

Proceedings of Meeting No. 19
of the
SPECIAL INDUSTRIAL RECOVERY BOARD

held in
The Conference Room, No. 5842
Department of Commerce
October 16, 1933

PERSONAL AND CONFIDENTIAL

Copy No. 6

For Hon. Frances Perkins

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ATTENDANCE AT MEETING NO. 19

October 16, 1933

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

Hon. Harold L. Ickes, Secretary of the Interior

Hon. Frances Perkins, Secretary of Labor

Gen. Hugh S. Johnson, Administrator

Hon. Charles H. March, Chairman Federal Trade Commission

Hon. Alvin Brown, Assistant Administrator, N.R.A.

Mr. C. H. Weston, Representing Judge Stephens

Hon. John Dickinson, Executive Secretary

Mr. E. W. Jensen, Assistant Secretary

Mr. B. P. Foote, Reporter

SPECIAL INDUSTRIAL RECOVERY BOARD

AGENDA

Meeting No. 19, Oct. 16, 1933

1. Approval of minutes of Meeting No. 17, held Oct. 9, 1933.
2. Discussion of major activities during the past week.
3. Consideration of request for a mediator in Philadelphia.
4. What is the progress in appointing Local Compliance Boards and the working out of the general enforcement program under the Codes?
5. If Mr. Peck has completed the classification study for the employees of the NRA, would it not be advisable for the Board to make a record of the proceedings in the minutes?
6. Approval of additional personnel.

Proceedings of Meeting No. 19

of the

SPECIAL INDUSTRIAL RECOVERY BOARD

October 16, 1933

2:33 P. M.

CHAIRMAN ROPER: Are there any corrections for the minutes? I hear none. Approved.

Now, General, the next is your item.

GENERAL JOHNSON: Well, there has not been very much that happened since our last special meeting, but I had all the retail people come in this morning and they say they are going to be ruined if they do not have the 10 per cent provision in the code; but I told them we had worked out a compromise involving several departments and I had agreed to the compromise; then they demanded that they be allowed to see the President and I think we will have to let them see him, because all the trades except the drug and groceries are very emphatic in their statement that if they do not get the 10 per cent they are going to utter ruin right away. I have nothing to recommend on it. I think what we shall do is to stick by our compromise arrangement.

There is only one other serious thing; that coal strike seems to be settled, but I do not know what minute the negotiations will break up, and if they do the thing will be started again. The situation in the coal field in Illinois is getting worse all the time. We have to take some action on that and

yet we have no affirmative action to take. Richberg is going to make a report and suggest that those people first of all agree to stop picketing and next, after they have done that, we will hold an election out there to see which ones are to represent them before the National Labor Board, but I doubt if it is going to work.

CHAIRMAN ROPER: Who will hold the election?

GENERAL JOHNSON: The N.R.A. We have offered to do that in several cases.

CHAIRMAN ROPER: The Secretary of Agriculture has just telephoned to see if there is anything of importance to his Department to be taken up.

GENERAL JOHNSON: No, nothing important. I agreed on what they wanted to take up in connection with that Executive Order.

CHAIRMAN ROPER: What is the next step with regard to the Retail Code situation?

GENERAL JOHNSON: There is going to be some kind of appointment fixed by the President tomorrow. I think the President ought to pass on it really, don't you?

CHAIRMAN ROPER: Oh, yes, I do. I wonder if the Secretary of the Interior understands about this.

SECRETARY ICKES: I was not here at the last meeting.

GENERAL JOHNSON: Here is the point: the retail people make the claim-- and I think with justice for I have talked this over with a good many people who have spent many years on it, including Justice Brandeis (it was at one time his specialty)--that the most destructive element in the whole business is the use of loss leaders and that you cannot defend them. In the Drug

Code they want to put in a provision that nobody will sell the proprietary articles at less than 21 per cent below manufacturers' price.

SECRETARY ICKES: I do not agree with that.

GENERAL JOHNSON: They say that is the only way to make money. The alternative proposition that they make is that it shall be considered not a fair trade practice to sell for less than invoice cost plus 10 per cent. The average cost of distribution in the United States is 26 per cent and there are one or two small exceptions in business that do business at 10 per cent. That is about half the actual cost. The economists' argument is that any provision of that kind makes for inflexibility in the price structure. It is not price fixing exactly. We have a committee of economists who unanimously recommended against it.

In addition to that the Department of Agriculture is running up against this complaint of the farmers that retail prices are going up faster than the farm prices under the Agricultural Adjustment Act, and there is a tremendous flare-back on that. Nine people out of ten that you talk to think it is a provision for a 10 per cent profit; it is not. They say they have the whole retail trade with all the different groups coming in and putting in a composite code, and that it is absolutely necessary to the maintenance of their code to have some stabilizing influence that will effectively control the loss leaders. Our economists do not think so and neither does the Department of Agriculture.

We went to these people and said that after all it rests largely on conjecture and nobody knows what the effect will be because we have never had anything like it. We will put it in without the 10 per cent and study it until February 1st. They say they will be destroyed during the three months. I think it is fair and reasonable and the Department of Agriculture is willing to accept that. They started out not desiring any stabilizing influence, but they will now allow this. We were willing to put in cost plus 10 per cent, and in order to be consistent we ought to be agreed. It would be a curious feature to have the Grocery Code without anything and this with 10 per cent.

I called them back and told them the state of affairs and they were very, very clamorous about it and insisted that they be allowed to see the President. That is where the thing stands now.

CHAIRMAN ROPER: It is up to the President.

Do you wish at this time to inform us as to the progress in appointing the Compliance Boards?

GENERAL JOHNSON: They are only temporary Boards unless this plan we are working out with Miss Perkins may string them out a little longer. There have been about 2500 Compliance Boards appointed. They are using the old Boards until they all are appointed, and in the meantime we are trying to work out with Madam Secretary and the Federal Trade Commission and the Attorney General's office a permanent set-up.

SECRETARY PERKINS: I think we are very nearly through. I understand there is an agreement with the Federal Trade Commission.

MR. WESTON: Judge Stephens has not actually seen it but he will see it late today.

GENERAL JOHNSON: He has been talked with about it.

MR. WESTON: Yes, it is right along the line of what he thinks.

GENERAL JOHNSON: Louis Howe has some idea he wants to put into it and I think Mrs. Roosevelt has something she wants in it.

SECRETARY PERKINS: In the Compliance Boards?

GENERAL JOHNSON: I mean in connection with this whole subject of the permanent organization.

CHAIRMAN ROPER: They probably had in mind the Information Service.

GENERAL JOHNSON: I feel that we ought to clear with all those people before we shoot it. It has been delayed but I think we could have it ready for tomorrow.

CHAIRMAN ROPER: But tomorrow is council day.

SECRETARY PERKINS: I should think we ought to give this thorough consideration before it goes through. I have not heard anything about the Information Service.

GENERAL JOHNSON: That has nothing to do with me. I do think that if we do not get these things all together there are going to be sixteen kinds of committees in every community. I told the people they must not come to a conclusion without clearing with all these people.

CHAIRMAN ROPER: Mr. Walker is working on that too. He is trying to find out all the Federal agencies in the field so that they may be considered in connection with this Information Service.

Here is a letter from Mr. Sanford Taylor, who writes us very frequently on this subject. Maybe you (passing the letter

to Mr. Jensen) might read two or three paragraphs of it.

Mr. Jensen then read the following:

"The enclosed circular to employees and to one of the firms of employers sheds light on how one side is trying to take advantage of the NRA, while the other side has already complied as to hours and wages. This is one of the firms I wrote to you about before. On top of this and after meetings, I have been informed that a strike in this industry has been called for Wednesday of this week. The writer of the Union letter is an ex-tucker, that is a sewing machine operator in a factory, and is hardly conversant with the ramifications of the business to make a good representative of the workers. He didn't even know at the time of writing to the employers that they had changed to the provisions of the Code.

"One of the large department stores here went into the Code wholeheartedly, employing a lot of new people, about three weeks ago. During the last week they have been letting them out, as the business has not increased enough to keep them busy. Another very large department store listed a lot of new hands, but did not put them on and to date have not added any to increase employment.

"Mr. Adams, who was with me this Spring, when we called upon you, came in to see me the other day and told me their people had been out for a month, and that although some three hundred of the employees wanted to come back to work they were being intimidated by thirty or forty others. I suggested he ask the Department of Labor for a mediator. He wired them, but up to Friday he had not received a reply."

GENERAL JOHNSON: I should say in connection with the coal strike--I should have said it before for I know you will be interested in it--that the men seem to be going back to work in the commercial mines. The American Iron and Steel Institute, though having assured the President, have not done a thing but write letters and it is now nine days. What I am afraid of is that they may come forward with some scheme for a company union that will bust the whole thing loose again.

SECRETARY PERKINS: Is Lewis making any headway with agreements in the specific mines? He thought he could get each one of these mine superintendents to sign and support the agreement as they do in Illinois.

GENERAL JOHNSON: These people agreed to open negotiations with the United Mine Workers of America, but all they did was to send for Mr. Murray. On Tuesday of last week he adjourned that meeting saying he wanted to report back to his Board and that he wanted to have a meeting, but that meeting has never occurred. The interior information is that what they are stalling for is to get a lot of company unions, and if they do, that will start the thing all over again.

SECRETARY PERKINS: They have certainly been a queer lot on this.

CHAIRMAN ROPER: Yes. Are we ready for the next item--"If Mr. Peck has completed the classification study for the employees of the NRA, as suggested through the Director of the Budget, would it not be advisable for the Board to make a record of the proceedings in the minutes? Mr. Brown, you have been looking after that.

MR. BROWN: The classification study is substantially complete and it goes into effect with this half month's pay though not every employee has been classified yet.

GENERAL JOHNSON: Just as a matter of pride, it was not the Director of the Budget who suggested that; it was we who suggested it.

CHAIRMAN ROPER: We will certainly make that correction.

Is there anything else anyone wishes to present?

COMMISSIONER MARCH: I have a communication from Secretary Ickes regarding some bids he received for the Indian Service Public Works Program on road machinery, and I would like to know whether or not it would be best for the Federal Trade Commission to make an investigation. All the bids were exactly the same price. I looked it up and found there was a code whereby they say it shall be an unfair method of competition for any person to give any concession directly or indirectly by any means from advertised list prices. That code has not been approved but they adopted it tentatively.

GENERAL JOHNSON: Even if that were approved it would not affect competitive bidding.

COMMISSIONER MARCH: They say they won't deviate from their list prices.

GENERAL JOHNSON: That machinery code has not been heard yet.

COMMISSIONER MARCH: This is a proposed code. What we would like to know, and I presume Secretary Ickes would like to know, is whether you want us to make any investigation of this.

SECRETARY ICKES: All of those people are going to rely on the code as justification for collusive bidding.

GENERAL JOHNSON: I think we ought to hit that right on the head now. Of course it does not apply to competitive bidding. It inhibits collusive bidding.

COMMISSIONER MARCH: All of them bid exactly the same thing.

GENERAL JOHNSON: The ridiculous part of that is they have no code.

COMMISSIONER MARCH: No, they have no code. What would you suggest?

GENERAL JOHNSON: I think you would have to open the bids again and

make it very clear that no code is supposed to be justification for collusive bidding.

COMMISSIONER MARCH: We will be very glad to go ahead if it does not interfere with you, General, and if Secretary Ickes wants it done.

GENERAL JOHNSON: It does not interfere.

SECRETARY ICKES: We would like to have you go ahead.

COMMISSIONER MARCH: There is one other thing that I wish to bring up about finances, which I mentioned at the last meeting. The regulations permit financing through banks, trust companies and mortgage loan companies, but there have been no loans made yet and it is hampering the work of this NRA terribly.

GENERAL JOHNSON: There is no question about that. My information is that the first one is in the textile industry--a mortgage bank for the purpose of making these loans to the textile people, and I believe they are doing it.

COMMISSIONER MARCH: They can do it through any loan or trust company or bank now.

GENERAL JOHNSON: Only for a short time. It is getting to be terrible. A man has the orders on the books and needs the money to meet his payroll. It is purely a self-liquidating transaction, but because the man has no working capital the banks say they will not have anything to do with it.

COMMISSIONER MARCH: I think I can figure up 2,000 people who will be out of employment if they do not get the money. It is a very serious matter.

GENERAL JOHNSON: It is very serious. The banks are not functioning

as banks. I am not criticising them for I do not know the merits of the case, but those are the facts.

CHAIRMAN ROPER: If a man has not been successful and established the credit with the bank they think he should have, they refuse to grant the money. Isn't that it?

GENERAL JOHNSON: It is something more than that. They have frittered away their assets until they do not meet the bank's ratio. When a fellow has a little factory and plenty of orders it seems that there should be some device such as impounding that turnover.

COMMISSIONER MARCH: Here is a million-dollar corporation employing 550 men. He has orders enough to employ 150 more men, but he cannot do it because he cannot get the capital. He only owes \$100,000 on a million-dollar capital. But the bank asks what they would do with the factory if it closed up, so they just don't loan him any money.

SECRETARY PERKINS: All he owes is \$100,000?

COMMISSIONER MARCH: He owes \$100,000 and he needs \$100,000. He owes \$160,000 on his building but he has \$250,000 in accounts receivable. It is a perfectly good loan. The R.F.C. says it is a good loan. This has been hanging fire for eight weeks.

GENERAL JOHNSON: The bigger banks have to keep liquid; 75% of the deposits are now liquid. It is an appalling and grotesque situation.

COMMISSIONER MARCH: It is liable to defeat this whole program.

CHAIRMAN ROPER: They are beginning to anticipate the insurance guarantee which sets in in January.

COMMISSIONER MARCH: These banks under the insurance are not going to take these loans. This plant has been appraised at \$450,000.

GENERAL JOHNSON: But the bank says that is not a rapidly turning asset.

SECRETARY PERKINS: He has \$100,000 in bills receivable and his building and plant are worth a theoretical value--not worth anything except when in operation.

COMMISSIONER MARCH: That is correct.

SECRETARY PERKINS: Most of these industries have this overhanging structure of debts. I often feel that we have somehow or other to find a device for wiping out and canceling or reducing that indebtedness.

GENERAL JOHNSON: They have worked out something. I have plenty to do without thinking of that, but I did get a very able man who would devote his time to studying it for me in case he might be helpful to some of these institutions. They are actually putting this textile bank into operation. Of course that is a very slow process.

COMMISSIONER MARCH: In ordinary times, as the Secretary says, they can borrow \$250,000; he has been able to do that in the past.

GENERAL JOHNSON: No, I don't believe he could. The reason he could not is, as Miss Perkins said, he probably has a lot of old stale receivables there and some slow-moving inventory. With his liabilities, plus the new loan, his assets are about equal to his liabilities.

COMMISSIONER MARCH: He has borrowed \$200,000.

GENERAL JOHNSON: No bank will appraise the value of that factory as anything.

COMMISSIONER MARCH: They do not appraise the building at anything. I

don't think there is anything more important that we could consider than this matter of financing during the next few months. I think it is going to be terrible.

GENERAL JOHNSON: I think that is somebody else's field.

SECRETARY PERKINS: Is anybody thinking about it?

GENERAL JOHNSON: I have this man down here.

COMMISSIONER MARCH: I would like to talk to him.

GENERAL JOHNSON: I would be glad to send him around to you.

CHAIRMAN ROPER: I frequently discuss this with Jesse Jones, who has probably given it as much thought as any man I know of in our group; and may I suggest that you study it with him.

COMMISSIONER MARCH: I had one short talk with him.

CHAIRMAN ROPER: There is a list of 21 appointments which your Chairman has approved, subject to your approval. The largest salary is one of \$4,000, less 15%, an economist by the name of Harold D. Gresham; the next largest is \$3600 to Robinson Newcomb, adviser; another one, Mr. Albert Case Cook, Assistant Deputy Administrator, at \$3600 and Troy Hewett at \$2880; the others range from \$2000 down. Is there any further information that the Board would like to have with regard to these before I ask you to approve of the action of the Chairman in approving them?
(See Appendix for complete list.)

COMMISSIONER MARCH: I move the action be approved.

CHAIRMAN ROPER: All in favor, let it be known by saying "Aye"; it is carried. Is there anything else?

SECRETARY PERKINS: Here is one thing I just got within the last hour. My people in our own Statistical Bureau tell me that since

Dr. Sachs has gone away, his assistant requires that reports be made to trade associations.

GENERAL JOHNSON: That is silly stuff. I cannot understand that.

SECRETARY PERKINS: Can you and I clear it up? Every time a new person gets hold this same question comes up.

MR. BROWN: Did it come up on a specific case?

SECRETARY PERKINS: Apparently so. I will get more information on it. This was just handed to me as I started over here.

GENERAL JOHNSON: I would like to bring up one other matter. Of course this Bituminous Coal Code requires a lot of people for administration. The expense of that is to be borne by the industry by putting on a small charge of a mill a ton.

SECRETARY ICKES: Who is going to collect it? I am interested because we have the same thing.

GENERAL JOHNSON: They are going to collect it.

SECRETARY ICKES: What is your estimate of the amount?

GENERAL JOHNSON: It is \$300,000 a year. The reason I brought it up is that we need one man that can be absolutely relied on to watch that. The whole group heads up into that man and he represents the President on the Board and exercises veto power and all that kind of thing. I have combed the woods for people of that kind. Dr. Garfield, I believe, would be available but I think he is too old. I understand we cannot get him without paying \$15,000 a year and then, of course, we cannot get him because he is with you.

SECRETARY ICKES: You could not get a better man. He is absolutely square. I will release him if you want him.

SECRETARY PERKINS: What is he doing?

SECRETARY ICKES: He is Regional Adviser of Public Works.

SECRETARY PERKINS: Not on salary?

SECRETARY ICKES: Yes, he conducts his own business at the same time.

GENERAL JOHNSON: I do not know how to suggest that we pay anybody \$15,000 a year. You know we have that \$6,000 limit. I just haven't had any demands for patronage--the salary was too low-- but just as soon as they smelled this Coal Code they began coming in by flocks!

CHAIRMAN ROPER: We can understand that.

SECRETARY PERKINS: There is something else besides that that makes them want to get into the Coal Code.

CHAIRMAN ROPER: What about your man?

SECRETARY ICKES: I will release him if General Johnson wants him. He is absolutely honest and straight. He has been in the coal business all his life.

CHAIRMAN ROPER: Why not get him on here?

GENERAL JOHNSON: What does the Board think about paying him \$15,000 a year?

CHAIRMAN ROPER: Through your splended approach he might be willing to take less.

GENERAL JOHNSON: On the other hand, what do you think about this? Here is this pool that I assume is going to be collected to pay the expense of the administration of the codes to be absolutely turned over to the Administrator. Some of these Government representatives on this Code have to be paid out of that pool, but what about paying this man? Do you think somebody might

say something about it? He is practically administrator of the bituminous coal industry. It is just psychological, but if he were paid out of that pool there might be criticism.

COMMISSIONER MARCH: It might do to pay him part out of the pool.

SECRETARY ICKES: I think it would be all right to pay him out of the pool.

SECRETARY PERKINS: They used in the old days in Missouri to pay the Labor Department; they paid the officials of the Labor Department--the inspectors and the supervisors and commissioner--- out of a tax which they collected from the industries, and that was greatly criticised. There was some scandal; but it was based on the fact that if a man made so many inspections he got so much.

GENERAL JOHNSON: There is a little more justification here. It is being set up for the benefit of the industry, but it is completely out of their control. They collect the tax but they have nothing to do with it any more than if they lost it.

CHAIRMAN ROPER: This man is really administrator.

SECRETARY PERKINS: In the setting up of this administration there will be an appropriation made by somebody, won't there? That fund will be administrated under a series of appropriations that will be approved by some public authority.

GENERAL JOHNSON: They turn the fund over to the administrator to pay these regional people.

CHAIRMAN ROPER: Have they worked out the regulations by which this money shall be spent?

GENERAL JOHNSON: Not completely.

CHAIRMAN ROPER: Why could not you get them to agree to that?

GENERAL JOHNSON: That might relieve the situation.

COMMISSIONER MARCH: A salary of \$15,000 would be two and one-half times as much as anybody else in your organization gets.

CHAIRMAN ROPER: If they approve of it, it seems to me that transfers it to them.

SECRETARY PERKINS: The Government has to approve of it.

GENERAL JOHNSON: I have not had a bad report on him from the Department of the Interior, the Bureau of Mines, as well as other people that we rely on most. He is honest and capable and knows his business.

CHAIRMAN ROPER: The largest salary we are carrying is \$12,000, isn't it, General?

GENERAL JOHNSON: Yes, and only one of those.

CHAIRMAN ROPER: Probably you could get him on the basis of Richberg's salary.

SECRETARY ICKES: I think so. I know one administrator that is not getting \$15,000 a year!

GENERAL JOHNSON: We are considering one more thing of great importance, I think, and that is to simply provide in codes and in our President's Agreement that they shall not apply in towns of 2500 or less.

SECRETARY PERKINS: Why is that?

GENERAL JOHNSON: Because it is the field from which I should say 95% of our complaints come. As it is now, the minimum in those towns is very low, but the little merchant complains that

we have increased his expense and that he just can't stand it. There is a growing revolt all over the country. The farmers have the idea that the merchants are getting ahead faster under the NRA than they are under the A.A.A. This would not amount to anything in the way of employment in the whole picture, and I think it would relieve most of the complaints. It would take the entire sting out of the farm complaint as far as the Retail Code is concerned.

SECRETARY PERKINS: It would be a terrible let-down to the people who have done so much for the NRA. In some of these small communities it has had the effect of relieving practically all their unemployment. It has practically relieved the unemployment in those small towns. You do not need to apply this to manufacturing towns. Why not just limit it to retail trade and let the manufacturing go on the level with everybody else?

GENERAL JOHNSON: That might be a good idea.

SECRETARY PERKINS: If you don't do that you will just drive your sweat shops out there.

GENERAL JOHNSON: I think you are right.

SECRETARY PERKINS: Why not stick to the retail trade for the present?

GENERAL JOHNSON: I think that would solve the problem. Of course it is true that this is getting very unpopular in various parts of the country, and I think that plan would wipe out most of the complaints.

CHAIRMAN ROPER: Yes, applying it to retail trade in small towns. I know that in my own town in South Carolina we have three mills in a town of 2500.

GENERAL JOHNSON: But they employ more than five people.

SECRETARY PERKINS: Your sweated industries are the ones that manufacture on small units.

COMMISSIONER MARCH: The complaint really comes from the farming communities.

GENERAL JOHNSON: That is where the worst of it comes. We have had people march up to stores and say, "If you do not take down that Blue Eagle we will boycott you."

SECRETARY PERKINS: I am convinced that a lot of this is talk of a very irresponsible kind. I think the farmers have got something out of it. I have been talking with very representative groups and people who are in the pharmaceutical business and run laboratories, and they say that the demands for veterinarian supplies have tripled and quadrupled in the last eight months as compared with a year ago and two years ago. They say that means the farmers have money. They are buying things to protect their stock, things they bought regularly before. They are buying now and they are in the market. Out in Minnesota they told me that. They read in the paper that the farmers say they are not getting anything, but they find that the farmers are buying. They have to spend all they get, while they wanted to put it away.

GENERAL JOHNSON: Mr. Lea took a trip which brought him in contact with the implement companies. It looked for a while as though we were moving along pretty rapidly, but the cancellation of orders for implements--that is a pretty good index of what the farmers are doing.

COMMISSIONER MARCH: I would say, Madam Secretary, the farmers are not buying; they are down at the heel and discouraged all through Minnesota and they can't help it. Wheat and barley are clear down; butter and cream are down from what they were the last of June and the first of July, when it looked as though it was improving; their crops are short; the agricultural conditions are really very bad at this time.

CHAIRMAN ROPER: While we are studying these problems and looking to the future, is there anyone who is preparing to present effectively just the advantages which the public have already received from this great venture?

GENERAL JOHNSON: That is this questionnaire that we are sending out.

CHAIRMAN ROPER: You are getting information?

GENERAL JOHNSON: We sent out a questionnaire as to the increase of wages and all that kind of thing.

CHAIRMAN ROPER: I am thinking of other social advantages. We hear very little, for instance, of the result of our achievement in abolishing child labor. That is almost forgotten, it seems to me.

SECRETARY PERKINS: Is it?

CHAIRMAN ROPER: I very rarely hear it referred to.

GENERAL JOHNSON: Not only that, but the benefits these industries have gotten for themselves. The steel corporation is very enthusiastic about their code.

SECRETARY PERKINS: A man who is manufacturing boots and shoes, for instance, said that if the NRA went out the window tomorrow he would still go on with the code; that he had never had such

regularity of production and such contented and satisfied employees.

CHAIRMAN ROPER: We need statements of that kind.

SECRETARY PERKINS: I have thousands of them.

CHAIRMAN ROPER: I believe we need that kind of support.

GENERAL JOHNSON: I do not think there is any question about that.

COMMISSIONER MARCH: Especially the child labor matter.

SECRETARY PERKINS: That is mentioned all the time. I do not think there is any cessation in the talk about that. We have yet only a little child labor left and that in certain industries. The great bulk of child labor is in agriculture.

CHAIRMAN ROPER: The way to prepare to avoid going over the Niagara precipice is to prepare your brakes and get ready before you get there. If we prepare the public mind with an appreciation of just what has been accomplished we will have a bulwark of strength in case this insufficient credit or unemployment comes up, in a large way, in the early part of the winter. The people could then think on these things that have been accomplished and draw on this reserve of information. Now is the time to get these things into the minds of the people.

On the first of November we are having here these 50 business advisers, as we call them. Some of them General Johnson is using on his Boards. If we had someone delegated, for instance, to get statements from those men and from other men that they might suggest, I believe we could prepare ourselves here to meet almost any kind of barrage against us,

and after all the people out in the country are the ones on whom we must depend to enforce this law.

SECRETARY PERKINS: I hear nothing but the most ardent support. It seems to me I rarely, in the group with which I correspond, hear anything but ardent support for the idea and the principles and a recognition of what has been accomplished; and also a recognition of the fact that you can't possibly hope to go the whole way in four months.

CHAIRMAN ROPER: What I am asking now is that you compile those for future reference.

GENERAL JOHNSON: We can get them directly from the Code Authorities. We can get the principal ones together.

CHAIRMAN ROPER: I believe we should have them. Somebody like Michelson would render a great service by compiling those.

DR. DICKINSON: Have we heard any more, General, about the Retail Code that we have considered to some extent?

GENERAL JOHNSON: That was covered before you came in, I think.

DR. DICKINSON: How about the Construction Code?

GENERAL JOHNSON: That is a very hard and dangerous one and it is being approached with the utmost care. It is in the mill. I just reported on the Retail Code that the retailers are here in a mass protest that the action I proposed is going to ruin them.

CHAIRMAN ROPER: If there is nothing further, we will adjourn.

The meeting adjourned at 3:32.

APPENDIX

NATIONAL RECOVERY ADMINISTRATION PERSONNEL JOURNAL

Nos.46, 50-53 and 55

covering 21 names

| <u>Names</u> | <u>Position</u> | <u>Salary</u> | <u>Bureau, Division or office</u> | <u>Effective</u> |
|----------------------|-----------------------------|---------------|---------------------------------------|------------------|
| Cook, Albert Case | Asst. Deputy Adm. | \$3600 | Malcolm Muir | 8/21/33 |
| Hewett, Troy | Special Assistant | 2880 | Mr. Whiteside | 9/8/33 |
| Dugan, John M. | Night Foreman*Monc. Opr. | 2000 | A. S. Chadwick | 9/16/33 |
| Alch, Mathilde | Secretary | 1800 | Leo Wolman | 9/6/33 |
| Armentrout, Lucile | Secretary | 1800 | Mr. Whiteside | 9/28/33 |
| Caesar, Ruby | Secretary | 1800 | Blue Eagle Division | 9/1/33 |
| Wendell, Constance | Steno. | 1296 | Steno. Pool | 9/25/33 |
| Turnley, Reginald W. | Prin. Stat. Clerk | 2050 | Research & Planning | 9/30/33 |
| Sokolove, Henri | Jr. Statistician | 1800 | Research & Planning | 10/5/33 |
| Bernard, Anne Evans | Steno. | 1296 | Steno. Pool | 10/2/33 |
| Evans, Margaret P. | Steno-File Clerk | 1296 | Blue Eagle Division | 9/18/33 |
| Frank, Alice | Steno. | 1296 | Steno. Pool | 10/3/33 |
| Lockwood, Virginia | Steno. | 1296 | Steno. Pool | 10/2/33 |
| Newcomb, Robinson | Adviser | 3600 | Research & Planning | 10/1/33 |
| McGary, Marshall | Clerk-Typist | 1296 | Printing & Publ. | 10/5/33 |
| Gresham, Harold D. | Economist | 4000less15% | Imports Division | 10/3/33 |
| Valade, Adrean J. | Monotype Key Board Opr. | 1377 | A. S. Chadwick | 9/30/33 |
| Gaynor, Anne P. | File Clerk | 1140 gross | L. H. Peebles | 10/5/33 |
| Raggio, Grier H. | Messenger | 972 | Reception & Info. Div. | 10/10/33 |
| McQuillan, John T. | Asst. Deputy Adm. | 4000 | H. B. Lindsay | 10/5/33 |
| McDonnell, Thomas | Messenger | 740 | A. S. Chadwick | 10/6/33 |