (or as of the date of organization if it had no preceding income-tax taxable year) determined as provided in section 215. The terms used in this section shall have the same meaning as when used in the Revenue Act of 1932.

(b) The tax imposed by this section shall be assessed, collected, and paid in the same manner, and shall be subject to the same provisions of law (including penalties), as the taxes imposed by title I of the Revenue Act of 1932.

SEC. 217. (a) The President shall proclaim the date of—

(1) the close of the first fiscal year ending June 30 of any year after the year 1933, during which the total receipts of the United States (excluding public-debt receipts) exceed its total expenditures (excluding public-debt expenditures other than those chargeable against such receipts), or

(2) the repeal of the eighteenth amendment to the Constitution,

whichever is the earlier.

(b) Effective as of the 1st day of the calendar year following the date so proclaimed section 617(a) of the Revenue Act of 1932, as amended, is amended by striking out " 1½ cents " and inserting in lieu thereof " 1 cent ".

(c) The tax on dividends imposed by section 213 shall not apply to any dividends declared on or after the 1st day of the calendar year following the date so proclaimed.

(d) The capital-stock tax imposed by section 215 shall not apply to any taxpayer in respect of any year beginning on or after the 1st day of July following the date so proclaimed.

(e) The excess-profits tax imposed by section 216 shall not apply to any taxpayer in respect of any taxable year after its taxable year during which the date so proclaimed occurs.

SEC. 218. (a) Effective as of January 1, 1933, sections 117, 23(i), 169, 187, and 205 of the Revenue Act of 1932 are repealed.

(b) Effective as of January 1, 1933, section 23(r)(2) of the Revenue Act of 1932 is repealed.

(c) Effective as of January 1, 1933, section 23(r)(3) of the Revenue Act of 1932 is amended by striking out all after the word " Territory " and inserting a period.

(d) Effective as of January 1, 1933, section 182(a) of the Revenue Act of 1932 is amended by inserting at the end thereof a new sentence as follows: " No part of any loss disallowed to a partnership as a deduction by section 23(r) shall be allowed as a deduction to a member of such partnership in computing net income."

(e) Effective as of January 1, 1933, section 141(c) of the Revenue Act of 1932 is amended by striking out " except that for the taxable years 1932 and 1933 there shall be added to the rate of tax prescribed by sections 13(a), 201(b), and 204(a), a rate of three fourths of 1 per centum " and inserting in lieu thereof the following: " except that for the taxable years 1932 and 1933 there shall be added to the rate of tax prescribed by sections 13(a), 201(b), and 204(a), a rate of three fourths of 1 per centum and except that for the taxable years 1934 and 1935 there shall be added to the rate of tax prescribed by sections 13(a), 201(b), and 204(a), a rate of 1 per centum ".

(f) No interest shall be assessed or collected for any period prior to September 15, 1933, upon such portion of any amount determined as a deficiency in income taxes as is attributable solely to the amendments made to the Revenue Act of 1932 by this section.

(g) In cases where the effect of this section is to require for a taxable year ending prior to June 30, 1933, the making of an income-tax return not otherwise required by law, the time for making the return and paying the tax shall be the same as if the return was for a fiscal year ending June 30, 1933.

(h) Section 55 of the Revenue Act of 1932 is amended by inserting before the period at the end thereof a semicolon and the following: "and all returns made under this Act after the date of enactment of the National Industrial Recovery Act shall constitute public records and shall be open to public examination and inspection to such extent as shall be authorized in rules and regulations promulgated by the President".

SEC. 219. Section 500 (a) (1) of the Revenue Act of 1926, as amended, is amended by striking out the period at the end of the second sentence thereof and inserting in lieu thereof a comma and the following: "except that no tax shall be imposed in the case of persons admitted free to any spoken play (not a mechanical reproduction), whether or not set to music or with musical parts or accompaniments, which is a consecutive narrative interpreted by a single set of characters, all necessary to the development of the plot, in two or more acts, the performance consuming more than 1 hour and 45 minutes of time."

APPROPRIATION

SEC. 220. For the purposes of this Act, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $3,300,000,000. The President is authorized to allocate so much of said sum, not in excess of $100,000,000, as he may determine to be necessary for expenditures in carrying out the Agricultural Adjustment Act and the purposes, powers, and functions heretofore and hereafter conferred upon the Farm Credit Administration.

SEC. 221. Section 7 of the Agricultural Adjustment Act, approved May 12, 1933, is amended by striking out all of its present terms and provisions and substituting therefor the following:

"SEC. 7. The Secretary shall sell the cotton held by him at his discretion, but subject to the foregoing provisions: *Provided*, That he shall dispose of all cotton held by him by March 1, 1936: *Provided further*, That notwithstanding the provisions of section 6, the Secretary shall have authority to enter into option contracts with producers of cotton to sell to the producers such cotton held by him, in such amounts and at such prices and upon such terms and conditions as the Secretary may deem advisable, in combination with rental or benefit payments provided for in part 2 of this title.

"Notwithstanding any provisions of existing law, the Secretary of Agriculture may in the administration of the Agricultural Adjustment Act make public such information as he deems necessary in order to effectuate the purposes of such Act."

TITLE III—AMENDMENTS TO EMERGENCY RELIEF AND CONSTRUCTION ACT AND MISCELLANEOUS PROVISIONS

Section 301. After the expiration of ten days after the date upon which the Administrator has qualified and taken office, (1) no application shall be approved by the Reconstruction Finance Corporation under the provisions of subsection (a) of section 201 of the Emergency Relief and Construction Act of 1932, as amended, and (2) the Administrator shall have access to all applications, files, and records of the Reconstruction Finance Corporation relating to loans and contracts and the administration of funds under such subsection: *Provided*, That the Reconstruction Finance Corporation may issue funds to a borrower under such subsection (a) prior to January 23, 1939, under the terms of any agreement or any commitment to bid upon or purchase bonds entered into with such borrower pursuant to an application approved prior to the date of termination, under this section, of the power of the Reconstruction Finance Corporation to approve applications.

DECREASE OF BORROWING POWER OF RECONSTRUCTION FINANCE CORPORATION

Sec. 302. The amount of notes, debentures, bonds, or other such obligations which the Reconstruction Finance Corporation is authorized and empowered under section 9 of the Reconstruction Finance Corporation Act, as amended, to have outstanding at any one time is decreased by $400,000,000.

SEPARABILITY CLAUSE

Sec. 303. If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of the Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

SHORT TITLE

Sec. 304. This Act may be cited as the "National Industrial Recovery Act."

Approved, June 16, 1933, 11:55 a.m.

AMENDMENTS AND REVISIONS

EXECUTIVE ORDER

An application having been made by the Ship Building and Ship Repairing Industry Committee, pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16, 1933, for modification and amendment of the Code of Fair Competition for the Ship Building and Ship Repairing Industry, as heretofore approved by me, and for the modification of my approval of said Code of Fair Competition accordingly, and the Administration having recommended the granting of such application, such proposed modifications and amendments to be in accordance with the following proposals:

SEC. 8. (a) To effectuate further the policies of the Act, a Ship Building and Ship Repairing Industry Committee is hereby designated to cooperate with the Administrator as a Planning and Fair Practice agency for the ship building and ship repairing industry. This Committee shall consist of representatives of the Ship Builders and Ship Repairers in such number not less than *six* as the Administrator in his discretion may from time to time determine, elected by a fair method of selection to be approved by the Administrator, and *four* members without vote appointed by the President of the United States. Such agency may from time to time present to the Administrator recommendations based on conditions in their industry as they may develop from time to time which will tend to effectuate the operation of the provisions of this Code and the policy of the National Industrial Recovery Act.

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do approve the granting of the aforesaid application, such modification and amendment to take effect one week from the date hereof, unless good cause to the contrary is shown to the Administrator before that time, and do order that the final approval of the Code of Fair Competition for the Ship Building and Ship Repairing Industry contained in my Executive order dated July 26, 1933, is hereby modified to the foregoing effect.

FRANKLIN D. ROOSEVELT.

Approval recommended:
HUGH S. JOHNSON.
Administrator.

THE WHITE HOUSE,
October 10, 1933.

[No. 6329]

SEPTEMBER 22, 1933.

The ADMINISTRATOR, NATIONAL RECOVERY ADMINISTRATION.

DEAR GENERAL JOHNSON: I have appointed the following-named persons as members of the Ship Building and Ship Repairing Industries Committee to be established as a Planning and Fair Practices agency under paragraph (8), Section (a), as amended, in the Code of Fair Competition of the Ship Building and Ship Repairing Industry:

Robert L. Hague, Industrial and Consumer Advisory Capacity.
Joseph S. McDonagh, Labor Advisory Capacity.
William H. Davis, National Recovery Administration Representative.
Capt. Henry Williams, proposed by the Secretary of the Navy.

Please communicate these appointments to the persons named.

Very truly yours,
FRANKLIN D. ROOSEVELT.

EXECUTIVE ORDER

Revised Code of Fair Competition for the Bituminous Coal Industry

A Code of Fair Competition for the Bituminous Coal Industry was approved by an Executive order dated September 18, 1933, subject to certain conditions including a condition that basic minimum rates not fixed in schedule "A", as attached to the code, might be approved or prescribed by the President at any time prior to the effective date of the code, which provision was also incorporated in the code in said schedule "A". Following said Executive order of September 18th further consideration has been given to said basic minimum rates and said Schedule "A" has been revised so as to include additional rates, either agreed upon and submitted for approval, or recommended as those which should be prescribed by the President.

The association and groups of coal producers and individual coal producers submitting said code for the approval of the President, also authorized the Administrator to make such minor changes as might be desirable to improve its language without substantially altering the substance thereof.

NOW, THEREFORE, I Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by title I of the National Recovery Act, approved June 16, 1933, and otherwise, and upon the recommendation of the Administrator do order that—

(1) Schedule "A", as revised and attached to this order, is hereby approved as the schedule of basic minimum rates approved or prescribed by the President and incorporated in the Code of Fair Competition for the Bituminous Coal Industry, as provided in article IV of said code.

(2) In order to correct a typographical error in the code and in the Executive order of September 18th in the two places where the phrase "six members of the Divisional Code Authorities" occurs in article Vii, section 4, this shall be corrected to read "five members of the Divisional Code Authorities."

(3) In order to provide for the impartial decision of any controversy submitted to the National Bituminous Coal Board there is hereby imposed, as a conditión upon the functioning of said Board, that only the impartial and disinterested representatives of the President appointed to the divisional labor boards shall participate in the decisions of the National Bituminous Coal Labor Board, the other members thereof acting only in an advisory capacity.

(4) Subject to the conditions of the Executive order of September 18, 1933, and the modification thereof and other provisions of this order, the Code of Fair Competition for the Bituminous Coal Industry is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

September 29, 1933.

[No. 6299]

EXECUTIVE ORDER

Amending Code of Fair Competition for Oil Burner Industry

A Code of Fair Competition for the Oil Burner Industry has been heretofore duly approved by Executive Order of the President, dated September 18, 1933. There had been contained in said Code as submitted, and in said Code as revised for public hearing, the following provision:

"(b) For the protection of the public interest, no distillate burner of sleeve type shall be sold or offered for sale that does not meet the following specifications:

"The burner top rings, top caps and sleeves shall have a thickness of not less than .026" and chromium content of not less than 16–18 per cent, or alloys of equivalent heat resistance.

"The burner sleeves shall have a height of 4¾" or more.

"Other construction and material specifications must comply with the Underwriters' Laboratories' requirements as specified in their Code of April 1932 and amendments to June 1, 1933.

"Distillate conversion burners (class 4 (a)) must include all of the following component parts:

"Oil container and stand; hand control metering valve or valves; minimum of six feet of copper tubing with single burners, and seven feet with multiple burners; suitable fittings; bases and supports; approved wicking; sleeves, top rings, caps and the necessary bolts and screws for proper installation.

"Quality of material, workmanship and packing must comply with the Underwriters' Laboratories' requirements as specified in their Code of April 1932 and amendments to June 1, 1933."

At the public hearing on said Code duly held on August 21, 1933, no objection to said provision had been raised. However, in preparation of the final revision of said Code for submission to the President, said provision was inadvertently omitted. In consequence, the said Code as approved, did not contain said provision.

By letter of application dated September 29, 1933, the Code Authority for the Oil Burner Industry, as duly constituted under Article VII of said Code as approved, has requested that said Code as approved be amended by adding thereto, as a new Section 12 of Article VI thereof, the following provision, hereinafter designated Provision A, which is substantially identical with the provision inadvertently omitted as aforesaid:

"The sale or offering for sale of any distillate burner of sleeve type that does not meet the following specifications is unfair competition; provided, however, that where a manufacturer of such equipment desires to manufacture a burner of this type, with other materials than those specified, or desires to use a different combination of parts than those specified, such manufacturer shall first apply to the Code Authority for permission to do so and he shall at the same time submit proof that the substitutions requested will offer to the consumer protection and service equivalent to that offered by a burner con-

structed as herein provided. The Code Authority will pass upon this petition. If denied, the applicant may apply to the Administrator for permission and the decision of the Administrator shall be final.

"(a) The burner top rings, top caps and sleeves shall have a thickness of not less than .026″ and chromium content of not less than 16–18 percent, or alloys of equivalent heat resistance.

"(b) The burner sleeves shall have a height of 4¾″ or more.

"(c) Other construction and material specifications must comply with the Underwriters' Laboratories' requirements as specified in their Code of April 1932 and amendments to June 1, 1933.

"(d) Distillate conversion burners (class 4(a)) must include all of the following component parts:

"Oil container and stand, hand control metering valve or valves; minimum of six feet of copper tubing with single burners, and seven feet with multiple burners; suitable fittings; bases and supports, approved wicking, sleeves; top rings; caps and the necessary bolts and screws for proper installation.

"(e) Quality of material, workmanship and packing must comply with the Underwriters' Laboratories' requirements as specified in their Code of April 1932 and amendments to June 1, 1933."

Pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, upon due consideration of the facts hereinabove set forth, and upon the report and recommendation of the Administrator,

I, Franklin D. Roosevelt, President of the United States, do hereby order that the application of the Code Authority of the Oil Burner Industry hereinabove considered, be approved, and that, effective ten days from the date hereof, unless just cause to the contrary should be shown by any interested person before Deputy Administrator R. B. Paddock, New Commerce Building, Washington, D.C., at or before 12 o'clock, noon, October 13, 1933, the Code of Fair Competition for the Oil Burner Industry as approved September 18, 1933 be and it hereby is amended by adding thereto, as a new Section 12 of Article VI thereof, the provision hereinabove set forth and designated Provision A.

Provided, however, that nothing herein contained shall prohibit the sale, within a period of thirty days from the effective date hereof, of existing stocks of distillate burners of sleeve type which do not meet the specifications set forth in Provision A.

FRANKLIN D. ROOSEVELT.

Approval Recommended:
HUGH S. JOHNSON.
Administrator.

THE WHITE HOUSE,
October 3, 1933.

[No. 6320]

EXECUTIVE ORDER

Amendments Nos. 1 and 2 to the Code of Fair Competition for the Lumber and Timber Products Industry

Under the Code of Fair Competition for the Lumber and Timber Products Industries, as approved by you on August 19, 1933, the Lumber Code Authority has submitted the two attached amendments creating additional Subdivisions of the Industry, namely, the "Plywood Subdivision" and the "Commercial Veneer Subdivision", also redesignating the present "Veneer Division" as the "Face Veneer Subdivision", so that these three Subdivisions will constitute the new "Veneer and Plywood Division."

After full consideration and conference and agreement with the representatives of the Industry it is recommended that pursuant to the authority vested in you by Title I of the National Industrial Recovery Act, approved on June 16, 1933, you order that Article VII (d) "Veneer Division" of the Code be amended to read as *Amendment No. 1* attached, and that Schedule "A", Section 34 "The Veneer Division" of the Code be amended to read as *Amendment No. 2* attached.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson,
Administrator.

The White House,
October 9, 1933.

LETTER OF TRANSMITTAL

October 3, 1933.

To the President:

Under the Code of Fair Competition for the Lumber and Timber Products Industries, as approved by you on August 19, 1933, the Lumber Code Authority has submitted the two attached amendments creating additional Subdivisions of the Industry, namely, the "Plywood Subdivision" and the "Commercial Veneer Subdivision", also redesignating the present "Veneer Division" as the "Face Veneer Subdivision", so that these three Subdivisions will constitute the new "Veneer and Plywood Division."

After full consideration and conference and agreement with the representatives of the Industry it is recommended that pursuant to the authority vested in you by Title I of the National Industrial Recovery Act, approved on June 16, 1933, you order that Article VII (d) "Veneer Division" of the Code be amended to read as *Amendment No. 1* attached, and that Schedule "A", Section 34 "The Veneer Division" of the Code be amended to read as *Amendment No. 2* attached.

Respectfully submitted.

Hugh S. Johnson,
Administrator.

Approval recommended by:
Tom Glasgow,
Deputy Administrator.

AMENDMENTS TO THE CODE OF FAIR COMPETITION FOR THE LUMBER AND TIMBER PRODUCTS INDUSTRY

Amendment No. 1

In Article VII (d) strike out the paragraph heading "Veneer Division"* and the wage schedule applying to it and insert in lieu thereof the following:

VENEER AND PLYWOOD DIVISION

Plywood Subdivision:

South: (Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Oklahoma, Tennessee, Texas, Virginia, Pulaski County Illinois, Kentucky except Jefferson County)—23¢ per hour or $9.20 per week of 40 hours.

North: (All other territory except the States of Arizona, New Mexico, California, Oregon, Washington, Idaho, Montana, Wyoming, Colorado, Utah, Nevada, North Dakota, South Dakota, Nebraska, and Metropolitan District of New York and Chicago)—30¢ per hour or $12.00 per week of 40 hours.

Metropolitan Districts of New York and Chicago: (Establishments located within ten miles of the limits of the cities of Chicago and New York)—42½¢ per hour or $17.00 per week of 40 hours.

Commercial Veneer Subdivision:

South: (Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Oklahoma, Tennessee, Texas, Virginia, Pulaski County Illinois, Kentucky except Jefferson County)—23¢ per hour or $9.20 per week of 40 hours.

North: (All other territory except the States of Arizona, New Mexico, California, Oregon, Washington, Idaho, Montana, Wyoming, Colorado, Utah, Nevada, North Dakota, South Dakota, Kansas, Nebraska, and Metropolitan Districts of New York and Chicago)—30¢ per hour or $12.00 per week of 40 hours.

Metropolitan Districts of New York and Chicago: (Establishments located within ten miles of the limits of the cities of Chicago and New York)—42½¢ per hour or $17.00 per week of 40 hours.

Face Veneer Subdivision [1]:

Zone 1: New York City and Chicago—42.5 cents per hour.
Zone 2: Northern Cities—35 cents per hour.
Zone 3: Northern Rural—35 cents per hour.
Zone 4: Southern Cities—30 cents per hour.
Zone 5: Southern Rural—25 cents per hour.

AMENDMENT NO. 2

In Schedule "A" strike out Section 34 "The Veneer Division" and insert in lieu thereof the following:

34. VENEER AND PLYWOOD DIVISION

Division (Art. II (c))—The Veneer and Plywood Division consists of producers, manufacturers, importers and distributors of commercial and face veneers and furniture, cabinet and interior finish plywood throughout the United States.

Products (Art. II (a)).—All such veneers and plywood regardless of species and origin except Douglas Fir, Western Cedars, Spruce, Western Pine, Hemlock, Redwood, and such veneers or plywood as are manufactured and sold exclusively for boxes, crates, and other containers.

Administrative Agencies (Art. III).—A committee to be selected by the three subdivisions hereinafter named, to be known as the "Coordinating Committee of the Veneer and Plywood Division", is designated as the agent of the Authority for the administration of the Code in this Division. The said Committee is authorized to make rules and regulations necessary to administer the Code in this Division, and shall designate and authorize such agencies as may be required for this purpose.

Subdivisions (Art. II (c)).—A. For the more effective administration and enforcement of the Code in this Division, subdivisions shall be established as may be necessary to meet the requirements of the various groups and classifications of producers, manufacturers, importers, and distributors included therein.

B. The following subdivisions are hereby established and the following Administrative Agency of each subdivision is hereby designated:

(a) Plywood Subdivision.
(b) Commercial Veneer Subdivision.
(c) Face Veneer Subdivision.

C. Additional subdivisions of this Division may be established by said Coordinating Committee with the approval of the Authority.

D. The said Coordinating Committee shall, with the approval of the Authority, designate the administrative agency under the code in each of such additional subdivisions as may hereafter

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[1] Face Veneer Subdivision Zones are as follows:
New York: Any establishment located within ten miles of the limits of the City of New York.
Chicago: Any establishment located within ten miles of the limits of the City of Chicago.
Cities: Communities over 75,000 population, including establishments within ten miles of the city limits.
Rural: Communities of less than 75,000 population.
South: Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia.
North: Balance of the United States.

be established; and shall authorize the designated agency in each such subdivision to make such rules and regulations, and to designate such further agencies as may be required for the administration of the code therein.

E. Each subdivision shall be independent and self-governing in respect of all matters and problems relating to said subdivision exclusively under the general direction of the said Coordinating Committee. Proposals in respect of matters effecting more than one subdivision may be negotiated by any such subdivision and shall be submitted for consideration to the said Coordinating Committee.

34-A. PLYWOOD SUBDIVISION

Subdivision (Art. II c).—The plywood Subdivision consists of producers, manufacturers, importers, and distributors of commercial plywood throughout the United States.

Products (Art. II a).—All plywood, regardless of species or origin except Douglas Fir, Western Cedars, Spruce, Western Pine, Hemlock, Redwood, and such plywood as is manufactured and sold exclusively for boxes, crates, and other containers.

Administrative Agency (Art. III).—The Plywood and Veneer Association, 176 West Adams Street, Chicago, Illinois, is designated as the agency of the Authority for the administration of the code in this subdivision. Said association, through its National Executive Committee, is authorized to make rules and regulations necessary to administer the code of this division, and shall designate and authorize such agencies as may be required for this purpose.

34-B. COMMERCIAL VENEER SUBDIVISION

Subdivision (Art. II (c)).—The commercial Veneer Subdivision consists of producers, manufacturers, and distributors of rotary cut commercial veneers throughout the United States.

Products (Art. II (a)).—All rotary cut commercial veneers, regardless of species and origin, except Douglas Fir, Western Cedars, Spruce, Western Pines, Hemlock, Walnut, Mahogany, other face woods of value and such veneers as are manufactured exclusively for crates and other containers.

Administrative Agency (*Art. III*).—The Administrative Agency of this subdivision shall be a governing committee of six men, two from the Plywood Subdivision, two from the Commercial Veneer Subdivision, and two from the Face Veneer Subdivision. The Governing Committee, shall, with the approval of the Authority, designate the Administrative Agency or Agencies under the Code in this Subdivision and shall authorize the designated agency or agencies to make such rules and regulations as may be required for the administration of the code for this purpose.

34-C. FACE VENEER SUBDIVISION

Subdivision (Art. II (c)).—The face Veneer Subdivision consists of producers, manufacturers, importers, and distributors, of face veneers throughout the United States.

Products (Art. II (a)).—All face veneers of value, regardless of species and origin, except Douglas Fir, Western Cedars, Spruce, Western and Southern Pines, Hemlock, and such Hardwood Veneers as are manufactured exclusively for crates and other containers.

Administrative Agency (Art. III).—The Veneer Association, 616 South Michigan Avenue, Chicago, Illinois, is designated as the agency of the Authority for the administration of the code in this subdivision.

Said Association, through its Board of Directors, is authorized to make rules and regulations necessary to administer the code in this subdivision, and shall designate and authorize such agencies as may be required for this purpose.

EXECUTIVE ORDERS

29467°—33——3

EXECUTIVE ORDER

Administration for Industrial Recovery

Pursuant to the authority of "AN ACT To encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes", approved June 16, 1933, and in order to effectuate the policy set forth in title I—Industrial Recovery—of said act:

1. I hereby appoint Hugh Johnson to be the Administrator for Industrial Recovery under said title I of said act.

2. I hereby appoint a Special Industrial Recovery Board to be composed of the following members: The Secretary of Commerce, Chairman; the Attorney General; the Secretary of the Interior; the Secretary of Agriculture; the Secretary of Labor; the Director of the Budget; the Administrator for Industrial Recovery; the Chairman of the Federal Trade Commission.

The Administrator during the ensuing 30 days shall have the authority, subject to the general approval of the Special Industrial Recovery Board, to appoint the necessary personnel on a temporary basis to conduct hearings and to do such other and necessary work as authorized under title I of said act.

FRANKLIN D. ROOSEVELT.

The White House,
June 16, 1933.

[No. 6173]

EXECUTIVE ORDER

Delegation of Certain Functions and Powers Under the National Industrial Recovery Act to the Secretary of Agriculture

Pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, I hereby delegate to the Secretary of Agriculture all the functions and powers (other than the determination and administration of provisions relating to hours of labor, rates of pay, and other conditions of employment) vested in me by said Title I of said Act with respect to trades, industries or subdivisions thereof engaged principally in the handling of milk and its products, tobacco and its products, and all foods and foodstuffs, subject to the requirements of Title I of said Act, but reserving to me the power to approve or disapprove of the provisions of any code of fair competition entered into in accordance with Title I of said Act. This Order is to remain in effect until revoked by me.

FRANKLIN D. ROOSEVELT.

The White House,
June 26, 1933.

[No. 6182]

EXECUTIVE ORDER

Prohibition of Transportation in Interstate and Foreign Commerce of Petroleum and the Products Thereof Unlawfully Produced or Withdrawn from Storage

By virtue of the authority vested in me by the Act of Congress entitled "AN ACT To encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes," approved June 16, 1933, (Public No. 67, 73d Congress), the transportation in interstate and foreign commerce of petroleum and the products thereof produced or withdrawn from storage in excess of the amount permitted to be produced or withdrawn from storage by any State law or valid regulation or order prescribed thereunder, by any board, commission, officer, or other duly authorized agency of a State, is hereby prohibited.

FRANKLIN D. ROOSEVELT.

The White House,
July 11, 1933.

[No. 6199]

EXECUTIVE ORDER

Prohibition of Transportation in Interstate and Foreign Commerce of Petroleum and the Products Thereof Unlawfully Produced or Withdrawn from Storage

By virtue of the authority vested in me by the Act of Congress, entitled "AN ACT To encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes," approved June 16, 1933 (Public No. 67, 73d Congress), in order to effectuate the intent and purpose of the Congress as expressed in Section 9 (c) thereof, and for the purpose of securing the enforcement of my order of July 11, 1933, issued pursuant to said act, I hereby authorize the Secretary of the Interior to exercise all the powers vested in me, for the purpose of enforcing Section 9 (c) of said act and said order, including full authority to designate and appoint such agents and to set up such boards and agencies as he may see fit, and to promulgate such rules and regulations as he may deem necessary.

FRANKLIN D. ROOSEVELT.

The White House,
July 14, 1933.

[No. 6204]

EXECUTIVE ORDER

Codes of Fair Competition

Pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933.

I hereby prescribe the following regulation, modifying any previous order inconsistent therewith:

Any code of fair competition approved by me shall be deemed in full force and effect on the effective date as stated in the code; but after the approval of a code and as an incident to the immediate enforcement thereof, hearings may be given by the Administrator or his designated representative to persons (hereby defined to include natural persons, partnerships, associations or corporations) who have not in person or by a representative participated in establishing or consenting to a code, but who are directly affected thereby, and who claim that applications of the code in particular instances are unjust to them and who apply for an exception to, or exemption from, or modification of the code. Such persons so applying, within ten days after the effective date of the code, shall be given an opportunity for a hearing and determination of the issues raised prior to incurring any liability to enforcement of the code, and the Administrator shall, if justice requires, stay the application of the code to all similarly affected pending a determination by me of the issues raised.

FRANKLIN D. ROOSEVELT.

Approval recommended:

Hugh S. Johnson.
Administrator.

The White House,
July 15, 1933.

[No. 6205-B]

EXECUTIVE ORDER

Textile Finishing Industry, Code of Fair Competition

Pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and pending action upon a Code of Fair Competition to be presented by the Textile Finishing Industry,

I agree with the Committee, representing the Textile Finishing Industry, that they shall be bound beginning July 31 by certain provisions of the Cotton Textile Industry Code, excepting that in the provision relating to minimum rates of pay the minimum wage shall be at the rate of $1.00 per week higher in each section of the Industry than the minimum rates approved in the Cotton Textile Code, all of which is fully set forth in the letter of the Textile Finishing Industry, dated July 20, offering this agreement to the President of the United States, pursuant to Section 4 of the National Recovery Act, which letter is signed by Albert L. Scott, Bertram H. Borden, H. R. Stephenson, John W. Manley and Arthur G. Poor, and addressed to the National Industrial Recovery Administration, Department of Commerce Building, Washington, D.C., with the express understanding that this agreement is subject to cancellation at any time without notice.

FRANKLIN D. ROOSEVELT.

Approval recommended:

Hugh S. Johnson.
Administrator.

The White House,
July 21, 1933.

[No. 6209-A]

EXECUTIVE ORDER

Underwear and Allied Products Industry, Code of Fair Competition

Pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and pending action upon a Code of Fair Competition to be presented by the Underwear and Allied Products Industry.

I agree with the Industry Committee, representing the manufacturers of knitted, woven and all other types of underwear and/or allied products, including garments made in underwear mills from fabric made on underwear machines and including any and all fabrics sold and/or used for underwear purposes made on flat or warp or circular knitting machines, whether as a final process or as a part of a larger or further process, pending the approval of a code of fair competition for the Industry, that they shall be bound, beginning July 24, 1933, by the provisions of the Cotton Textile Industry Code, as set forth in their letter of July 19, 1933, signed by the Members of the Industry Committee, offering this agreement to the President of the United States, pursuant to Section 4 of the National Recovery Act, and addressed to General Hugh S. Johnson, Administrator, Commerce Building, Washington, D.C., with the express understanding that this agreement is subject to cancellation at any time without notice.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson.
Administrator.

The White House,
July 21, 1933.

[No. 6209-B]

EXECUTIVE ORDER

Silk and Rayon Dyeing and Printing Industry Code of Fair Competition

Pursuant to the authority vested in me by Title I of the National Recovery Act approved June 16, 1933, and pending a public hearing upon the Code of Fair Competition submitted by the Silk and Rayon Dyeing and Printing Industry,

I agreed with the Committee representing the Silk and Rayon Dyeing and Printing Industry that beginning July 24, 1933, the provisions of Article "F" of the proposed Code submitted by them and now on file in the office of the National Recovery Administration shall be effective, and I approve, subject to such revisions and modifications as I may deem proper, pending hearing on said proposed Code now set for August 7, 1933, the agreement made by and between the Members of the Industry as set forth in said proposed Code and contained in Articles "A", "B", "C", "D", "E" (except for Paragraph 4 thereof), "G", "H" (except for the last Paragraph thereof), "I" (except for the last Paragraph thereof), "J", "K", "M", "O", "S", (except for Paragraph (c)), "U" and "W", provided that this Order approving said Articles shall in whole or in part be subject to cancelation at any time without notice, and provided that the 4th Paragraph of Article "E", the last Paragraphs of Articles "H" and "I", respectively, and Articles "L", "N", "P", "Q", "R", and Paragraph (c) of Article "S", and Article "T" shall be ineffective pending public hearing and final approval of this Code by me.

FRANKLIN D. ROOSEVELT.

Approval recommended:
Hugh S. Johnson.
Administrator.

The White House,
July 22, 1933.

[No. 6210-A]

EXECUTIVE ORDER

National Association of Hosiery Manufacturers, Code of Fair Competition

Pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and pending action upon a Code of Fair Competition to be presented by the National Association of Hosiery Manufacturers,

I agree with the Conference Committee of the National Association of Hosiery Manufacturers representing the manufacturers of all types of hosiery, pending the approval of a Code of Fair Competition for the Industry that they shall be bound beginning July 26, 1933 by the provisions of certain articles of their proposed Code of Fair Competition for the Hosiery Industry to wit:

"ARTICLE IV—HOURS OF WORK

"On and after the date on which this Code goes into effect, no employer in the hosiery industry shall employ any employee in productive operations on a schedule of hours of labor which shall exceed 40 hours per week, it being understood that this does not apply to supervisors, foremen, engineers, electricians, repairshop men, dyers, shipping crews, watchmen, cleaners and outside crews. The productive operations of a plant shall not exceed two shifts of 40 hours each per week. Manufacturers of woolen hosiery may operate their carding equipment not to exceed three shifts of 40 hours each pending the adoption of a code for the wool industry. Such manufacturers may also operate their knitting equipment not to exceed three shifts of 40 hours each until December 31, 1933, after which their knitting operations shall be limited to two shifts of 40 hours each.

The work-week for productive operations, except dyeing, shall consist of five days of eight hours each. These days shall be Monday to Friday.

From the date that this Article shall be put into effect tentatively, and until the date on which the Code shall go into effect, full fashioned footing equipment which is operating on shift shall continue to operate one shift only, and full fashioned footing equipment which is operating more than one shift shall operate not to exceed two shifts.

"ARTICLE V—WAGES

On and after the date on which this Code become effective the minimum wage on the basis of forty hours labor per week, to be paid by all employers in the hosiery industry shall be at the following rates.

1. Full Fashioned Manufacture:
Classification of Workers:

Class	Workers	Minimum weekly rate	
Class 1.	Leggers, Footers	36 gauge and below	$18.50
		39 gauge	20.00
		42 gauge	21.50
		45 gauge	23.50
		48 gauge	25.50
		51 gauge and above	27.50
Class 2.	Boarders		17.00
Class 3.	Toppers, Loopers, Steamers, Skein Winders, Menders, Pairers, Finished Inspectors, Helpers on Knitting (over 6 months training), Pairer-folders	$15.00.	
Class 4.	Stampers, Boxers, Gray Examiners, Folders, Cone-winders, Miscellaneous, Learners (including machine helpers) for the second 3 months of their training	$13.00-Northern. 12.00-Southern.	
Class 5.	Learners (including machine helpers) for the first 3 months of their training	$8.00.	

2. Seamless Manufacture:

Class	Workers	Minimum weekly rate
Class 1.	Machine Fixers, Machinists	$18.00.
Class 2.	Knitters (260 needle and above), Loopers (260 needle and above), Boarders	$14.00.
Class 3.	Knitters (below 260 needle), Loopers (below 260 needle), Seamers, Gray Menders, Pairers, Welters, Trimmers, Stampers, Folders, Boxers, Inspectors, Winders, Knitters (ribbed top), Shipping Help	$13.00-Northern. 12.00-Southern.
Class 4.	Learners (first 3 months training)	$8.00.

The minimum wages in the Southern Territory, except for learners, and except as already indicated for Class 4 of Full Fashioned workers and Class 3 of Seamless workers, shall be below those given above by an amount not to exceed 10%. The exact minima for the Southern Territory shall be defined by the Hosiery Industry Board of Control on or before the date on which the Code shall go into effect.

ARTICLE X—RIGHTS OF EMPLOYERS

All manufacturers of hosiery shall respect and be bound by the provisions of Section No. 7 (Sub-section A) of the National Industrial Recovery Act, which provides:

"(1) That employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; (2) that no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of its own choosing; and (3) that employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President."

This agreement is offered to the President of the United States pursuant to Section 4 of the National Recovery Act, and addressed to General Hugh S. Johnson, Administrator, with the express understanding that this agreement is subject to cancellation or modification at any time without notice, and that its purpose is to raise, not to lower standards and that there will be no delay in the submission of the final Code for the Industry.

FRANKLIN D. ROOSEVELT.

Recommended for approval by:

HUGH S. JOHNSON.
Administrator.

THE WHITE HOUSE,
July 26, 1933.

[No. 6221-B]

EXECUTIVE ORDER

International Association of Garment Manufacturers and Subdivisional Industries Thereof, Code of Fair Competition

Pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and pending action upon a code of fair competition to be presented by the industries represented by the International Association of Garment Manufacturers and Subdivisional Industries Thereof, representing garment manufacturers, principally of light garments of cotton, that is to say, shirts, work clothing, pajamas, athletic underwear, heavy cotton outerwear garments, cotton wash dresses, boys' shirts and blouses, men's collars and waterproof cotton garments; whether as a final process or as part of a larger or further process:

I agree with the International Association of Garment Manufacturers and Subdivisional Industries Thereof that, pending the approval of a code of fair competition for the industry, they shall be bound, beginning July 31, 1933, by the provisions of Sections 2, 3, 4, 7, 8, 9 and 10 of the Cotton Textile Code approved by the President July 9, 1933; and paragraph 3, 7, 8 and 9 of the Conditions of Approval of the President, dated July 9, 1933; and paragraphs 2, 3, 4, 5 and 6 of conditions of final approval contained in Schedule A of Executive Order of July 15, 1933; and by Section 3 of the said Cotton Textile Code relating to shifts, amended to read as follows:

"III. On and after the effective date, employers represented by the International Association of Garment Manufacturers and Subdivisional Industries Thereof shall not operate on a schedule of hours of labor for their employees—except repair shop crews, engineers, electricians, firemen, office and supervisory staff, shipping, watching and outside crews, and cleaners—in excess of 40 hours per week and they shall not operate productive machinery in the industry represented by the International Association of Garment Manufacturers and Subdivisional Industries Thereof for more than one shift of forty hours per week," as set forth in their letter of July 20, 1933, signed by the Chairman of the Code Committee of the International Association of Garment Manufacturers, offering this agreement to the President of the United States, pursuant to Section 4 of the National Industrial Recovery Act, and addressed to General Hugh S. Johnson, Administrator, Commerce Building, Washington, D.C., with the express understanding that this agreement is subject to modification or cancellation at any time without notice; that this order is not to be interpreted as permitting any increase of hours over or reduction of wages below the standards now obtaining and that it will not be utilized to delay the submission of a code of fair competition for the industry.

FRANKLIN D. ROOSEVELT.

Recommended for approval by:

Hugh S. Johnson.
Administrator.

The White House,
July 26, 1933.

[No. 6221-C]

EXECUTIVE ORDER

National Council of Pajama Manufacturers Code of Fair Competition

Pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and pending action upon a code of fair competition to be presented by the industires represented by the National Council of Pajama Manufacturers:

I agree with the National Council of Pajama Manufacturers, pending approval of a code of fair competition for the industry, that they shall be bound, beginning July 26, 1933, by the provisions of the Cotton Textile Industry Code, as stated in telegram of July 20, 1933, signed by the President of the National Council of Pajama Manufacturers, offering this agreement to the President of the United States, pursuant to Section 4 of the National Industrial Recovery Act, and addressed to General Hugh S. Johnson, Administrator, National Industrial Recovery Act, Washington, D.C., with the express understanding that this agreement is subject to modification or cancellation at any time without notice; that this order is not to be interpreted as permitting any increase of hours over or reduction of wages below the standards now obtaining and that it will not be utilized to delay the submission of a code of fair competition for the industry.

FRANKLIN D. ROOSEVELT.

Recommended for approval by:

Hugh S. Johnson.
Administrator.

The White House,
July 26, 1933.

[No. 6221-D]

EXECUTIVE ORDER

Central Statistical Board

Pursuant to the authority vested in me by Titles I and II, the National Industrial Recovery Act, Public No. 67, 73d Congress, I hereby establish a Central Statistical Board to formulate standards for and to effect coordination of the statistical services of the Federal Government incident to the purposes of that act. The Board shall consist of one representative designated by each of the following officers from one of the statistical agencies under his direction:

The Secretary of the Interior
The Secretary of Agriculture
The Secretary of Commerce
The Secretary of Labor
The Governor of the Federal Reserve Board
The National Industrial Recovery Administrator

and one representative to be designated by the Committee on Government Statistic and Information Services created at the invitation of the Secretaries of the Interior, Agriculture, Commerce, and Labor; and such other members as the President may designate or the Board may invite from time to time for full or limited membership.

The Board shall have the power to appraise and advise upon all schedules of all Government agencies engaged in the primary collection of statistics required in carrying out the purposes of the National Industrial Recovery Act, to review plans for tabulation and classification of such statistics, and to promote the coordination and improvement of the statistical services involved.

The power to appoint such officers, agents and employees as it may require, is hereby delegated to the Central Statistical Board, and the Federal Emergency Administration of Public Works is hereby directed to allot to the Central Statistical Board the sum of twenty thousand ($20,000) to carry out its functions.

FRANKLIN D. ROOSEVELT.

The White House,
July 27, 1933.

[No. 6225]

EXECUTIVE ORDER

Cordage and Twine Industry, Code of Fair Competition

Pursuant to authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and pending action by me upon a Code of Fair Competition to be presented by the Cordage and Twine Industry of America on or before the date herein specified,

I agree with the Code Committee representing Cordage Institute, the recognized trade association for the Cordage and Twine Industry of America, to the effect that they shall, beginning at midnight on the date of this Executive Order, be bound by the Provisions of the Cotton Textile Industry Code of Fair Competition as it is proposed to be applied to the Cordage and Twine Industry through its Code Committee dated July 19, 1933, which Offer of Agreement to the President of the United States was made pursuant to Section 4 of Title I of the National Industrial Recovery Act and which offer is signed by Ellis W. Brewster, J. S. McDaniel, and Raymond A. Walsh.

It is expressly understood and agreed—

(1) That this Executive Order is subject to cancelation, revision or modification at any time without notice by the President of the United States.

(2) That the Cordage and Twine Industry shall, on or before August 5, 1933, present to the Administrator of the National Industrial Recovery Act for his approval a Code of Fair Competition as to hours, wages and other conditions of employment for the Cordage and Twine Industry of America, in compliance with the provisions of Section 3 and Section 7 of Title I of the National Industrial Recovery Act.

(3) That the Hearing upon said Code will be set as soon as practicable.

(4) That pending said Hearing and Approval of Code so presented, the provisions of the Code of Fair Competition of the Cotton Textile Industry as applied in the above mentioned Offer of Agreement and this Executive Order shall be the Code of Fair Competition for the Cordage and Twine Industry of America unless otherwise ordered by Executive Order.

FRANKLIN D. ROOSEVELT.

Recommended for approval by:

Hugh S. Johnson.
Administrator.

The White House,
July 27, 1933.

[No. 6227-A]

29467°—33——4

EXECUTIVE ORDER

In The Matter of The Application of Crystal Springs Bleachery Incorporated for Certain Stay of Application and Exemptions From the Cotton Textile Code

A Code of Fair Competition for the Cotton Textile Industry has been heretofore approved by me on certain terms and conditions. After such approval and in accordance with the provisions of my further Executive order, dated July 15, 1933, hearings have been granted by the Administrator to the above-named applicants, allegedly directly affected by said code, who have claimed that applications thereof have been unjust to them and have applied for an exemption therefrom with reference to the limitations of the use of productive machinery.

It appearing to me on the basis of the showing made at the hearings granted the applicants above mentioned as set forth in the report thereon dated July 15, 1933, rendered to me by the Administrator, which is hereby adopted and approved, that no case of injustice and extreme hardship requiring special treatment has been made out by the above-named applicants;

Now, therefore, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority and discretion vested in me under Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, and in accordance with the provisions of my Executive order dated July 15, 1933 providing for hearings on the application of codes under certain circumstances, do order that the application for exemption by the above-named applicants be, and it is hereby denied, except as said applicants may be affected by the stay of the code granted by the Administrator's order of July 20, 1933, pending my final determination of the issues raised in the application for exemption filed by the Rubber Manufacturer's Association with reference to the limitation of use of machinery for the production of tire yarns or fabrics for rubber tires.

FRANKLIN D. ROOSEVELT.

Recommended for approval by:

Hugh S. Johnson,
Administrator.

The White House,
August 4, 1933.

[No. 6242-D]

EXECUTIVE ORDER

In the Matter of the Application of Dwight Manufacturing Co. for Certain Exemptions from the Cotton Textile Code

A Code of Fair Competition for the Cotton Textile Industry has been heretofore approved by me on certain terms and conditions. After such approval and in accordance with the provisions of my further Executive order, dated July 15, 1933, hearings have been granted by the Administrator to the above-named applicants, allegedly directly affected by said code, who have claimed that applications thereof have been unjust to them and have applied for an exemption therefrom with reference to the limitations of the use of productive machinery.

It appearing to me on the basis of the showing made at the hearings granted the applicants above mentioned as set forth in the report thereon dated July 15, 1933, and August 4, 1933, rendered to me by the Administrator, which is hereby adopted and approved, that no case of injustice and extreme hardship requiring special treatment has been made out by the above-named applicants;

Now, therefore, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority and discretion vested in me under title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, and in accordance with the provisions of my Executive order dated July 15, 1933, providing for hearings on the application of codes under certain circumstances, do order that the application for exemption by the above-named applicants be, and it is hereby, denied, except as said applicants may be affected by the stay of the code granted by the Administrator's order of July 30, 1933, pending my final determination of the issues raised in the application for exemption filed by the Rubber Manufacturer's Association with reference to the limitation of use of machinery for the production of tire yarns or fabrics for rubber tires.

FRANKLIN D. ROOSEVELT.

Recommended for approval by:

Hugh S. Johnson,
Administrator.

The White House,
August 4, 1933.

[No. 6242-E]

EXECUTIVE ORDER

In the Matter of the Application of Alabama Mills Co., a Bankrupt, by Paul A. Redmond, Trustee, for Certain Exemptions from the Cotton Textile Code

A Code of Fair Competition for the Cotton Textile Industry has been heretofore approved by me on certain terms and conditions. After such approval and in accordance with the provisions of my further Executive order, dated July 15, 1933, hearings have been granted by the Administrator to the named applicants, allegedly directly affected by said code, who have claimed that applications thereof have been unjust to them and have applied for an exemption therefrom with reference to the limitations of the use of productive machinery.

It appearing to me on the basis of the showing made at the hearings granted the applicants above mentioned as set forth in the report thereon dated July 31, 1933, rendered to me by the Administrator, which is hereby adopted and approved, that no case of injustice and extreme hardship requiring special treatment has been made out by the above-named applicants;

Now, therefore, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority and discretion vested in me under title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, and in accordance with the provisions of my Executive order dated July 15, 1933, providing for hearings on the application of codes under certain circumstances, do order that the application for exemption by the above-named applicants be and it is hereby denied, except as said applicants may be affected by the stay of the code granted by the Administrator's order of July 30, 1933, pending my final determination of the issues raised in the application of exemption filed by the Rubber Manufacturer's Association with reference to the limitation of use of machinery for the production of tire yarns or fabrics for rubber tires.

FRANKLIN D. ROOSEVELT.

Recommended for approval by:

Hugh S. Johnson,
Administrator.

The White House,
August 4, 1933.

[No. 6242-C]

EXECUTIVE ORDER

Administration of the National Industrial Recovery Act

By virtue of the authority vested in me by the act of Congress entitled "AN ACT To encourage national industrial recovery, to foster fair competition, and to provide for the construction of certain useful public works, and for other purposes", approved June 16, 1933 (Public, No. 67, 73d Cong.), and in order to effect the purposes of that act, it is hereby ordered that—

(1) Contracts for Supplies: Every contract entered into within the limits of the United States (by which is meant the 48 States of the Union, the District of Columbia, the Territories of Hawaii and Alaska, the Panama Canal Zone, Puerto Rico, and the Virgin Islands) by the United States or any of its agencies or instrumentalities for supplies mined, produced, or manufactured in the United States as contemplated by section 2, title III of the act approved March 3, 1933, entitled "AN ACT Making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1934, and for other purposes" (Public No. 428, 72d Cong.), except as set forth in the proviso under paragraph (a) below, shall provide and require that:

(a) The contractor shall comply with all provisions of the applicable approved code of fair competition for the trade or industry or subdivision thereof concerned, or, if there be no approved code of fair competition for the trade or industry or subdivision thereof concerned, then with the provisions of the President's Reemployment Agreement promulgated under authority of section 4 (a) of the foregoing act, or any amendment thereof, without regard to whether the contractor is himself a party to such code or agreement:

Provided, That where supplies are purchased that are not mined, produced, or manufactured in the United States the special or general code of fair practice shall apply to that portion of the contract executed within the United States.

(b) If the contractor fails to comply with the foregoing provision, the Government may by written notice to the contractor terminate the contractor's right to proceed with the contract, and purchase in the open market the undelivered portion of the supplies covered by the contract, and the contractor and his sureties shall be liable to the Government for any excess cost occasioned the Government thereby.

(2) Disbursing Officers. No disbursing officer shall be held liable for any payment made under the provisions of the foregoing act, or any Executive order issued under authority of that act, or for the unobligated balance of any overpayment involved.

FRANKLIN D. ROOSEVELT.

The White House,
August 10, 1933.

[No. 6246]

EXECUTIVE ORDER

Administration Of The Petroleum Industry

Pursuant to the authority vested in me by section 2 (b) of title I of the Act of June 16, 1933, known as the "National Industrial Recovery Act" (Public, No. 67, 73d Cong.), and in accordance with section 2 of article I and section 1 (b) of article VII of the Code of Fair Competition adopted by the petroleum industry and approved by me August 19, 1933, I hereby designate and appoint, for the petroleum industry, the Secretary of the Interior to be Administrator and the Department of the Interior to be the Federal agency, as provided by the aforesaid act and Code of Fair Competition, to exercise on my behalf and in my stead all the functions and powers vested in me, or in any Federal Agency, by such act and such Code of Fair Competition.

FRANKLIN D. ROOSEVELT.

The White House,
August 29, 1933.

[No. 6260-A]

EXECUTIVE ORDER

In The Matter of The Application of Connecticut Garment Manufacturers Association, For Certain Exemptions From The Coat and Suit Code

A Code of Fair Competition for the Coat and Suit Industry has been heretofore approved by me on certain terms and conditions. After such approval, and in accordance with the provisions of my further Executive order dated July 15, 1933, hearings have been granted by the Administrator to the named applicants, allegedly directly affected by said code, who have claimed that applications thereof have been unjust to them and have applied for an exemption therefrom with reference to the minimum wage provided in the said code.

It appearing to me on the basis of the showing made at the hearings granted the applicants above mentioned as set forth in the report thereon dated September 5, 1933, rendered to me by the Administrator, which is hereby adopted and approved, that no case of injustice and extreme hardship requiring special treatment has been made out by the above applicants:

Now, Therefore, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority and discretion vested in me under title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, and in accordance with the provisions of my Executive order dated July 15, 1933, providing for hearings on the application of codes under certain circumstances, do order that the application for exemption by the above-named applicants be and it is hereby denied.

FRANKLIN D. ROOSEVELT.

Recommended for approval by:

Hugh S. Johnson.

Administrator.

The White House,

September 7, 1933.

[No. 6274]

EXECUTIVE ORDER

In the Matter of the Application of Gem-Dandy Garter Company for Certain Exemptions from the Corset and Brassiere Code

A Code of Fair Competition for the Corset and Brassiere Industry has been heretofore approved by me on certain terms and conditions. After such approval, and in accordance with the provisions of my further Executive Order dated July 15, 1933, hearings have been granted by the Administrator to the named applicants, allegedly directly affected by said Code, who have claimed that applications thereof have been unjust to them and have applied for a wage differential for members of the industry located in the southern section of the United States.

It appearing to me on the basis of the showing made at the hearings granted the applicants above mentioned as set forth in the report thereon, dated September 12, 1933, rendered to me by the Administrator, which is hereby adopted and approved, that no case of injustice and extreme hardship requiring special treatment has been made out by the above applicants:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority and discretion vested in me under title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, and in accordance with the provisions of my Executive Order dated July 15, 1933, providing for hearings on the application of Codes under certain circumstances, do order that the application for exemption by the above named applicants, be and it is hereby denied.

FRANKLIN D. ROOSEVELT.

Recommended for approval by:

Hugh S. Johnson,
Administrator.

The White House,
September 18, 1933.

[No. 6296]

EXECUTIVE ORDER

Appointment of Hugh S. Johnson to Serve Temporarily as a Member of Each Code Authority

In accordance with the provisions of the Code of Fair Competition for the Bituminous Coal Industry heretofore approved, I hereby appoint the Administrator, Hugh S. Johnson, to serve temporarily as a member (without vote) of each code authority created as provided in Article VI, section 2 of said code, with the power in said Administrator to designate an agent with full authority to act in his behalf as a member (without vote) of any divisional or subdivisional code authority thus created, reserving to myself the power to appoint directly, in substitution for the temporary appointment of the Administrator, a member of any such divisional or subdivisional code authority.

FRANKLIN D. ROOSEVELT.

The White House,
September 29, 1933.

[No. 6298]

EXECUTIVE ORDER

Concerning the President's Reemployment Agreement

It appearing to my satisfaction that the fair and equal treatment of all employers requires that the President's Reemployment Agreement, as set forth in Bulletin No. 3 of the National Recovery Administration, dated July 20, 1933, should be modified in certain respects for the purpose of its future signature by such employers:

NOW THEREFORE I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do order that; for the purpose of its signature by employers on and after October 1, 1933, the form of the President's Reemployment Agreement, as hereinabove described, be and it is hereby modified so that paragraph (3) thereof shall read as follows:

"(3) Not to employ any factory or mechanical worker or artisan more than a maximum week of 35 hours until December 31, 1933; and not to employ any worker more than 8 hours in any 1 day."

PROVIDED, that in all other respects the form of the said agreement shall remain unmodified, and provided further, that nothing herein contained shall be construed as in any way modifying or affecting any such agreement signed by any employer prior to October 1, 1933.

FRANKLIN D. ROOSEVELT.

The White House,
October 3, 1933.

[No. 6304]

EXECUTIVE ORDER

In the Matter of the Application of Associated Cloak and Suit Manufacturers of Portland, Oregon, for Certain Exemptions from the Coat and Suit Code

A Code of Fair Competition for the Coat and Suit Industry has been heretofore approved by me on certain terms and conditions. After such approval, and in accordance with the provisions of my further Executive order dated July 15, 1933, hearings have been granted by the Administrator to the named applicants, allegedly directly affected by said Code, who have claimed that applications thereof have been unjust to them and have applied for an exemption therefrom with reference to the minimum wage provided in the said code.

It appearing to me on the basis of the showing made at the hearings granted the applicants above mentioned as set forth in the report thereon, dated September 28, 1933, rendered to me by the Administrator, which is hereby adopted and approved, that no case of injustice and extreme hardship requiring special treatment has been made out by the above applicants.

Now, Therefore, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority and discretion vested in me under title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, and in accordance with the provisions of my Executive order dated July 15, 1933, providing for hearing on the application of Codes under certain circumstances, do order that the application for exemption by the above-named applicants, be and it is hereby denied.

FRANKLIN D. ROOSEVELT.

Recommended for approval by:

Hugh S. Johnson,
Administrator.

The White House,
October 11, 1933.

[No. 6331-A]

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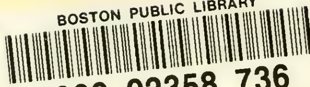
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