

Proceedings of

Meeting No. 3

of the

SPECIAL INDUSTRIAL RECOVERY BOARD

Held in

The Conference Room, #5842

Department of Commerce

July 10, 1933

PERSONAL AND CONFIDENTIAL

Copy No. 6

For Hon. Frances Perkins

Distribution of copies:

1. Hon. Franklin D. Roosevelt
2. Hon. Daniel C. Roper, Chairman
3. Hon. Homer S. Cummings
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5. Hon. Henry A. Wallace
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7. Hon. Charles H. March
8. Hon. Lewis W. Douglas
9. Hon. Hugh S. Johnson, Administrator
10. Hon. Harold M. Stephens
11. Hon. Rex Tugwell
12. Hon. Turner Battle
13. Hon. John Dickinson, Executive Secretary
14. Col. Louis McHenry Howe
15. Hon. Marvin H. McIntyre
16. Mr. E. W. Jensen, Assistant Secretary
17. File

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  
The Secretary of Agriculture

Hon. Frances Perkins  
The Secretary of Labor.

Hon. Charles H. March  
Chairman, The Federal Trade Commission

Hon. Lewis W. Douglas  
The Director of the Budget

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

- - - - -

Hon. John Dickinson, Executive Secretary

Mr. E. W. Jensen, Assistant Secretary

ATTENDANCE AT THE THIRD MEETING

July 10, 1933

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

Hon. Homer S. Cummings, Attorney General

Hon. Harold L. Ickes, Secretary of the Interior

Hon. Henry A. Wallace, Secretary of Agriculture

Hon. Frances Perkins, Secretary of Labor

Hon. Charles H. March, Chairman, Federal Trade Commission

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

Hon. Harold M. Stephens, Assistant Attorney General

Hon. Rex Tugwell, Assistant Secretary of Agriculture

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Hon. John Dickinson, Executive Secretary

Mr. E. W. Jensen, Assistant Secretary

Mr. Robert K. Straus, Assistant to General Johnson

Miss F. M. Robinson, Assistant to General Johnson

Mr. B. P. Foote, Reporter

Proceedings of the Third Meeting  
of the  
SPECIAL INDUSTRIAL RECOVERY BOARD

July 10, 1933

3:37, P. M.

CHAIRMAN ROPER: We had a called meeting of the committee last evening at the White House at the instance of General Johnson, who had finished the Cotton Textile Code---

GENERAL JOHNSON: Let me interrupt: That was not at my instance -- it was at the instance of the President himself.

CHAIRMAN ROPER: And the President read the digest of the hearings on the Textile Code throughout, and also read with great care the code which had been prepared by General Johnson, and approved the code as read, and released it for the press last evening. The President, I must say, expressed very great pleasure at the form of the code. He complimented the General very highly on the results, and we left all feeling greatly encouraged by this initial code and the progress made up to date. I may say that, according to my watch, that code was signed at about 7:20--is that right, General?--

GENERAL JOHNSON: Yes.

CHAIRMAN ROPER: And it marks a great event. General, is there anything more you want to add to that?

GENERAL JOHNSON: Only one thing I want to add: I said in the first meeting I would not think of submitting the code to the President

without submitting it first to the Attorney General. We had intended, and arranged everything, to submit that code here today. In fact, I had a formal meeting called of our advisory committees--labor, industrial, consumers--in order to present it to them. But last Saturday night the White House called and said that on account of the tremendous pressure on the President he wanted to pass on that thing yesterday when he came back from that sail. I said I did not feel I could do that without this board seeing it first, and Mr. McIntyre told me they would attend to that over there, which I believe they did. But I want to make my apologies to Mr. Attorney General because I did not intend to do that. In fact, I would not have submitted it without your seeing it.

CHAIRMAN ROPER: Mr. McIntyre said he would get in touch with the Attorney General.

ATTORNEY GENERAL CUMMINGS: You have raised a question that calls for a few words upon my part on a matter which I hesitate to mention. I was playing golf yesterday afternoon after the storm when the word came to me, and I expressed a willingness to come up there forthwith; and I was coming on up there when I got further word that it would be all right if I didn't. I had been with the President the previous day, as you know, and that subject, and a good many others, had been pretty thoroughly discussed. I suppose it is all right, but if anything should be wrong about it, I would still have an alibi! (Laughter.)

GENERAL JOHNSON: We tried to check all the legal requirements with the presentation of the code, and Judge Stephens was there most of the time; and when he was not there, his assistant was.

ATTORNEY GENERAL CUMMINGS: I think it is probably all right and I understand your position perfectly.

CHAIRMAN ROPER: I submit a copy of the minutes of that meeting for incorporation into the minutes of this meeting.

The Chairman then passed the following memorandum to the reporter:

July 10, 1933.

MEMORANDUM:

At 4:00 p.m., Sunday, July 9, Secretary McIntyre called me and advised that it had been brought to the attention of the President that unless the Cotton Textile Code could be signed that evening that the operation of the Code would be delayed another week and wished to know whether I could meet with General Johnson at the White House for the consideration of this matter at 6:15 p.m. I promised to do so and was able to get in touch and have assembled with me at the White House the following members of the special board:

General Hugh S. Johnson, Administrator, National Industrial Recovery Administration  
Hon. Harold L. Ickes, Secretary of the Interior  
Hon. Lewis W. Douglas, Director of the Budget  
Turner W. Battle, Assistant to the Secretary of Labor - (for the Secretary of Labor)  
Col. Louis McH. Howe, Secretary to the President  
Hon. Daniel C. Roper, Secretary of Commerce.

I telephoned Chairman March at the Shoreham but was unable to locate him, and was also unable to get in touch with Assistant Secretary of Commerce Dickinson. Colonel McIntyre told me that he would notify Secretary Wallace and The Attorney General, and I presume this was done, though neither was able to be present.

The cotton Textile Code was read by the President himself to those present, including the resume of the hearings, and the code was signed by the President at 7:20 p.m., and press releases arranged for.

COMMISSIONER MARCH: The reason I was not there was that I did not get a notice.

CHAIRMAN ROPER: I tried to notify you, but I didn't get any response at your house. I called you at about 5 o'clock two or three times and also got the hotel after you, and they could not locate you. That accounts for our derelictions.

Now as to the minutes of meeting No. 2: I believe you all received copies of those minutes. Is there any change you wish to have made? If not, the minutes of that meeting will stand approved as you received them.

The first item on my agenda is as to whether the fifteen percent cut applies to the salary scale for General Johnson's unit. I do not know to what extent the Attorney General has given consideration to that subject.

SECRETARY ICKES: We have had the Comptroller General pass on that for the Public Works. He ruled that it does not apply.

ATTORNEY GENERAL CUMMINGS: Those salary questions are usually passed on by the Comptroller General in the first instance, because he has to approve of them. If there is still any doubt about

it and a further ruling is desired, the matter is then referred to me. I recall that I did pass on one or two of these questions that came up and found myself in concurrence with the Comptroller General; but I do not think this particular question has been before me. I think the thing to do would be to let the Comptroller General rule upon it.

CHAIRMAN ROPER: If the Comptroller General has ruled for Public Works, would not that be sufficient?

SECRETARY ICKES: We asked for a ruling and we got it two or three days ago.

CHAIRMAN ROPER: Is it the pleasure of the board to have the Comptroller General rule on the question for this board? If so, I will entertain a motion.

ATTORNEY GENERAL CUMMINGS: As it has to do with salary questions, I think that is the proper course.

This motion was seconded and when put to a vote by the chairman was carried.

ATTORNEY GENERAL CUMMINGS: If you have any doubt as to that, Mr. Chairman, and would care to get in touch with me, I will run over his opinion and see if we concur.

CHAIRMAN ROPER: At the instance of the Secretary of Agriculture I am going to postpone, General Johnson, the discussion of the milk situation which he is so much interested in until the end of this meeting as he advises me that he cannot get here before 3 o'clock.

DOCTOR TUGWELL: He has to sign a crop report at 2:45.

CHAIRMAN ROPER: The next item for consideration is the policy of employing married people.

DOCTOR DICKINSON: May I call your attention to the question of the salary scale? Has anything further been heard from that matter?

CHAIRMAN ROPER: Dr. Dickinson, I understood from my secretary a few minutes ago that Col. McIntyre had a report to make to me on that subject.

We are now up to the question of the policy of employing married people in the Industrial Recovery Administration set-up.

DOCTOR DICKINSON: By married people is meant those whose spouse is already employed in the government.

SECRETARY PERKINS: Is it necessary to raise that question? Can we not mercifully ignore that in this particular situation?

CHAIRMAN ROPER: I think it is well to have the board acquainted with it.

SECRETARY PERKINS: I am following the theory in my Department that we do not dismiss people because they are married; we just let them off in the order of their efficiency and take into consideration their necessities.

CHAIRMAN ROPER: We would not want to appoint people and have to dismiss them later. I am willing to entertain a motion on that subject.

DOCTOR DICKINSON: If we are going to enter on a policy of spreading the work, it is an important question as to whether we really ought to employ two people from the same family. If we want to

do it, let's go ahead and do it; and if we do not, let's say so.

SECRETARY PERKINS: The most important thing is to get efficient people.

DOCTOR DICKINSON: This relates to clerical workers. There isn't quite the same question of their capabilities as in the upper technical groups. It is sometimes difficult to tell which of four or five stenographers is most efficient.

SECRETARY PERKINS: I should like to move that we take no position on the matter and have no settled policy, but that the employment of people be without regard to that, and naturally, in employment matters efficiency and capability will be considered first; and if we have two people of equal capability, matters of the personal need of the two for the same job will be the consideration. That personal need will involve relationship to family.

CHAIRMAN ROPER: Are you making that as a motion?

SECRETARY PERKINS: Yes.

ATTORNEY GENERAL CUMMINGS: I would suggest it may be a question whether we have a right to do that.

GENERAL JOHNSON: I second the motion.

ATTORNEY GENERAL CUMMINGS: There has been a ruling by the Attorney General's office on that general subject. Whether it applies to these particular Bureaus or not is not for the moment clear in my mind. It certainly applies to the Departments generally. We are under compulsion, for instance, in my Department, where we are putting on new people or letting people go, to let one of the married people go first. It is not a question so much as to how we feel about it, but what the law is.

SECRETARY PERKINS: May I remind the Attorney General that at his request I submitted to him the other day a question with regard to that matter and that you have it under consideration now. Some one in your office told us that they thought with the passage of the Economy Act it was not necessary to regard the rule.

ATTORNEY GENERAL CUMMINGS: When did you submit that matter?

SECRETARY PERKINS: Last week.

ATTORNEY GENERAL CUMMINGS: I did have an inquiry and rendered an opinion, and that opinion, I think, was released July 3, the day we were out at Annapolis. Mr. McIntyre brought up the question whether that opinion could be released. I said I did not feel like releasing it, having submitted it to the President.

SECRETARY ICKES: You had it there, didn't you?

ATTORNEY GENERAL CUMMINGS: No.

SECRETARY PERKINS: What was the nature of the opinion?

ATTORNEY GENERAL CUMMINGS: Dealing with the subject you mentioned --- that married people would be first to be let out; and, moreover, that it was not a temporary policy, but a permanent policy.

SECRETARY PERKINS: You mean that the new Economy Act ties us up as badly as that?

ATTORNEY GENERAL CUMMINGS: I think the thing to do is to just postpone this matter until the next meeting, at which time I will possess a copy of my opinion and be able to tell you what I said and why I said it. It is not a subject entirely free from difficulty, but I think the opinion is entirely correct.

COMMISSIONER MARCH: We understand it is the law, and we have been applying

it down in our Department.

CHAIRMAN ROPER: We are following it in this Department.

SECRETARY PERKINS: I think it is such bad policy that we should stretch every nerve to find a way not to follow it. If I had not been practically assured in advance that the opinion would be favorable, I would not have asked for it.

ATTORNEY GENERAL CUMMINGS: All of which indicates that Madam Secretary was proceeding from political considerations and personal feelings while I was holding to the strict interpretation of the law.

DOCTOR DICKINSON: May I ask whether this opinion of yours related to established Departments or whether, in the case of these new organizations, it would be necessary to have a further opinion?

ATTORNEY GENERAL CUMMINGS: That is why I suggest that the matter rest until the next meeting, and in the meantime I will review the opinion.

CHAIRMAN ROPER: If there is no objection on the part of the board, we will pursue that plan and leave this matter for the regular meeting next Monday. Now I have on this agenda coming next the report of Mr. Walker. I would like to ask General Johnson about that.

GENERAL JOHNSON: I think some rule ought to be set about the scale of salaries in my Department, because I have a lot of people who have not had any pay. The only people who have been paid are clerks. The others have no idea what they are going to get. We just can't go on that way. I would like to get a general rule approved by this board on that question. I submitted a memo-

randum to Frank Walker. I do not know whether that was official; I have not heard anything more from it since. I would like to have the support of this board on the policy that I want to put into effect.

SECRETARY ICKES: Why can't we follow, in general, the scales that we have in the Departments? That is what is running in my own mind regarding Public Works.

GENERAL JOHNSON: I do not want that. I do not want to pay anybody in my Department more than \$6,000 a year except one or two exceptions, including myself, the technical, legal, and accounting staff.

CHAIRMAN ROPER: May I remind you that we really have a suggested scale in the minutes.

SECRETARY ICKES: We have a maximum of \$6,000.

CHAIRMAN ROPER: With exceptions to be brought to the attention of the board. My thought is that we would pursue that plan, subject, of course, if you please, to the approval, shall I put it, of Mr. Walker, to whom the matter was referred. As soon as we get that word from Mr. Walker, which can be within a few hours, General Johnson will proceed.

SECRETARY ICKES: I understood that Mr. Walker was going to undertake to establish some relationship between the salaries of these different Bureaus. For instance, I think my Public Works Board adopted the same rule so we have a maximum here. We are taking a short cut and saving time.

CHAIRMAN ROPER: The only reason I refer to this is just courtesy.

GENERAL JOHNSON: How can I get these people on the payroll?

CHAIRMAN ROPER: Just proceed.

GENERAL JOHNSON: Mr. McGrady and Mr. Richberg are the only exceptions I want to take in now. Later I will have a man on the temporary employment, perhaps three or four months, who wants to be paid at the rate of \$8,500 a year. It is this man Horner, who handled the Liberty Loan Drive for Mr. McAdoo. I told him I would pay him that. Richberg, McGrady and this man Horner are the only exceptions. I just want to hire deputy administrators at \$6,000 and their assistants at \$4,000.

DOCTOR DICKINSON: What is McGrady getting as Vice President of the A.F. of L. ?

GENERAL JOHNSON: About \$8,500. He has some indefinite arrangement that I do not understand.

DOCTOR DICKINSON: He gets commissions or something of that kind?

GENERAL JOHNSON: Yes, but he is out of that now.

DOCTOR DICKINSON: Let's pay him \$8,500.

GENERAL JOHNSON: There is Richberg; he is giving up a lucrative law practice. Mr. Ickes knows more about that than I do, but I suppose \$30,000 or \$40,000 a year. He has five or six families that are dependent on him and he pretty near has to give it up to come down here. I want him very much. He is just ideal for my purpose and I would hate to ask him to make a sacrifice I know he cannot make. I would like to pay him as much as this board will permit.

ATTORNEY GENERAL CUMMINGS: I do not interpose any objection to this,

but I think I ought to remind you of this fact: the Department of Justice employs a great many lawyers. The Solicitor General gets \$10,000 a year. That is the highest of all the officers in the Department of Justice under the Attorney General. In addition to that, he has to submit to fifteen percent reduction. In other words, he gets \$10,000 less fifteen percent. The Assistant Attorneys General get \$8,000 apiece less fifteen percent. Now, it is true that at times we have paid Special Assistants to the Attorney-General a little more for special jobs. They have not been permanent jobs, but particular trials. We have paid at a little higher rate per annum, but I have been trying to even bring that in harmony with these other salaries. I just mentioned that, not to interpose any objection, but just because I have it in mind.

DOCTOR DICKINSON: I think there are other attorneys who have had practices of approximately that amount who have come to the government at this time at greatly reduced compensation.

CHAIRMAN ROPER: I do not know that it has come to your knowledge, but I believe the Chairman of the Public Works Board will bear me out, that the motion which we got through with his board was that the maximum should be \$6,000 with the understanding that in special cases we would go as high as \$8,500.

SECRETARY ICKES: I thought the maximum was \$6,000.

CHAIRMAN ROPER: With the understanding that in special cases the board would be willing to approve as high as \$8,500.

SECRETARY ICKES: I did not remember that.

CHAIRMAN ROPER: Would it be advisable and in line with uniformity to work under the same kind of resolution?

SECRETARY ICKES: I think, Mr. Chairman, in one or two instances we will have to give more than \$8,500 for one or two engineers we really have to have.

GENERAL JOHNSON: How much do you think?

SECRETARY ICKES: \$10,000.

GENERAL JOHNSON: Richberg is just the fellow I have got to have to build up that organization. Both sides -- labor and capital-- must be represented. He has a dominating mind and great force of character. He brings an informed point of view that is not entirely legal, and I would not know just how to replace him. I would like to have you consider that he is something of a technician. It is a curious sort of statement, but that is really how I feel about him.

DOCTOR DICKINSON: Would \$1,500 make a difference?

GENERAL JOHNSON: I think every dollar would make a difference.

SECRETARY PERKINS: I should think one would almost have to pay more than \$10,000 to get Richberg.

GENERAL JOHNSON: I am afraid we will or lose him.

DOCTOR DICKINSON: If we were going to pay what he is worth, we would have to pay him \$40,000 or \$50,000--there is no doubt about that. The point I made at Public Works was if you are going to pay him down somewhere in the neighborhood of \$8,500, I do not see very much difference whether we pay \$6,000 or \$8,500

or \$10,000.

SECRETARY PERKINS: Do you think you could get him for \$12,000?

GENERAL JOHNSON: I think I could. He could probably get by for that. He has given me an insight into his situation. As far as I am concerned I would do anything I could. I do not think it is proper to take advantage of anybody in a spot like he is in. I think we have pretty near got to do it this way.

CHAIRMAN ROPER: Do you wish us to pass on the other two today?

GENERAL JOHNSON: Yes, I think that would be better.

SECRETARY WALLACE: If it is in order I would like to move that we pay this man \$12,000.

SECRETARY ICKES: I am in a very embarrassing position on two counts. I am a very old personal friend of Richberg, and at the same time I am charged with the responsibility for Public Works. I sent for an engineer the other day that I considered quite indispensable, and he told me he had been earning \$25,000 a year, but I got him down to \$10,000. Our General Counsel we are going to pay \$7,000 or \$7,500. I am in full accord with what General Johnson says. Richberg is not only a very brilliant lawyer, but has a mind of an unusual type, and he can help to reconcile a lot of differences here on the labor side. He has the confidence especially of the railway brotherhoods and, after all, we do raise difficulties for ourselves.

ATTORNEY GENERAL CUMMINGS: Why isn't Chairman Roper's suggestion a wise one--that we let the Richberg matter rest for further consideration and pass on the other two?

GENERAL JOHNSON: That is all right.

SECRETARY ICKES: Here is another consideration--\$12,000 net is what cabinet officers are getting.

CHAIRMAN ROPER: Is there a motion to the effect that we allow \$8,500 for the two other persons named by the General?

ATTORNEY GENERAL CUMMINGS: If that is what General Johnson wants, I am prepared to support it.

GENERAL JOHNSON: That is it.

ATTORNEY GENERAL CUMMINGS: Then I make that motion.

CHAIRMAN ROPER: Are there any further remarks? If not, all in favor say "Aye". It is carried.

DOCTOR TUGWELL: I wish we could settle up the Richberg matter. I do not think the General is going to find out anything more.

GENERAL JOHNSON: I can put the matter up to Richberg somewhat as it has been discussed here today.

CHAIRMAN ROPER (to Secretary Wallace who had just come in): This, Secretary Wallace, relates to the salary scale. We just approved of salaries of two persons as high as \$8,500 each. The board has approved the two in the case of Mr. McGrady and Mr. Horner.

GENERAL JOHNSON: But Mr. Horner for not more than four months.

CHAIRMAN ROPER: Mr. Richberg's salary is to be reported on by the General at the next meeting of the board.

Now will the secretary please read a letter that I promised Mr. Douglas I would have read.

Dr. Dickinson then read the following letter from Director Douglas:

Dear Mr. Secretary:

The Emergency Administrations which are being organized will doubtless require equipment of various sorts. Pending a canvass of the equipment now available for their use, I suggest that no new equipment be purchased.

I am requesting the coordinating service to get in touch with you, with the Secretary of Agriculture, and with the Secretary of the Interior, for the purpose of determining the amount of equipment which the new Administrations will require, and of ascertaining whether these requirements can be met out of existing stocks.

CHAIRMAN ROPER: That is just for our information and I think we are proceeding along that line.

GENERAL JOHNSON: If we needed to, I suppose we could go ahead and get more.

CHAIRMAN ROPER: Next comes the question of appointment of special committees and hiring of special assistants for studying special industrial problems. What is the maximum per diem for such persons? It seems to me that there is involved in that naturally, General, the subject of time.

GENERAL JOHNSON: For example, the stretch-out system. They have to get an engineer.

CHAIRMAN ROPER: We probably ought to give a different rate to a man who is going to be employed six months or a year.

GENERAL JOHNSON: Also there is the question of these advisory boards who are working very hard; we ought to have some provision for their expenses and per diem for some of them--not many of them.

CHAIRMAN ROPER: The Chair would like to hear a motion on that subject.

DOCTOR DICKINSON: Hasn't there been some consideration of \$25 a day for those people?

GENERAL JOHNSON: Not here. I mentioned \$25 a day during that 30-day

period.

DOCTOR DICKINSON: How would \$25 a day without expenses do?

GENERAL JOHNSON: That would not do at all for technical engineers.

SECRETARY PERKINS: What is the usual retainer rate?

GENERAL JOHNSON: I do not know. These people ought to be willing to make a sacrifice. I think \$25 a day and expenses might do. While it is not anything like what we ought to pay, I would be willing to try it on that basis.

CHAIRMAN ROPER: For thirty days?

GENERAL JOHNSON: Yes.

DOCTOR DICKINSON: Mr. Jensen makes the suggestion that I submit to Mr. Attorney General that there is a statute covering the subject, that there is a limit of \$25 a day.

ATTORNEY GENERAL CUMMINGS: There is such a statute, but we make special allowances in the Department of Justice when we run up against that statute. We frequently have to get experts on insanity, for instance. They get as much as \$500 or \$1,000 a day in some cases. We have to negotiate with those people and get them as cheaply as possible.

DOCTOR DICKINSON: Do you put the extra amount in in the form of expenses?

ATTORNEY GENERAL CUMMINGS: No, we pass that in the form of a special order authorizing the District Attorney to employ an expert at a total amount not to exceed so many dollars. That rather gets around it, because he can theoretically work five or ten days and actually work much less.

DOCTOR DICKINSON: You really employ him for a fictitious number of days.

ATTORNEY GENERAL CUMMINGS: That is one reason why Mr. Stephens suggested to me that this per diem plan is fraught with some danger and we ought to proceed on an annual basis even though it is only five or ten days.

DOCTOR DICKINSON: How would it be to proceed on a monthly basis and provide for experts not to exceed thirty days at a sum not to exceed \$1,500 or something of that sort.

CHAIRMAN ROPER: You would find it very difficult to adjust because you have time periods there. The General might want to employ them for twenty days.

DOCTOR DICKINSON: If we say, not to exceed thirty days, then he might employ them for any period less than thirty days for any sum not to exceed, say \$1,000.

GENERAL JOHNSON: I have not had enough experience with an actual attempt to make men work for very little, but I can tell them "That is all I can pay," and then if I have to come back for more, I can do it.

ATTORNEY GENERAL CUMMINGS: Twenty-five dollars a day for 360 days would amount to \$9,000. You could fix this, we will say, at the rate not to exceed \$9,000 per annum for these small periods of temporary employment. That would give you the \$25 per day allowance really, but you are fixing it on the annual salary basis and you are stating it at the rate of so much a year.

GENERAL JOHNSON: If you get into an annual salary, don't you get into the fifteen percent cut?

ATTORNEY GENERAL CUMMINGS: The fifteen percent cut does not apply on this Department.

GENERAL JOHNSON: If it is all right, I will go on the \$25 per diem basis. Then if I have a special case, I can come back.

ATTORNEY GENERAL CUMMINGS: If you can get the men you want at that rate, I should think you could go ahead on that and then at intervals you can make a report and we can ratify that.

CHAIRMAN ROPER: General Johnson, will you now state the motion?

GENERAL JOHNSON: The motion is that I be empowered to employ technical experts at not to exceed \$25 a day and their expenses for a period not to exceed thirty days; also that I be able to compensate the members of the advisory boards at not to exceed \$25 a day and their expenses for the period when in Washington or traveling to and from Washington.

SECRETARY WALLACE: Isn't that last a little heavy?

GENERAL JOHNSON: I would not think it very heavy; you have people who have come at the drop of the hat from all over this country.

SECRETARY WALLACE: Nevertheless, those people will be glad to get down here just to find out what is going on.

GENERAL JOHNSON: Some of them are, and in that case I am not going to pay them anything. Some of them, especially on the Consumers' Board, are very important people. It is not to exceed \$25 a day and then only when I have to pay it, which is only about 10 percent of them, I should say.

CHAIRMAN ROPER: You are not dealing with them in periods of thirty days on the advisory boards. Most of them won't want anything at all,

but some will.

DOCTOR DICKINSON: Ogburn of the Consumers' Board will be here all summer.

GENERAL JOHNSON: I do not know how long.

ATTORNEY GENERAL CUMMINGS: There are two classes of people, members of the advisory boards and the experts. Why don't you treat them separately? The experts are, as I understand it, for temporary or limited periods of time.

GENERAL JOHNSON: So are the other people. They're all here today-- they might not be here again for some time.

DOCTOR DICKINSON: Some members of the board might stay here three or four months as executive officers.

GENERAL JOHNSON: The Industrial Advisory Committee has selected a man to act as liaison officer, but he is not to be paid anything.

ATTORNEY GENERAL CUMMINGS: You will also have trouble getting beyond the \$5 a day allowance.

COMMISSIONER MARCH: I second the motion.

CHAIRMAN ROPER: Will the stenographer please read the motion.

The motion was then read as follows:

Moved that I be authorized to employ technical experts at not to exceed \$25 a day and their expenses for a period not to exceed thirty days; also that I be able to compensate the members of the advisory boards at not to exceed \$25 a day and their expenses for the period when in Washington or traveling to and from Washington.

SECRETARY WALLACE: Should there not be a limitation to \$5 a day on the expenses?

ATTORNEY GENERAL CUMMINGS: Is there any objection to incorporating "Not to exceed the statutory limit of \$5 a day"?

GENERAL JOHNSON: They would be allowed their traveling expenses besides that.

CHAIRMAN ROPER: That refers to subsistence of \$5 a day. We are contemplating getting within the statute, that is all.

GENERAL JOHNSON: But the statute permits them to get their transportation.

CHAIRMAN ROPER: Their expenses are traveling expenses and subsistence not to exceed the statutory limit of \$5 a day.

DOCTOR DICKINSON: I would suggest the following: "It is understood that the word, expenses, as herein used shall mean the statutory expenses and \$5 a day for subsistence."

The motion as finally revised was then read by the stenographer as follows:

Moved that the Administrator be authorized to employ technical experts at not to exceed \$25 a day and their statutory expenses, and \$5 a day for subsistence, for a period not to exceed thirty days; also that he be empowered to compensate the members of the advisory boards at not to exceed \$25 a day and their statutory expenses, and \$5 a day for subsistence for the period when in Washington or traveling to and from Washington. It is understood that the word, expenses, as herein used shall mean the statutory expenses and \$5 a day for subsistence.

CHAIRMAN ROPER: Is there any further discussion of the motion? If not, all in favor say "Aye". It is carried.

The next item is the approval of routine for using the existing field agencies and other agencies of the Department of Commerce.

GENERAL JOHNSON: If we go ahead with the plan that I submitted here last week--and we haven't worked out the details of that yet--we are going to need a regional organization, not a very heavy one. We very much need an office and somebody on the job all the time,--exactly the set-up that exists in the regional organization of the Department of Commerce. I spoke to Dr. Dickinson and Secretary Roper about that and they were quite willing to let us use those agencies, but I suppose it requires some action of the board.

CHAIRMAN ROPER: We prefer to have the board's approval.

GENERAL JOHNSON: That plan may result in keeping some of your people that you would otherwise get rid of.

CHAIRMAN ROPER: I presume the board will be willing to let us go ahead on that basis.

ATTORNEY GENERAL CUMMINGS: I think that is the best plan--to take advantage of the organizations already established.

DOCTOR DICKINSON: I think that perhaps the only question on which direct authority might be needed would be to pay out of the funds of the Administrator the expenses of this extra service being performed by the Department of Commerce.

ATTORNEY GENERAL CUMMINGS: I think that is in accord with the policy we have adopted all along the line. Where existing agencies are required to go outside the scope of their budgets we

charge the expense thereof to the emergency organization.

CHAIRMAN ROPER: That we can work out with the General. I think it is well to phrase this carefully so that the public may exactly understand what we are trying to do here, because this will be given to the public very soon.

ATTORNEY GENERAL CUMMINGS: I suggest that the matter be referred to the Chairman and the Administrator with power to work out an arrangement to be made in any way you see fit.

When Chairman Roper submitted this motion for a vote, it was unanimously carried.

CHAIRMAN ROPER: The next item is the approval of employment and salaries of twenty people. We have already approved here the recommendations of the General for certain persons employed as typists, messengers, etc.; \$5,000 is the largest amount involved.

DOCTOR DICKINSON: That is for Robert T. Stevens, Assistant to Mr. Slater and Frances M. Robinson. Those are the only two I see here for as much as \$5,000.

CHAIRMAN ROPER: It is a matter of approving of the Chairman's action.

DOCTOR DICKINSON: Mr. Kerlin raised a question with me the other day; I think it was in connection with that file clerk. He thought the file clerk was being paid too much.

GENERAL JOHNSON: It is a Civil Service classification.

MISS ROBINSON: That has been changed.

CHAIRMAN ROPER: You mean to say the salary as approved is too large?

DOCTOR DICKINSON: I rather think it was.

CHAIRMAN ROPER: Will you look into that?

MISS ROBINSON: That salary has been cut down.

CHAIRMAN ROPER: The next item is the installation of a public address system. Does the General know about this?

MR. JENSEN: They need facilities for the hearings down there--something in the way of a public address system.

DR. DICKINSON: You mean loud speakers?

MR. JENSEN: Yes. Facilities so that all the people in the hall can hear the speakers on the platform. That can be arranged through the Chief Clerk down in your office if you care to have it done.

GENERAL JOHNSON: How much is involved? I don't know why we should start out with a loud speaker on just one of the hearings.

MR. JENSEN: If you hired such equipment it would cost \$25 to \$50 a day. If you think it is necessary, this equipment could be purchased for a sum not to exceed \$1,000.

GENERAL JOHNSON: I don't want it.

SECRETARY PERKINS: Some of your hearings will be held in other rooms, will they not?

GENERAL JOHNSON: Yes, there may be several going on at the same time.

CHAIRMAN ROPER: I think we may defer that, if you please.

I regret to have to bring your attention to so many of these things. The next is cost of moving. The Coordinator undertook to impose upon the General, and we resented it here, the sum of \$11,475.42 for moving, which really covers the cost of moving the units that the General was not at all responsible for; and consequently we took the position that the General, instead of paying \$11,475.42, should pay only \$525. Doctor,

you know how that was arrived at?

DOCTOR DICKINSON: They attempted to impose on the Recovery Administration the expense of moving the Bureau of Mines over to the Bureau of the Interior; and also moving out the Radio Commission which had to be moved out over there in order to let the Bureau of Mines in when, as a matter of fact, it was intended that both of those moves should be made anyway.

CHAIRMAN ROPER: The only thing I think should be charged against the General's organization is the moving of the Industrial Recovery Administration within the Commerce Building. If that is acceptable to the board, it will be so worked out. I assume that that is all right. (There was no objection.)

Mrs. Emily Newell Blair of Joplin, Missouri, a very public-spirited woman of unusual mind and activity, very much interested indeed in everything that looks to the public good, has asked through another that she be added to the Consumers' Advisory Board.

GENERAL JOHNSON: It is all right, except that I have pretty much let them select their own associates. I do not know whether Mrs. Runsey has that name or not.

MISS ROBINSON: Yes, I sent that name in to her.

DOCTOR DICKINSON: Mrs. Blair has written a good deal about consumers' problems and probably thinks she is an authority on the subject. I have not read any of her writings along that line.

ATTORNEY GENERAL CUMMINGS: I think you would find her quite useful on the board.

CHAIRMAN ROPER: We will turn that over to the General in the hope that he can work it out.

I believe we have now covered the items on our agenda.

JUDGE STEPHENS: Should not you have the formal ratification in the record of each item which you authorized in the absence of the board?

DOCTOR DICKINSON: That is what has already been done.

CHAIRMAN ROPER: You mean the names of the twenty people?

JUDGE STEPHENS: Yes.

CHAIRMAN ROPER: Has that salary been changed?

DOCTOR DICKINSON: I understand that particular salary was in a batch that was approved, but the matter has been corrected and Mr. Kerlin will be so informed. I move that the board approve the action of the Chairman in approving the employment of the following recommended persons by the Industrial Recovery Administrator for the following positions, and at the following salaries:

Harry C. Taylor.....	Messenger.....	\$ 840.00
Leah C. Stafford.....	Typist.....	1440.00
Robert T. Stevens.....	Assistant to Mr. Nelson Slater.....	5000.00
Frances M. Robinson.....	Assistant to the Administrator.....	5000.00
Mrs. L. B. Shea.....	Clerk.....	1500.00
Jettie Osborn.....	Clerk-Typist.....	1440.00
John T. Tabor.....	Assistant to Mr. Nelson Slater.....	2100.00
Edna Coates.....	Senior Clerk- Stenographer.....	2100.00
Bernard P. Foote.....	Principal Clerk- Stenographer.....	2800.00
Edward Bobo Tucker.....	Messenger.....	720.00
Ivey O. Harrell.....	Clerk.....	1440.00
Lillian P. Kingsland.....	Clerk.....	1440.00
Verna M. Jones.....	Typist.....	1440.00

William H. Makepeace.....	Clerk.....	\$	None
Janet Painter.....	Clerk-Typist.....		1440.00
Ruby E. McQuarrie.....	Clerk-Stenographer...		1800.00
Gladys A. Redman.....	Typist.....		1500.00
Sampson H. Bass.....	Clerk.....		1800.00
Philip J. Burns.....	Clerk.....		1440.00
Arthur M. Platequal.....	Clerk-Stenographer...		1800.00
Katie Prince Ward.....	Clerk-Stenographer...		1800.00

CHAIRMAN ROPER: Would you like to have these names and amounts read?

SECRETARY ICKES: Have you passed on them?

CHAIRMAN ROPER: Yes.

COMMISSIONER MARCH: The file clerk will be changed from \$5,000?

MISS ROBINSON: She has been changed. I have gone through that and cut it down.

COMMISSIONER MARCH: What salary does she get now?

MISS ROBINSON: About \$2,400, I think.

CHAIRMAN ROPER: Are there any further remarks? If not, all in favor of the motion, let it be known by saying "Aye." It is carried.

DOCTOR DICKINSON: May I ask one question and that is what the General's progress has been in connection with that proposed bulletin No. 3.

GENERAL JOHNSON: We have convened today to study that. They are still in joint session--all three of the advisory boards--trying to work out some formula that will be satisfactory.

DOCTOR DICKINSON: Are we to look for some action along that line soon?

GENERAL JOHNSON: Yes, we have been working on it night and day. When it is ready I will let you know.

CHAIRMAN ROPER: Is there any other matter that any member of the board would like to bring up before we take up this milk problem?

If not, Mr. Attorney General, we would like to hear from you.

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It was not considered necessary that the discussion which followed should be reported, so the stenographer was excused.

The formal meeting adjourned at 4 o'clock.

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I N D E X

(Third Meeting)

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DANIEL C. ROPER, Chairman  
Secretary of Commerce

HOMER S. CUMMINGS  
The Attorney General

HAROLD L. ICKES  
Secretary of the Interior

HENRY A. WALLACE  
Secretary of Agriculture

ADDRESS ALL COMMUNICATIONS TO  
THE EXECUTIVE SECRETARY

## SPECIAL INDUSTRIAL RECOVERY BOARD

WASHINGTON

FRANCES PERKINS  
Secretary of Labor

CHARLES H. MARCH  
Chairman, Fed. Trade Comm.

LEWIS W. DOUGLAS  
Director of the Budget

HUGH S. JOHNSON  
Administrator of National  
Recovery Administration

JOHN DICKINSON  
Executive Secretary

July 18, 1935

Miss Marie Robertson  
Secy. to Hon. Turner Battle  
Department of Labor

Dear Miss Robertson:

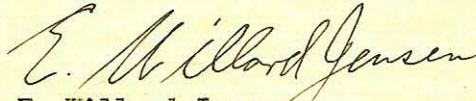
By Board action at Meeting No. 4 of the  
Special Industrial Recovery Board it was ordered that  
a change be made in the minutes of Meeting No. 3.

It would be appreciated if you would kindly  
remove pages 27 and 28 and substitute the attached page  
27 in lieu thereof in order that Secretary Perkin's copy  
of the minutes may be corrected as ordered.

I am also attaching another corrected sheet  
for Mr. Battle's copy of the minutes of the third meeting.

Thanks so much for taking care of this matter.

Sincerely,

  
E. Willard Jensen  
Assistant Secretary.

EWJ:EC  
encls.

William H. Makepeace.....	Clerk.....	\$ None
Janet Painter.....	Clerk-Typist.....	1440.00
Ruby E. McQuarrie.....	Clerk-Stenographer...	1800.00
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The meeting adjourned at 4 o'clock.

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