

Proceedings of  
Meeting No. 2  
of the  
SPECIAL INDUSTRIAL RECOVERY BOARD

Held at  
The Secretary's Office, #5854  
The Department of Commerce  
June 26, 1933

PERSONAL AND CONFIDENTIAL

Copy Number 6

For Hon. Frances Perkins

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SPECIAL INDUSTRIAL RECOVERY BOARD

Members:

Hon. Daniel C. Roper, Chairman  
The Secretary of Commerce

Hon. Homer S. Cummings  
The Attorney General

Hon. Harold L. Ickes  
The Secretary of the Interior

Hon. Henry A. Wallace  
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Hon. Frances Perkins,  
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Hon. Charles H. March  
Chairman, The Federal Trade Commission

Hon. Lewis Douglas  
The Director of the Budget

Hon. Hugh S. Johnson  
Administrator of the Industrial  
Control Act

- - - - -

Hon. John Dickinson, Executive Secretary

ATTENDANCE AT SECOND MEETING

June 26, 1933

Hon. Daniel C. Roper, Chairman, Secretary of Commerce

Hon. Homer S. Cummings, Attorney-General

Hon. Harold L. Ickes, Secretary of the Interior

Hon. Rex Tugwell, Assistant Secretary of Agriculture  
Representing the Secretary of Agriculture

Hon. Frances Perkins, Secretary of Labor

Hon. Charles H. March, Chairman Federal Trade Commission

Hon. Lewis W. Douglas, Director of the Budget

Hon. Hugh S. Johnson, Administrator of the Industrial Control Act

Hon. Harold M. Stephens, Assistant Attorney-General

Hon. Turner Battle, Assistant Secretary of Labor

---

Hon. John Dickinson, Executive Secretary

Mr. E. W. Jensen, Assistant Secretary

Dr. Alexander Sachs

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(Second Meeting)

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Proceedings of the Second Meeting  
of the  
SPECIAL INDUSTRIAL RECOVERY BOARD

June 26, 1933.

CHAIRMAN ROPER: In order to expedite our work as much as possible, I hope we can come promptly to the meetings. It is now ten minutes late. As a rule, we will have the other room for you, but it happens that it is occupied now by a meeting of the Advisory Committee and Planning Committee for the Department of Commerce, and we do not wish to disturb them.

I think we can expedite our work by following a definite agenda, and the first item that has been jotted down here is the approval of the minutes. Copies of the minutes have been furnished, I understand, to each member of the Board, and the Chair is ready to hear any amendments to the minutes if they are not correct.

MR. DICKINSON: In that connection, Mr. Chairman, I have a notation here that in one or two places the minutes speak of the National Industrial Recovery Board instead of the Special Industrial Recovery Board.

CHAIRMAN ROPER: That has been noted for correction.

ASSISTANT ATTORNEY GENERAL STEPHENS: On page 27, the first paragraph, there is a reference to a suggestion I made at the last meeting that for your protection such action as you have to take in certain matters should be ratified at a subsequent meeting. I think the stenographer misprinted it as referring to General Johnson.

MR. DICKINSON: That should be taken up with Mr. Jensen.

GENERAL JOHNSON: There is a good deal of paraphrasing instead of verbatim statement. Is it impossible to have the minutes verbatim?

MR. DICKINSON: That raises a point that we might just as well take up right now. I think today, through Mr. Jensen's efforts, we have a regular court reporter here. At the last meeting we just had some stenographers who were not in the habit of taking dictation as rapidly as a court reporter can. Perhaps it would require an expression of approval by the Board that we go to the additional expense of having a court reporter take the proceedings down.

CHAIRMAN ROPER: I raise the question as to whether that is necessary.

SECRETARY ICKES: Mr. Chairman, we have adopted that practice on our Public Works Committee. The minutes are therefore necessarily quite voluminous, but we don't know when the searchlight is going to be put on us, and I think a verbatim report of all the proceedings would be worth the cost.

ATTORNEY GENERAL CUMMINGS: I think so, too.

CHAIRMAN ROPER: I submit it as a motion. All in favor of that, let me know by saying Aye. The motion passed unanimously.

SECRETARY PERKINS: I have raised no question as to the correctness of the minutes of the first meeting, but there were certain items in Bulletin No. 2 on basic codes about which a cry of protest has been directed to me. I have taken these questions up with General Johnson, and it is our understanding that an attempt will be made

to rewrite that section, so it will not be necessary to correct it here.

GENERAL JOHNSON: I did attempt to clear it up last night, and I want to talk to you about it.

SECRETARY PERKINS: There has been no time to get the details. In regard to the place of collective bargaining in the total picture of the development of the code, on page 2 of this bulletin there begins at the bottom of the page a statement that reads like this: "Basic codes containing provisions respecting maximum hours of labor, minimum rates of pay, and other conditions of employment, which are in themselves satisfactory, will be subject to approval, although such conditions may not have been arrived at by collective bargaining." Earlier sections on collective bargaining are ambiguous, and I think it would seem to be well to rewrite that to indicate the desirable method of presenting an estimate. It should be agreed to by laborers and employers, but we must also provide for a technique of approval of codes where no agreement is reached by them, whether they attempt it by negotiation or whether there is just no ability to negotiate.

GENERAL JOHNSON: I do not know that I agree. I do not apprehend any difficulty about it.

SECRETARY PERKINS: I am sure we can phrase it in detail.

CHAIRMAN ROPER: That has been noted for future action.

ATTORNEY GENERAL CUMMINGS: Should not the minutes of the last meeting be approved, as corrected?

CHAIRMAN ROPER: Without objection, it will be so recorded. The next item is the matter of disbursements. Is the Director of the Budget to be here?

MR. DICKINSON: I understand he called up and asked the hour of the meeting.

SECRETARY ROPER: Assuming that he will be here, permit me to pass that item.

MR. DICKINSON: I think that particular item might be considered in advance of his being here. I understand that in connection with the Public Works Administration, Mr. Secretary, the detail and paper work in connection with personnel on the roll and also the work in connection with the drawing of the salary checks is being performed by the regular staff of the Department of the Interior.

SECRETARY ICKES: Yes, we are doing that without extra personnel or overhead.

MR. DICKINSON: That raises the question as to procedure in connection with the National Recovery Administration. The matter was brought to my attention by Mr. Kerlin, the Administrative Officer here, and I thought it was worth bringing to the attention of the Board.

CHAIRMAN ROPER: We may as well proceed with that.

GENERAL JOHNSON: There does seem to be some misunderstanding that has not been straightened out, and I do not know just how to straighten it out. I think undoubtedly the disbursements ought to be through an existing agency, so there will be no duplication. I understand from the Treasury Department that they want us to make an estimate of what we want. There must be an allotment, or even your disbursing officer cannot disburse. That has not been done. We cannot pay our people until the allotment has been made. They want us to give them an estimate, they do not care what it is. I sent over an estimate of

\$3,000,000.

SECRETARY ICKES: I move that the Department of Commerce act as disbursing and personnel organization, and that you send over and get an allotment, and I would suggest \$3,000,000.

The motion was seconded.

CHAIRMAN ROPER: All in favor, say Aye. It is carried. Now, we have some photographers outside who have just got to get in and take some pictures.

(The pictures were taken at this time.)

CHAIRMAN ROPER: I believe we cleared up that matter of disbursements. Now we come to the tying in of statistical work with the departments.

MR. DICKINSON: I believe that one of the matters that was discussed last time was that of devising ways of utilizing the facilities of some of the other departments. We have working with us here a committee of the American Statistical Association and of the Social Science Research Council who were working also on some of the statistical services of the Department of Labor and the Department of Agriculture. These gentlemen have given some consideration to this general matter of utilizing those facilities by the Industrial Recovery Administration, and my suggestion would be that a motion be made to have a consultation between those gentlemen and Mr. Sachs, who is handling the statistical work for General Johnson. Would that meet with your approval?

GENERAL JOHNSON: Dr. Sachs is here.

MR. DICKINSON: My thought would be that at the present time it would hardly be worth while to take the time of the Board, but that a consultation

between Dr. Sachs and these gentlemen would be in order.

SECRETARY PERKINS: While I think it is desirable to utilize the services of the other departments, it has occurred to me that the regular permanent departments may be able to gain a great deal in the way of technique in the field of collection of statistics which has not been opened easily to the departments in the past. A great deal of this material comes pouring in voluntarily, and I should say that rather than feeling that the departments should be used, we should be in such close cooperation with Dr. Sachs that at the end of this period we should be able to take advantage of and preserve the material in the permanent structure of the Government.

MR. TUGWELL: I wonder if one or two of our statisticians could sit in on some of the meetings.

MR. DICKINSON: My idea would be to start with a few and later on others could be brought in. I think that Dr. Sachs and myself would be glad to take anyone in that would care to attend.

CHAIRMAN ROPER: Would you approve of a motion to leave this to Dr. Dickinson and Dr. Sachs?

SECRETARY PERKINS: I should be glad to make that a motion.

The motion was seconded.

CHAIRMAN ROPER: Are there any further remarks? All in favor, say Aye.

It is carried.

That brings us to the question of salaries, of which we postponed consideration at our last meeting, if you will remember, because of the absence of the Director of the Budget. We wanted to work out some plan of uniformity in dealing with the question of salaries. I do not believe we had a special committee on that. I think, anyhow, it was

delayed until we had a special committee on that. I think, anyhow, it was delayed until the Director of the Budget could join us.

SECRETARY ICKES: There has been a good deal of informal discussion of that. Colonel McIntyre became quite interested of his own initiative. Quite a group met in the room of Mr. Walker in the Mayflower Hotel one evening. The suggestion had been made to the President by Colonel McIntyre that perhaps Mr. Walker might be designated to work on this question of salaries.

MR. TUGWELL: Has he done anything, do you know?

SECRETARY ICKES: Yes, he went to New York the same night. At Public Works we are quite up in the air. We do not know how to talk to a man with reference to employment. We do not know what salary scale to suggest. I think it is tremendously important.

CHAIRMAN ROPER: Shall we, then, hear from the Director of the Budget on this matter now so that we may have the benefit of his suggestions before we proceed?

DIRECTOR DOUGLAS: I am not clear, Mr. Secretary, as to exactly what his salary scale is to apply. Is it to the Industrial Control Administration?

CHAIRMAN ROPER: Yes.

ATTORNEY GENERAL CUMMINGS: The question is broader than that. We have several bodies dealing with this general emergency legislation, and the thought was that they should be coordinated so that the salaries in one department should not be out of line with the salaries in another. I was requested to attend the meeting referred to, and I was in sympathy with the purpose of it, which was to bring order out of seeming chaos.

DIRECTOR DOUGLAS: I think it is rather difficult to establish a fixed salary scale until one has some basis for determining the responsibility and the relative responsibilities of positions. It would seem to me that until one has one's organization worked out, it would be almost impossible to settle upon the salary scale. But in so far as maximum salaries are concerned, I feel that \$10,000 a year is the outside limit.

And there should be very, very few of them.

SECRETARY ICKES: What would you pay lawyers and engineers?

DIRECTOR DOUGLAS: As general counsel and assistant general counsel?

SECRETARY ICKES: Yes.

DIRECTOR DOUGLAS: I think that there again you have the question of responsibilities which has some bearing on the compensation. The same thing applies to engineers, Mr. Secretary.

CHAIRMAN ROPER: I think you are correct; it is impossible at this juncture to work out a full salary scale, but I do think you are striking at a very important point if you can fix a maximum.

GENERAL JOHNSON: These men coming in as Deputy Administrators must be industrial adepts. They must be regarded as leaders. Most of those men are men to whom salary does not make much difference. Some of them are \$100,000 a year men. I think you have to give a sort of sacrificial cost to this thing. On the other hand, there is great danger of carrying that too far, and having it said, "You just took men who could work for little or nothing." I had about made up my mind to make it a rule of the Department that, with an exception, I would not pay anybody more than \$6,000 a year. I thought that gave a man who might be very able enough to live on, and yet it took away from

the people in that particular class any possible charge that they were down here for money in any sense. I will give you a case which becomes difficult immediately, and that is the case of Donald Richberg. I regard him as one of the most brilliant men with whom I have come in contact. He is almost ideally qualified for this job as General Counsel. But he has many responsibilities---families that he is keeping during these depressed times--- and he has a lucrative law practice. If I could pay only \$6,000 a year, I could not get him, not because he would not want to come, but because he just couldn't. That is the only exception I know of that I would feel like paying more than \$6,000 a year. But in that case I would feel I must go higher than \$10,000. That is a real problem. Could there be such an exception as this one I have spoken about?

DIRECTOR DOUGLAS: Mr. Secretary, I am inclined to the opinion that it might be wrong to establish a fixed salary scale. As I understand it, both phases of the Industrial Recovery Act are purely emergency in nature. We are not setting up here a permanent organization but merely a temporary one. My understanding is correct, is it not?

CHAIRMAN ROPER: That is correct, as I understand it.

DIRECTOR DOUGLAS: My second understanding is that we want to get the ablest individuals that can be had. Some we may have to pay, by reason of peculiar conditions surrounding individual cases, more than others; and I think we ought to be prepared to do that. After all, the salary that a person gets in a temporary organization is not the thing that fixes his responsibility, nor is it particularly important in diminishing or increasing his authority. It is the position which has the authority and the responsibility, and not the salary which a person receives.

GENERAL JOHNSON: That is especially true of this sort of organization.

DIRECTOR DOUGLAS: Yes, in an emergency organization like this, I would be inclined to the opinion that we ought not to attempt to fix a regular scale of salaries. There are some men whom we could get for three or four thousand dollars a year to occupy very responsible positions.

CHAIRMAN ROPER: It would be very wholesome, though, to indicate to the public, if you please, that we were safeguarding in this respect. There might be a general statement or general scale which would be, probably, along the lines that General Johnson has mentioned, with the proviso that where emergencies require some exceptions might be made on the approval of the Board. It seems to me that the people are entitled to know that we are giving this thing consideration and are safeguarding it, because there is a great deal of feeling. They come to me every day.

ATTORNEY GENERAL CUMMINGS: . . . You're right about that. And these people on the Hill are entitled to assurance along this line.

MR. DICKINSON: Of course from the standpoint of being able to get the people that you want, no doubt a perfectly flexible scale is desirable; but there is always the opportunity, with a perfectly flexible scale, of its being said by those who do not know the details that there is favoritism. You employ one man because you cannot get that man for less than \$25,000; you employ another man whom you can get to do exactly the same work, and you pay him only four, five or six thousand dollars. That is a difficult situation to explain to anybody who is not entirely on the inside. And secondly, there is the relationship between the emergency administration and the regular

administration of the Government. To be sure, these organizations are emergency organizations; but still it may be said by any of our people on the Hill, "Now, here are people employed in the regular administration of the Government, in very responsible capacities, who get only four or five thousand dollars a year while these people, on the other hand, come in and fatten on the emergency and receive salaries of ten, fifteen or twenty thousand dollars a year." Those are things which may be said if we follow this principle of a perfectly flexible scale without a maximum and without any regular gradation of salaries.

JUDGE STEPHENS: You might be able to meet that by having a fairly definite scale for the general run of officers and employees and then hiring certain persons under the name of special counsel.

MR. DICKINSON: Isn't it always those special appointments that create the greatest amount of criticism?

JUDGE STEPHENS: They have had some in the Revenue Board, and the Shipping Board had some.

MR. DICKINSON: I think in the case of the Shipping Board they were criticized.

GENERAL JOHNSON: As far as my Administration is concerned, I would like to have a rule, subject to the question I raised here, that nobody get more than \$6,000 a year, except in very exceptional cases.

MR. DICKINSON: Those exceptional cases would require the approval of the Board?

GENERAL JOHNSON: Yes.

CHAIRMAN ROPER: I think if you have something like that you enlist considerable sympathy on the part of people generally that they are safeguarded. I think that is vital. Are you ready to adopt a resolution along the lines that the General has just suggested--that is to say, a maximum of \$6,000 except in very special cases?

GENERAL JOHNSON: I have only one in mind for the exception.

MR. TUGWELL: In view of the work of Mr. Frank Walker, don't you think it might be well to wait for that?

GENERAL JOHNSON: I would not like to impose conditions upon anyone else.

ATTORNEY GENERAL CUMMINGS: Mr. Walker has been requested by the President to inquire into this matter; I think it would be quite unfortunate if we should adopt a hard-and-fast rule now that would embarrass his work.

CHAIRMAN ROPER: We might make this suggestion--put it into the hands of one or two persons here who would confer with Mr. Walker, simply grade it as the consensus of this Board without making it binding today.

ATTORNEY GENERAL CUMMINGS: I think Mr. Walker would be glad to have our suggestions. In fact, I am very strongly impressed with the idea that we must be very careful about this question of salaries. If we do not, we are going to be subjected to an enormous amount of criticism, and attention will be diverted from the real work these organizations are doing and people will begin to talk about how we are wasting money in salaries to favored people. I think we can get the people--I know we can in the Department of Justice. An Assistant Attorney General really is getting only \$8,000 a year, less 15%, as the head of very important work.

CHAIRMAN ROPER: We can get the best in the country for mere subsistence at this time. People want to serve. They want to help.

SECRETARY HERKINS: Sometimes I believe that those who want to come are not the ones that are needed.

CHAIRMAN ROPER: That frequently happens. Are you willing to let this matter take the form I have suggested? It seems to me each one of these Cabinet groups should be represented in discussing the matter with Mr. Walker.

ATTORNEY GENERAL CUMMINGS: Before we make a motion, it occurs to me that we ought not to give the impression that we favor a lot of salaries at \$6,000 a year. While we speak of that as the maximum, I do not want the maximum to become the rule.

GENERAL JOHNSON: I am talking about a particular class of people--Deputy Administrators. I did something with respect to the clerical help, for we had some that we could not pay at the end of this month if we had not released the scale of salaries.

ATTORNEY GENERAL CUMMINGS: How would something like this do: Resolved that Mr. Walker be notified that it is the sense of this body, so far as we are concerned, that a maximum salary of \$6,000 ought to be fixed, except in very special circumstances, and in all events subject to the approval of the Board; and that the scale should run from \$6,000 down.

CHAIRMAN ROPER: Mr. Attorney General, would you want to say "from \$6,000 down consistent with the governmental scale"? --I mean by that down through your stenographic groups and others?

ATTORNEY GENERAL CUMMINGS: Consistent with the scale of wages paid in other governmental departments.

DIRECTOR DOUGLAS: May I say something in that connection, Mr. Secretary?

The Classification Act is the basis of the grading of the federal employees in the payment of compensation. I know of a great many instances in which the Classification Act has made mandatory the payment of salaries which are much too high, and I should not like to see this administration or any of the other emergency administrations bound, as I think would be the inference in that resolution, by the provisions of the Classification Act.

ATTORNEY GENERAL CUMMINGS: That is why I left it out. Let me substitute, at the last, "subject to such other considerations as may seem appropriate to Mr. Walker."

CHAIRMAN ROPER: You understand the motion.

SECRETARY PERKINS: I think we may be tying the hands of the administration by

4 that recommendation. If times do improve, as we hope and anticipate, the more opportunity there is for capable people, the less willing they will be to tie themselves up six months or a year to \$6,000 a year. They will now say they cannot afford to do that.

ATTORNEY GENERAL CUMMINGS: Then we can raise the limit.

SECRETARY PERKINS: The need for a special person is sometimes very clear.

GENERAL JOHNSON: Yes, that is very true.

SECRETARY PERKINS: You need special people with not only definite knowledge but with certain personal qualifications that make them suitable.

ATTORNEY GENERAL CUMMINGS: That is recognized in the resolution.

CHAIRMAN ROPER: All in favor, say Aye. (Carried.) That is done.

ATTORNEY GENERAL CUMMINGS: I think that should be sent to Mr. Walker with a letter stating that it is our tentative suggestion for him to take into account.

CHAIRMAN ROPER: That will be done. Now, General Johnson, did you want to bring up at this time the matter of the automobile?

GENERAL JOHNSON: I did not bring that up. We should have a couple of cars there.

CHAIRMAN ROPER: I think that is a matter that should be taken care of.

SECRETARY PERKINS: I think there should be provision for transportation for the Administrator and his assistants, not specifying the total but just to move there be provision made.

ATTORNEY GENERAL CUMMINGS: Are there available automobiles we can obtain that will be suitable, or does that contemplate the buying of a new one?

DIRECTOR DOUGLAS: There are lots of them around the War Department.

CHAIRMAN ROPER: Is there any way they can be transferred?

ATTORNEY GENERAL CUMMINGS: I thought you could get a good car--two, if neces-

sary- and a competent chauffeur.

GENERAL JOHNSON: We must have some kind of transportation.

ATTORNEY GENERAL CUMMINGS: Say two cars and two chauffeurs, and then locate them.

SECRETARY PERKINS: I think the Administration should be given control of them so they can use them at their own convenience.

CHAIRMAN ROPER: Suppose we leave that to Secretary Kerlin.

MR. DICKINSON: Had the motion better read, "Resolved that the Board requests that steps be taken to procure the transfer to General Johnson's Administration of two cars and chauffeurs from some other governmental agency."

ATTORNEY GENERAL CUMMINGS: That involves our paying from that point on for the salaries and upkeep.

COMMISSIONER MARCH: I second the motion.

CHAIRMAN ROPER: All in favor say Aye. (Carried.)

Now we have the question of a Director of Public Relations, or Publicity. In accordance with the conclusion that we reached at the first meeting of this Board we took that matter up, General Johnson, with the White House, and Colonel Howe telephoned an hour or so ago to let that matter go over until the next meeting, as McIntyre and Early are out of town.

GENERAL JOHNSON: I want to raise a point about that, before the whole Board, I do not know whether this is the time to do it, but I want to discuss with the Board the way this think looks and seems to be tending. There is a certain stage in this administration--and I think it may come rather promptly--when I think we are going to have to go out and put on a kind of liberty loan drive, mostly by voluntary service.

I think the most effective thing ever done was the Liberty Loan campaign. I spoke to Senator McAdoo about that drive, and he is to get me the name of the man who planned and executed it. That is a temporary thing--it is not an general public relations. I do not think there would be any trouble, but I did want to bring that question in for consultation. We are preparing a plan for submission to the Board. I want to have a general approval of what I have done in that regard. It would not interfere with Long.

CHAIRMAN ROPER: I think that is all right. You will have your report on that at the next meeting.

Now we have the question of the Consumers' Advisory Board.

MR. DICKINSON: I took the matter up with General Johnson over the telephone. The General asked for some suggestions, and I suppose he received suggestions from other sources, and I wondered whether the General was ready to announce anything in that connection.

GENERAL JOHNSON: Yes, and it is very important. I called on you for suggestions and on Miss Perkins. The following have accepted membership on the Board.

Mr. Frank Graham, President University of North Carolina,  
Professor William Ogburn, University of Chicago,  
Mrs. Belle Sherwin, President, National League of Women Voters,  
Mrs. Joseph J. Daniels, Indiana League of Women Voters, and  
Mrs. Charles C. Rumsey, of New York City.

The following have been recommended for membership on the Board:

Lucius Eastman, American Arbitration Association,  
Miss Mary Dewson, Democratic National Committee,  
Samuel Fells, Philadelphia,  
President Stanley King, of Amherst,  
Miss Mary Van Kleeck,  
Paul Nystrom, Columbia,  
Mrs. Sinkovich, New York City, and  
Stewart Chase.

There are five names that I have actually asked. The others I have not. I want to get enough here to make some showing.

MR. TUGWELL: How many do you want?

GENERAL JOHNSON: I think we may start with only six, perhaps more. There will be no salaries, but we will pay their per diem and expenses.

ATTORNEY GENERAL CUMMINGS: Did they all accept?

GENERAL JOHNSON: Yes.

MR. DICKINSON: I got a letter from Felix Frankfurter in which he suggested the names of Mary Dewson and Miss Van Kleeck. And that is a request from outside.

GENERAL JOHNSON: I have had a lot of suggestions about Stewart Chase. I do not think the newspaper men like him.

SECRETARY PERKINS: Stewart Chase has set up, it seems, a publicity service of his own. He syndicates articles, and that makes him unavailable because he is in the newspaper business himself.

GENERAL JOHNSON: I think there are many reasons why we could not take him.

CHAIRMAN ROPER: Why not use the five we have and wait until the next meeting?

MR. TUGWELL: Would you be willing to have Miss Van Kleeck and Miss Dewson?

MR. DICKINSON: I would like to suggest the addition of those two names.

GENERAL JOHNSON: I do not know what to do about the chairman. I would like to have Mrs. Rumsey.

CHAIRMAN ROPER: Is that acceptable? (There was no objection.)

The next item is that of procedure for public hearings.

MR. DICKINSON: I would like to suggest that that matter was more or less left to Judge Stephens and myself, and Judge Stephens has worked up some recommendations.

JUDGE STEPHENS: I do not think it is necessary to take your time in explain-

ing, except to say we have tried to prepare some regulations to cover public notice of hearings. We have tried to cover two things especially: in the first place, proper legal foundation to avoid due process being raised in the future; and in the second place, to save General Johnson from the clog of unnecessary legal machinery. Perhaps we should have these read: (Judge Stephens then read "Suggested Regulations for Public Notice of Hearings on Codes of Fair Competition." See next page.)

SUGGESTED REGULATIONS FOR PUBLIC NOTICE  
OF HEARINGS ON CODES OF FAIR COMPETITION.

1. When a public hearing is to be held on a code of fair competition, the National Recovery Administration will prepare a printed notice of the time and place of the hearing. This notice will contain -

- (a) A description of the trade, industry, or subdivision proposing the code;
- (b) A brief outline of the major provisions of the code;
- (c) An invitation to all interested persons or groups to write to the Administrator for a copy of the code;
- (d) An invitation to all persons desiring to be heard at the public hearing to communicate by wire or letter with the National Recovery Administration, stating the nature of their interest in the provisions of the proposed code and their attitude toward it. The Administration will endeavor to notify in advance all those who will be heard.\*

2. At least 20 days prior to the date of the public hearing a copy of this notice will be posted on an official bulletin board established for that purpose at the offices of the National Recovery Administration in Washington, D. C.

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\* If the Administration desires to give this paragraph further publicity, it could include this paragraph of the regulations when printing the various proposed codes.

3. At least 20 days prior to the date of the public hearing copies of the notice will be distributed -

(a) To representatives of the press;

(b) To all known trade papers, trade associations or groups, labor organizations or groups, labor publications, and consumers' organizations or groups, believed to be interested in the code; \*\*

(c) To such other persons or organizations as have previously registered with the National Industrial Recovery Administration, and have indicated the trades or industries in which they are interested. \*\*

4. The members of all associations or groups presenting codes to the Administrator for approval shall, at least 15 days prior to the date of the public hearing, post in their places of business notices giving the time and place of the hearing, the labor provisions of the proposed code, and the substance of Paragraph 1(d) of these regulations. These notices shall be posted in conspicuous places where they will come to the attention of the members' employees.

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\*\* When the regulations are adopted, the Administration might give publicity to the provisions of these paragraphs by inviting interested persons and organizations to register.

Judge Stephens then read the following letter to the Honorable John Dickinson:

C O P Y

June 26, 1933.

Hon. John Dickinson  
Assistant Secretary of Commerce  
Department of Commerce  
Washington, D.C.

My dear Mr. Dickinson:

Pursuant to your request, I have given attention to the matter of proper public notice of hearings on codes of fair competition, and attached hereto is a set of proposed regulations covering this subject. They are intended to establish minimum requirements and so far as possible to free General Johnson from the clog of legal machinery and, at the same time, to lay a foundation for possible future attack, under the due process clause, upon his proceedings.

The advantage of adopting regulations concerning notice is that this will advise the public in advance of the kind of notice which may be expected. In addition, if a regular form of procedure is established, the actual work of giving notice can be delegated to subordinates. The regulations can always be modified in the light of experience of their operation. Thus, in some cases the Administration may wish to notify the members of minority groups individually, possibly by registered mail.

In general, the proposed regulations speak for themselves. There would seem to be four classes of persons to be considered: consumers, employees, "persons engaged in other steps of the economic process," and minorities.

It is probably both futile and unnecessary to attempt to notify all consumers. The Administration will I think have satisfied every reasonable requirement of notice to consumers if it gives its announcement of public hearings as wide publicity as possible. Furthermore, it has been stated that a Consumers' Advisory Board will be appointed and under the suggested regulations this board will be notified of all hearings.

Paragraph 4 of the suggested regulations is designed to give notice of the hearings and of the labor provisions of the codes to the employees of all members of each association or group which has submitted a code upon which a hearing will be held. In this way each proposed code will be brought to the attention of the employees of those concerns which, by the terms of the Act, "are truly representative of" the trade or industry in question. This procedure may serve a collateral purpose. It will advise employees generally of their rights under the code, if it is adopted, and this will tend to check any possible tendency on the part of employers to avoid the obligations of the labor provisions of the code. Under Section 10(a) of the Act the President could make the provisions of Paragraph 4 of the regulations mandatory and in that case violations of this regulation would be subject to a penalty under that section.

The proposed regulations provide that notices to employees be posted 15 days before a hearing, whereas the Administration is to give 20 days' advance notice of hearings. The purpose is to enable the association or group proposing the code to have sufficient time to notify its members after the Administration has fixed a date for a hearing. The particular periods of time proposed have no special significance, but are intended to be merely suggestive.

The most practicable method of notifying persons engaged in other steps of the economic process (e.g., distributors, jobbers, allied manufacturers) and minority members of the trade or industry would seem to be general publicity and publication in trade papers. Probably nearly all trade papers would as a matter of course publish in their news columns all notices affecting the trades or industries which they serve. Trade papers might be invited to register their names and addresses with the Administrator, together with a statement as to what trades and industries they serve and whether or not it will be their policy to print notices affecting these trades and industries. In some cases the Administration may wish to have the notice published as an advertisement in one or more trade papers.

The provision in the proposed regulations for free distribution, upon request, of complete copies of codes is to avoid the possible contention that the notice was incomplete. Provision for an official bulletin board for the posting of notices serves the purpose of providing a place where any one may go for official information.

Respectfully submitted,

HAROLD M. STEPHENS,  
Assistant Attorney-General.

GENERAL JOHNSON: We will probably need a little more flexibility. I am going to avoid the publication of any form of regulation, and try to cover each step with bulletins.

SECRETARY PERKINS: Judge Stephens has pointed out that you are making a new kind of procedure that is a form of administrative law, and it is highly important, in order to avoid the complete breakdown by unfortunate legal proceedings later, that we at the very outset have a system which can be said to have started from the beginning.

JUDGE STEPHENS: I think that is very important. I think it is highly advisable to have a set of regulations which you follow, subject to modifications, because then you will have given the public notice of what can be done about it.

GENERAL JOHNSON: I know from what I have learned with two such Administrations. That first hearing tomorrow is one of the most significant things that has happened in this Administration, or will happen. We are trying to develop a procedure, but I hesitate to make it a matter of regulation in advance. I want to see how it is going to work out.

MR. DICKINSON: You can change your regulations.

GENERAL JOHNSON: Yes, I know, but --

JUDGE STEPHENS: These sound a little complicated.

GENERAL JOHNSON: I would shudder to say 20 days.

JUDGE STEPHENS: That is only a suggestion; it could be even just as well. These may be defective.

MR. TUGWELL: Our people worked on some regulations and they are quite different.

GENERAL JOHNSON: I want to talk with you about procedure all together. If you could have somebody at that meeting tomorrow, it would be a good thing.

CHAIRMAN ROOPER: I am wondering whether the Federal Trade Commission would like to submit some suggestions.

MR. MARCH: We have held these conferences for a number of years. I do not know whether these regulations are to be amended at that meeting.

GENERAL JOHNSON: No, under the law the hearing procedure is entirely with the President. Minimum requirements, notice, etc. must stay within the regulations. I just shudder to give this thing a formalistic cast as we start out.

MR. MARCH: Are you going to adopt rules and regulations?

GENERAL JOHNSON: No, certainly not. They are submitting a code. It is a sort of laboratory of method. There is no precedent for this conference.

MR. MARCH: How far are you going to allow industry to go in proposing this code?

SECRETARY PERKINS: They propose the code, and then their part is over, and they withdraw.

GENERAL JOHNSON: We are trying to give this the appearance of industrial self-government. They propose something, and they present it as they see fit. There sits the Industrial Advisory Board, who will have suggestions to make about the code, and the Labor Advisory Board, which will probably vigorously contest some of those suggestions; and the Consumers' Advisory Board will probably present objections. It is a half administrative and almost half legislative hearing, more or less judicial in form, legislative in result, and administrative in method. Industry has not got any choice except that it submits the code. Suggestions will be made, and changes, so as to have something approach-

ing agreement. It is part negotiation and part a hearing. I think that the procedure is so new and the circumstances connected with it so important that I do not like to provision it too far. I have attempted to set up a procedure which makes for order and expedition, but allows the hearing of anybody who claims any interest whatever, without any restriction, except that I do not think we have to listen to hortatory explanations.

ATTORNEY GENERAL CUMMINGS: There are two viewpoints, -- the viewpoint of one who desires to cut things down in the most informal and speedy manner, and there is the other viewpoint of the one who is to defend these things in courts if they are attacked. Those who are looking at it from the second viewpoint are very desirous of having a certain degree of formality about the thing so it cannot be attacked as arbitrary, insufficient notice, etc., etc., etc. If we can accomplish both purposes and have your actual informality but your real motive underlying it, you will have accomplished the purpose.

GENERAL JOHNSON: That is why I want somebody there to work with us.

SECRETARY PERKINS: I would like to suggest, General Johnson, there is a pattern for just this sort of thing. In all the states which have the administrative regulation procedures in their labor law and in all states where they have had minimum wage law, they have had exactly this problem to deal with. They have to have a partial assent of the board, they have to have a public hearing, and informal administrative procedure. Out of years of experience in that sort of thing in these states, they have come to the conclusion

there should not be negotiation at the hearing. It is almost fatal to orderly procedure. The negotiations have taken place beforehand, and the code that has been proposed is proposed by an industry, with consent of the labor represented in that industry, or without its consent, as the case may be. The deputy administrator who has negotiated with them has gotten the best agreement with them that he can. It comes before a quasi-judicial body. It is not yet legislation. The legislative body is the administrator and the President, who make the final decision. This proposal by industry and labor, together with the opposition to it, should be heard by a body which is quasi-judicial in its function and in its relations, and it seems to me they should not enter into negotiations then. They should hear the deputy administrator defend the code, in so far as he is able to explain, in the face of opposition, the reasons which impelled him to give informal assent to it, and hear everybody who participated in it, whether they think it is a good code, and give those who are in favor of it an opportunity to make a complete explanation of it. The group should not say, "Would 50% of that suit you?" As soon as you do that, you make that procedure of hearing a bargain table. They go away uncertain as to what is being decided; but if the group says, "We thank you for your appearance and consideration; we will give everything careful consideration, and you may submit memoranda, etc.," then you have your people who hold the hearing making a report to the Administrator, and the Administrator has a second chance to consider what has been brought out in the hearing, as well as the report of his deputy administrator.

GENERAL JOHNSON: Our people have been given the most stringent instructions that in their dealings they must make no commitments.

SECRETARY PERKINS: I have directed these codes when you sat around the table for weeks with people, and then finally came to the conclusion that  $24\frac{1}{2}$  inches was as large as that wheel needed to be; and when you have come to the conclusion, even though you have made no commitments for the government, you have absolutely agreed in your own mind.

COMMISSIONER MARCH: The Federal Trade Commission for years has had the industry make their proposal and adopt certain rules and then submit the matter to the Federal Trade Commission. We reserve the right to accept or reject. It seems to me that is the same position General Johnson wishes to be in.

SECRETARY PERKINS: I think the matter of holding the hearing is such an important part of this whole thing that there ought to be a special group of people who have had nothing to do with the forming of the code.

CHAIRMAN ROPER: As I understand the suggestion, it is this: General Johnson would receive the information. He wishes, however, to pass tomorrow and the experiences of tomorrow before definitely crystallizing it in his own mind.

GENERAL JOHNSON: And perhaps more than tomorrow!

CHAIRMAN ROPER: That means it is not necessary for us to hesitate here longer.

SECRETARY PERKINS: I would like to know what we are going to do. I am frankly nervous over this first hearing.

GENERAL JOHNSON: I am not a bit nervous.

SECRETARY PERKINS: Are you going to preside?

GENERAL JOHNSON: Yes, I am going to preside, myself.

JUDGE STEPHENS: I would like to make just one other statement. We do not want to clog you with unnecessary legal machinery. We are trying to do just the contrary, but we do have this in mind, that these first hearings are exceedingly important, and we ought to have our legal foundation as solid as possible.

GENERAL JOHNSON: I have not the slightest question about that. I am sure that is true.

MR. DICKINSON: I want to express a hundred percent agreement with Judge Stephens and Madam Secretary; and we should emphasize the importance of not letting legal formalities veil legal protection concealed under the surface. These are going to be attacked on the ground of constitutionality, and our protection will be particularly desirable. In the second place, I do not think that, if it can be avoided, there ought to be any public debate between the members of these advisory committees. They should sit quite quietly during the proceedings.

CHAIRMAN ROPER: It is not their day in court.

MR. DICKINSON: In the third place, I just want to raise another point for consideration. The Bureau of the Census, in connection with the census of manufacturers, has an actual list of every concern engaged in every particular line of business. They are prevented by legal prohibition from communicating that list to anyone. I wondered whether it would be worth while for Judge Stephens to consider whether or not notices could be mailed to all the people listed with that Bureau as being engaged in a particular business by the Bureau itself, so that the Bureau would not have to give the list out to anybody, but the copies of the notice could be supplied to

the Bureau of the Census and the Bureau send it out to all the people on their mailing list. I think that would be a very effective means if it could be worked out.

CHAIRMAN ROPER: Most of them would be in stenciled form?

MR. DICKINSON: Yes. I just leave that thought as something to be looked into.

CHAIRMAN ROPER: I take it no formal action is necessary. Now the matter of your housing.

GENERAL JOHNSON: I think that is all straightened out.

CHAIRMAN ROPER: Then we will take that off. Next is relations with Agriculture.

GENERAL JOHNSON: I merely wanted to say I probably took something on myself.

The Department of Agriculture was very anxious to have a line of demarcation between their industries and ours, under our bill, and we prepared an agreement which I signed which was satisfactory to both parties. In brief, any industry primarily engaged in handling food products, such as tobacco and milk, would be under their jurisdiction except as to those governing hours of labor, etc. We will send somebody over from our Department to participate in their hearings so as to be sure that whatever agreement they make contains the President's policy in regard to these things.

MR. TUGWELL: Our administration is acting as your deputy.

GENERAL JOHNSON: We are just there to present the policy of this Board. I thought this was an emergency thing, and I just want to report what I have done.

MR. TUGWELL: I think General Johnson and Mr. Peek can work that out.

GEN. JOHNSON: The next one is a pippin! These oil people are about ready to come in, and that is a terrible one. It is different from any of these others.

CHAIRMAN ROPER: We have a chance to hear from the Secretary of the Interior.

GENERAL JOHNSON: They really want a czar.

CHAIRMAN ROPER: That is putting troubles on the oil instead of oil on the troubles!

GENERAL JOHNSON: I do not know who takes it. If Mr. Ickes wants it, he can have it with my blessing.

SECRETARY ICKES: I will send you the code they adopt. They are no doubt fearful that they will get a whole lot worse!

GENERAL JOHNSON: We are going to be presented with something. I do not think we ought to be on the dilatory side.

SECRETARY ICKES: You ought to put a special man on it.

GENERAL JOHNSON: I think it is a question of setting up an administration.

CHAIRMAN ROPER: A separate man in the organization.

GENERAL JOHNSON: They are asking for a czar; and there is that vexed question between the big companies and the independents; and there are all kinds of questions of doubtful legality.

SECRETARY ICKES: I think an appointment by the President would give the man proper prestige.

GENERAL JOHNSON: I think in all these things, like Agriculture, we can't let anybody dodge out from under the provisions. We can work it the same way.

MR. TUGWELL: The problem in sugar is almost as delicate.

MR. DICKINSON: You had Coulter; was he appointed as a separate assistant alongside of Peek?

MR. TUGWELL: He just consented to act for us.

GENERAL JOHNSON: I have given a great deal of thought to it; that man has got to be a man who is not in the oil industry and never has been.

MR. TUGWELL: That is why Coulter can act in sugar.

DIRECTOR DOUGLAS: You say one who has never been engaged in oil business. You

would not bar from the position some man who is thoroughly acquainted with the industry?

GENERAL JOHNSON: Certainly not!

DIRECTOR DOUGLAS: You mean in the business of producing oil?

GENERAL JOHNSON: I mean someone of whom it could not be said that he just got out in order to take this job.

SECRETARY ICKES: By saying a man who has never been in the oil industry you mean one who was not in the business of producing oil.

GENERAL JOHNSON: I say, Mr. Douglas, it should be a man who has never been in the oil industry.

MR. TUGWELL: When you say "in the industry," you mean engaged in the production of oil; you would not bar an able engineer or geologist.

GENERAL JOHNSON: Oh, no.

DIRECTOR DOUGLAS: Because this oil industry is not only an industrial question as to distribution, but in a great many instances it rests upon geological facts and physical facts, and that complicates the situation.

SECRETARY ICKES: A geologist should not be barred.

GENERAL JOHNSON: I suggest what we do is for them to present a code and simply to put it through the mill and reserve this question until we have had more time to think about it.

CHAIRMAN ROPER: Without there is exception, we will proceed on that basis. In Chicago the other day as I was coming through, three men who had been laboring, they told me, for five days with some industrial groups, gave me a memorandum which I told them I would take up with you. Since it is only three pages, I believe I will read it and

see whether in your opinion there is anything in this memorandum that might be suggestive or helpful. (Reads memorandum. See next three pages.)

Memorandum:

Organizations of manufacturers are apparently confused as to how to cooperate or join with organizations of jobbers, importers and retailers. Are jobbers, importers and retailers considered steps of the economic process? It seems necessary to advise at the earliest possible moment as to the status here.

It seems necessary to determine and define at once the scope of a trade, or industry, or subdivision thereof, as provided in Section 3(a) of the Act.

Trade associations are particularly interested to have a basis on which to fix standards as to maximum hours of labor and minimum rates of pay. Cannot the Government, from statistics available to it, supply industries with what rates of pay are necessary to provide decent standards of living, and what percentage of increase over present rates of pay is necessary.

Why not promulgate minimum rates of pay for common labor based upon defined regions or territories which may be justified by available Government statistics, below which rate of pay, no industry in such region or territory may employ labor? Can or should any distinction be made in this connection with regard to age and sex?

Of course, numbers of persons in the industrial world do not keep records from which to base a determination of cost of production. I take it that it should not be our intention to force all members, large and small, of all industries to join in a code of practice which would compel them to install a uniform and accurate cost-accounting system. We hear of propaganda to this effect which should be met. [These gentlemen told me that certain accountancy agencies were importuning various lines of industry and endeavoring to impress them with the idea that every one of these organizations would have to have a special accountant.] Certainly no such burden should be imposed upon business

which may not now have in operation such a cost-accounting system. The industries subject to the Act should be immediately classified so they might know with what trade association to join in formulating a code of practice.

These associations, it would seem, should require immediately the appointment of two representatives to negotiate and agree upon a code of practice. Each of these representatives should be furnished, in advance, a chart, or schedule showing the acceptable minimum rates of pay and maximum hours of labor for each of the defined regional or territorial divisions. It would seem necessary to immediately establish a "training school," as it were, of experts who would be authorized and directed to confer with representatives of industry in different parts of the country. For instance, if we had a Government man thus trained to go to a given center and there coordinate with the persons in groups and outside of group organizations interested in the same line of industry, expedition might be effected. [Here is the point that impressed me. On February 24, 1918, President Wilson signed the 1918 income tax law. They directed-- or, rather, it was suggested that there would be due a billion dollars on the 15th of March following. We had two weeks in which to collect the billion dollars. We could not take time to interpret the law; we could not take time to prepare forms and get out regulations. After two nights of restless thinking we decided to make an appeal to the public, asking them to estimate their own taxes and to pay on the 15th of March one-fourth of what they thought was due. We had to collect one billion dollars; I collected one billion one hundred million. With that explanation, let me proceed. This paragraph seems to have grown out of some remark I made along the line I have indicated.]

It is suggested that a direct appeal be made to industry generally, calling upon them immediately to prepare and present codes of practice of their own making, subject only to the condition that these codes must be adapted to carry-

ing out the objects defined in the Act, and with the definite assurance that they will be accepted as filed and become operative for a period of ninety days, unless the Government shall give notice of amendment or cancellation after hearing granted to all parties interested or affected by any code so filed. These codes would become permanent for the duration of the Act, unless the Government gives notice of disapproval with the proviso that all codes will be subject to amendment at any time by the Government, or by the industry after conference or hearing with the Government.

These tentative codes should provide as follows:

- (a) Such maximum hours of labor by zones, or nation-wide will, within the near future increase substantially the number of employees.
- (b) An increase of the per hour wages of common labor of say not less than 10%.
- (c) Codes for retailers should prohibit sales at prices below cost or in excess of cost plus a reasonable profit.

It should also be made plain that supplemental codes restricting unfair trade practices should be prepared promptly after the original code has become operative and submitted by trade associations for consideration by the Industrial Recovery Administration. It seems to me that after this general fashion the administration of the Act can be set in motion within ten days leaving the minor details for secondary consideration. I am prompted to make this suggestion after conferences with a number of people who are devoting much thought

to this subject and also because of the fact that a large manufacturing association in one of the important states of this country is now issuing instructions and advice to its members to pursue a waiting policy and make no effort to comply with the law until they find whether the Government is going to be able to function, and how.

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CHAIRMAN ROPER: That is a memorandum that covers the point.

GENERAL JOHNSON: That is so nearly what we have in mind that we might almost have written it ourselves. Before we make moves that just venture into an unknown field we ought to get these industries in. While a large number of them are going ahead with their codes, others are hanging back to see what comes from this first hearing.

I wish we could have these meetings oftener and longer, because I would like to tell you what is going on. I could enlighten you on what the larger industries are doing. It is true that while a lot of them have their code almost ready, they are hanging back. If we really are going to accomplish what I think the President has in mind--wide employment--some method of temporary approval of re-employment wages, leaving the other things to wait. Just roughly, if we had gotten a little more information out of these actual hearings to be sure we were not shooting too quick, we would set a date at which the larger industries would have their codes in, and after that to try to devise some means exactly along the line of that memorandum.

CHAIRMAN ROPER: That was my experience with the income tax law.

Is there anything more? If not we are ready to adjourn. We meet regularly at 2:30 every Monday, unless we are called at other times by General Johnson.

Adjourned.

4:25 P.M.

SPECIAL INDUSTRIAL RECOVERY BOARD

OFFICE OF THE SECRETARY

Clipped to pocket of  
SIRB mtg. no. 2  
minutes.

Abstract of Editorial Comment on National Industrial Recovery Program.

ALABAMA

Montgomery Jour. & Times 6/13/33 The Roosevelt Administration's industrial bill for business recovery is the most revolutionary economic legislation ever put on the books by the U. S., and by that token is probably more thoroughly representative of the "new deal" than anything else the gov't. has done since March 4.

CALIFORNIA

Stockton Record 6/7/33 The full scope of Franklin D. Roosevelt's emergency program is still to make itself impressed upon the people of the Nation. The "new deal" experiment is developing evidence at our very doors.

Pasadena Star-News 6/10/33 Even though the Roosevelt administration succeeds even fractionally in its vast undertakings the Nation will have benefitted enormously.

CONNECTICUT

Ansonia Sentinel 6/13/33 The larger business concerns of the nation are agreeing to conform to the Roosevelt doctrine of federal industrial management and control.

Ansonia Sentinel 6/14/33 Franklin D. Roosevelt's proposed plan for providing employment, long a subject of discussion, has finally been completed. He is carrying out the proposal he made during the election campaign. The fact that so far his leadership has not faltered or suffered through loss of popular confidence in his ability and sincerity of purpose, bodes well for the future.

DELAWARE

Wilmington News 6/15/33 Franklin D. Roosevelt has certainly tackled a huge industrial subject and he has displayed courage and confidence. The measures savor of state socialism, but that will make no difference. Tendencies throughout the world are in that direction.

DIST. OF COL.

Washington Mining Congress Jour. 6/33 (Mining) Franklin D. Roosevelt is driving with a strong hand a sharp whip. Underneath all the change and the swiftly moving current lies a dependable confidence, each day industry is getting its feet on more tangible ground, and already, everywhere, the spirit of the pioneer, the challenge to defeat, is evident. America can not and will not be "licked."

GEORGIA

Athens Banner-Herald 6/13/33 Commodities of all kinds are increasing in price; the unemployed returning to work in the mills, factories and in gov't service inaugurated under the reorganization plans of President Roosevelt.

ILLINOIS

Murphysboro Independent 6/13/33 Speaking of "revolutions" we have had one here in America and the average man hasn't awakened to the fact yet. The old days of rugged individualism are gone. This country was founded on the principle of freedom of the individual. But the new industry control bill has completely reversed this policy.

Champaign News-Gazette 6/15/33 The industrial control bill does not make Franklin D. Roosevelt a dictator. Perhaps it does give him the authority to become a dictator over industry. If industry behaves itself, the control bill will mean nothing. If industry goes contrary to national welfare, Roosevelt can become a dictator; he will be forced to become a dictator. Whether he becomes a dictator rests on what industry does toward reviving prosperity.

INDIANA

.....Tribune 6/12/33 Franklin D. Roosevelt is said to feel that business recovery is coming along too fast, and is disposed to issue a warning against speculation. F. C. Archbald, noted economist, says that there will be nothing to retard the present recovery, and that by fall the mills will be running, and the stream of unemployed will be turned once more through the factory gates.

.....6/14/33 The industrial recovery-public works measure gives Roosevelt and his administrators extensive power to promote self-regulation of all American industry. The small factory apparently will be subject to the same snoopings and compulsions as the gigantic industrial units.

.....6/15/33 The gigantic plan of the industrial recovery act is this gov't supreme bid to rescue America from the depression. It envelops us all. It may work and if it does Franklin D. Roosevelt will have firmly established himself as one of our great presidents. If it does not work, the blame will be upon him. We can only hope that he has the foresight to see the effects of its operation--if it is not going to work--and stop the whole gigantic procedure before too much havoc has been wrought.

.....6/14/33 Never before in peace time has the U. S. Gov't. had so much control over private enterprise as it is to assume under the Roosevelt Administration's industrial recovery program. It was simply necessary to do something, and the President, bearing an impressive commission from the great body of the American people, felt that this was the thing to be tried first. It is another "noble experiment."

KANSAS

Topeka Capital 6/13/33 Franklin D. Roosevelt and his advisers are sold on planned industry. The country looks on it as a hopeful experiment. If business thinks it can dominate it in the old spirit, it will be more likely than not to go on the rocks and result in state socialism.

KENTUCKY

Louisville Courier-Jour. 6/14/33 It should be recognized that the intentions of Franklin D. Roosevelt in proposing this Industrial Control Bill were the best. Industry has an opportunity before it. In its own interest, as well as that of the public, that opportunity should be seized the proffered authority assumed and the responsibilities thereunder administered.

MAINE

Lewiston Journal 6/14/33 National Industry Recovery is a most remarkable bill. It establishes for the first time in history, the social obligations of labor. We hope it works. It is a righteous bill in principle and in purpose.

MASSACHUSETTS

Springfield News 6/12/33 It is the operation of the Roosevelt slogan of "let the seller beware," a fact long sought and at last put into operation. No other administration had the nerve to carry this through.

MICHIGAN

Lansing Journal 6/15/33 Under the new industrial recovery measure, Franklin D. Roosevelt can manage all business from Washington. If he could do that personally perhaps there would not be cause for dismay, for even his critics judge him as a well-intentioned, trustworthy man. But since it would be impossible for the President to be general manager of the U.S., it is little wonder many dread the underlings and their systems. The nation will have to wait and see.

NEBRASKA

Lincoln Journal 6/15/33 The industrial recovery act should work out as a good thing, but if it leads people to lean on the gov't for too many things it may cause tremendous harm. That statement is not the opinion of an enemy of the present administration. It was made by Jas. Roosevelt, son of the President.

NEW HAMPSHIRE

Concord Monitor & Patriot 6/14/33 Democracy has always stood for individual opportunity, we have told ourselves over and over again in this country. But individualism has, by more or less common consent, been tossed aside in the events since the Roosevelt administration came into being a little more than three months ago. The world is not fearful, because it is weary of the fruits of the unbridled competition which has gone before.

NEW JERSEY

Paterson-News 6/15/33 With Franklin D. Roosevelt armed with the greatest dictatorial powers in the history of the country, America today stands at the threshold of the biggest "push" for industry the nation has yet seen.

New Brunswick Millinery Trade Review 6/33 (Trade) Franklin D. Roosevelt is the Commander in Chief but this time his battalions are the trade associations of the country. The various heads of business organizations will undoubtedly become members of his staff in the important work of business recovery which the Gov't plans to undertake.

Morristown Record 6/15/33 The promise by Roosevelt of gov't cooperation to industry in a voluntary effort by the latter to get back on a sound basis seems, in its broad purpose, to offer a promising plan for recovery.

Newark Ledger 6/15/33 Many industries have already submitted plans to boost business and reemploy millions of men and women, and that induces the hope that, when the Recovery Plan begins to operate with full effect the greatest step to take this nation out of the red will be covered with success--and millions of Americans will pray for the fulfillment of that hope.

NEW MEXICO

Albuquerque Journal 6/10/33 It is plain that there can be no substantial business recovery in the oil producing states and that there must continue to be a sheer waste of this natural resource, unless crude oil production is brought under control. The oil producing states have tried it and failed. Obviously this is a subject for federal consideration and one to which Franklin D. Roosevelt has just given recognition in his communication to congress asking that some action be taken toward federal control of crude oil.

NEW YORK

Albany Knicker-Press 6/13/33 President Roosevelt will not be able to pull industry up onto its feet. It must make an effort and get up. All he can do is to give signals, advise and help with all the props which gov't can provide. He stands ready to put the entire gov'tal edifice of the U.S. squarely behind and under a co-operative whole-hearted businessmen's move to get industry to moving once more, starting all the wheels.

.....Post-Standard 6/14/33 The chief hope of President Roosevelt in making his program work must be in obtaining co-operation to secure results, rather than in establishing strict bureaucratic control. He has not revealed his intentions yet, but if he reads history aright he will avoid government by bureaucracy.

Poughkeepsie 6/14/33 Eagle-News: "INDUSTRY BILL PASSED" The sooner existing chaotic conditions of competition can be cleared up the better, and nothing will be more advantageous than that the Roosevelt program should produce speedy results to bolster popular confidence and inspire faith in the ultimate outcome of what government is attempting to do.

Brooklyn Citizen 6/16/33 General Hugh Johnson expects to set 4,000,000 men, or about one-third of the nation's unemployed, at work by October. That is his ambition, he declares and he sees no reason why it should not be done. If he can achieve that momentous task he will be the most popular member of the President's Administration, and Roosevelt's personal popularity, already exceedingly great, will be redoubled.

.....Editor & Publisher 6/17/33 (Trade) If the recovery measures seem drastic it must be remembered that the situation is desperate. Business with a social objective, instead of business for merciless exploitation, is the new ideal, briefly stated. We believe newspapers and newspapermen can easily accept the principle and work whole-heartedly for the fact.

N. Y. Business Week 6/17/33 (Bus.) The Administration is pledged to raise the price level. It cannot turn back. It may be satisfied to withhold further vigorous action so long as prices keep an upward trend. It may well feel that the rise is better for being not too spectacular. But at the first sign of faltering, President Roosevelt's vast powers must inevitably be brought into play.

Brooklyn Citizen 6/17/33 The "New Deal" came into operation when Franklin D. Roosevelt signed the industrial recovery bill, the banking bill and other measures which he believes will make work for millions of the unemployed, and cut-throat competition in industry and bring about a shorter work-week and decent living wages. ....Under the leadership of Roosevelt, the Federal Government is beginning to set at work immediately a portion at least of the great amount placed at his disposal by Congress to relieve the financial depression and give jobs to many thousands of unemployed men.

.....New Republic 6/21/33 (Comment) The one real, big question which remains to be answered is: what will the Supreme Court have to say about the constitutionality of this Industrial Recovery Act? Those close to President Roosevelt know that he is determined that it shall not be tossed onto the scrap heap merely because the present conservative majority of the Court doesn't like it. If it comes down to a contest between President and Court, there will be a fight worth watching--- and one in which the President has several unsuspected weapons up his sleeve. - T.R.B.

.....Ice Cream Field 6/33 (Trade) For years many of the straight-thinking men in our industry have been looking for some practical and effective means of curbing unfair competition. In the meantime, others have been using all sorts of excuses for not getting together to do what could be done toward reaching that goal. Now, we can go ahead. President Roosevelt and his advisors have recognized the existence of a national emergency.

NORTH CAROLINA

Marshville Home 6/7/33 The Pathfinder, an independent magazine published in the nation's capital, sees a brighter light for industry and farming. Franklin D. Roosevelt's series of heavy blasts are destined to break the industrial jam which has so stubbornly resisted all efforts for the last four years or more.

Asheville Times 6/15/33 The Roosevelt economy, exemplified in the revolutionary industrial control law, does not, however, discard the fundamental principle of individual initiative. Retaining that, the new system substitutes planned national production and distribution for the confusion and disaster caused by uncontrolled production and unrestrained competition.

Charlotte Observer 6/15/33 It is reasonable to expect that, for the most part at least, private management and individual ownership will show a spirit of conciliation and co-operation toward and with Franklin D. Roosevelt as he further digs in to lift the country out of its economic depths.

OHIO

.....Plain Dealer 6/18/33 "INDUSTRY'S NEW CHARTER" With Rooseveltian courage and directness the traits which have won and held for him the support of a nation which always cheers the men who do things, the president opens wide what he believes is a better and wider road to prosperity than any the nation has traveled before.

Dayton Herald 6/15/33 President Roosevelt has obtained in Gerard Swope, Alfred P. Sloan and Walter C. Teagle, advisors to Administrator Hugh S. Johnson, not only good men, but the best practical authorities in industry and industrial economics. He is to be congratulated upon drafting such men into public service.

PENNSYLVANIA

Philadelphia Bulletin 6/15/33 The new deal, set up in the Industrial Recovery bill, is greeted because it promises greater freedom for concerted action in business, in industry and trade.

Reading Times 6/12/33 The Roosevelt Industrial Recovery Bill, is the most effective prosperity move to date. At one and the same time it strikes at the root evil, lack of purchasing power, and realizes a basic need, planned economy.

.....Press 6/13/33 Fortunately, the National Recovery Bill promises to provide the relief for Pennsylvania that its own Legislature has failed to do. When this bill begins to operate, there will be no starvation wages and sweatshop working conditions. President Roosevelt has assured the nation of that.

.....6/15/33 The industrial control bill represents the last line of defense against inflationary distribution of new credit among the masses. President Roosevelt realizes that business cannot be brought back to normal until purchasing power is revived.

SOUTH CAROLINA

Greenville News 6/18/33 President Roosevelt has lost no time in inaugurating what is accurately described as a "sweeping offense" to restore employment and purchasing power and speed the process of economic recovery.

SOUTH DAKOTA

Sioux Falls Argus Leader 6/13/33 Roger Babson said: "Public works programs and farm relief measures may open the way for the biggest graft scandal in United States history and a reaction that is too ugly to contemplate. As honest and conscientious as Franklin D. Roosevelt is, it will be difficult for him to control the dispensing of huge sums without the political machine creeping in."

TEXAS

.....6/13/33 The Roosevelt industrial recovery program is said to have a great deal of similarity to the measures Mussolini took to put Italy back on its feet when that country was in dire straits. If the statement is true the carpers at the industrial bill should let up on their moanings. Mussolini hasn't ruined Italy by a long shot.

VIRGINIA

Bristol Herald-Courier 6/16/33 Before snow flies we shall probably know whether President Roosevelt's plans for curing the country's economic ills and restoring it to a state of sound prosperity are destined to succeed.

WEST VIRGINIA

Welch News 6/14/33 President Roosevelt's industrial control law contemplates a suspension of the Sherman Act. In most respects the Sherman Act has been a highly beneficent measure. To suspend the act without some good substitute may be a very dangerous thing.