Labor Laws
and Their Administration
1943

Proceedings of the Twenty-eighth Convention of the
International Association of Governmental
Labor Officials, Chicago
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UNITED STATES DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington, D. C., September 11, 1944.

The Secretary of Labor:

I have the honor to transmit herewith a report on Labor Laws and Their Administration, 1943, embodying the proceedings of the Twenty-eighth Convention of the International Association of Governmental Labor Officials, which convened in Chicago, Ill., October 8–10, 1943. Because of war conditions, no convention was held by this association in 1942.

A. F. Hinrichs,
Acting Commissioner.

Hon. Frances Perkins,
Secretary of Labor.
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The twenty-eighth annual convention of the International Association of Governmental Labor Officials convened at Chicago, Ill., on Friday, October 8, 1943, and adjourned on Sunday, October 10, 1943. Because of war conditions, no meeting of the Association was held in 1942.

Francis B. Murphy of the Illinois Department of Labor made the welcoming address. Governor Green, because of heavy official duties, was unable to attend the convention. Mr. Murphy discussed the important task before the convention of planning future action for the maintenance of labor standards not only as regards wartime objectives but also during the period of post-war adjustments.

A message of greeting from Adam Bell, past president of the I. A. G. L. O., was read.

The president of the Association, Voyta Wrabetz, called attention to the important problem of recruiting and maintaining an adequate labor supply to assure speedy and sufficient production of all war supplies, and the difficulties involved in manning production lines, "consistent with labor standards applicable to workers, especially to minors and women." He also stressed the urgent need for continuous training and supervision of workers operating new machines and for the building up and active functioning of safety organizational work in individual plants to reduce the accident toll which was the greatest single cause for serious interference in maintaining adequate manpower. To meet this need, labor departments should be strengthened to permit these agencies to adopt safety rules and regulations and to enforce them. Closer cooperation between the Federal and State agencies concerned, Mr. Wrabetz declared, would result in more effective accident-prevention services.

Federal aid to State labor administration was the subject of a round-table discussion at one of the sessions under the leadership of Voyta Wrabetz and Forrest H. Shuford. Problems dealing with labor in the post-war era, the future of labor relations, and the caring for war workers, were the subjects of discussion in three sessions of the convention. Various phases of post-war adjustments were also in-
cluded in the committee reports on child labor, apprenticeship training, and women in industry.

At the opening and closing sessions, consideration was given to the business of the Association. The president presided at each of these sessions. Chairmen of the other sessions were—

Forrest H. Shuford, North Carolina Department of Labor, evening session, October 8.

John Hopkins Hall, Virginia Department of Labor and Industry, morning session, October 9.

John M. Pohlhaus, Maryland Commissioner of Labor and Statistics, afternoon session, October 9.

Francis B. Murphy, Illinois Department of Labor, evening session, October 9.

In view of the uncertain conditions prevailing, the Executive Board was authorized to decide, after consultation with the membership, whether a meeting should be held in 1944, and, if held, the place of meeting. [It was decided not to hold a meeting in 1944.]

In the following presentation of the proceedings of the 1943 convention, the arrangement is by topics rather than chronological.
At the time of our last meeting, the Dominion of Canada and its Provinces were already engaged in a war which was gradually engulfing all the nations of the world. The United States of America was then engaged in strenuous efforts to build an adequate defense, with a growing fear that sooner or later our democratic way of life would be endangered.

As a result of a planned and treacherous attack on December 7, 1941, we, and practically all of the other American republics, became active participants in that war—a war which we must win in order that free people and free institutions may survive. For the accomplishment of that purpose, there can be no doubt that the people of our nations are united as one in their willingness to contribute, without reservation, everything of property and of life itself that may be necessary. All our efforts of mind and of body must be molded into one to assure victory, and consideration of all problems must be given only in their relation to that one outcome. Certainly no thought or act should be in such terms or in such direction as to interfere with undivided attention and all-out efforts in our most pressing need. The President of the United States, our Commander-in-Chief, has called upon industry and workers for an "all-out" effort in production so that the Army, Navy, and Air Forces may be so well equipped and maintained as to remove all doubt as to final victory. Labor departments cannot do, and have not done, less than respond to the call.

The tremendous struggle in which we are engaged has given rise to many problems pertaining to war production and to labor engaged in such production. Our armed forces are doing a splendid job on the fighting fronts, but their continuing success and ultimate victory cannot be assured unless all of us on the home front do an equally good job in the production of the instruments of war and of the matériel necessary to maintain our fighting forces.

The most important of these problems involves the recruitment and maintenance of an adequate labor supply to assure speedy and sufficient production of all war supplies.

The necessity to operate machinery 24 hours a day, 7 days a week, the real scarcity of skilled workers, and the induction of several million young men into the Army, the Navy, and the Air Forces, has affected and will continue materially to affect the available labor supply needed for the completion of the most stupendous program of armament production in the history of the world. More and more
it becomes apparent that all citizens, young and old, men and women, will have to make sacrifices to accomplish the huge task ahead. Our President has repeatedly called for such sacrifices, both as to money and service. The Army, the Navy, and the Air Forces are urgently calling for increased production and speedy delivery of equipment and supplies of all kinds.

The manning of our production lines, consistent with labor standards applicable to workers, especially to minors and women, presents a most difficult problem. Unquestionably some labor standards established during peacetime in our States must be relaxed if we are to meet the vital demands of the national crisis. Unquestionably also, men and women and even children are wholeheartedly willing to give all of their possessions and of their energies that may be necessary for the welfare of their country in this hour of need. The principles upon which our Nation is founded are too sacred to do otherwise.

Nevertheless, modification of and exceptions to standards must only be made in instances of absolute necessity and then only in terms that will facilitate necessary production. In other words, such modification and exception must be evaluated in terms of production. Relaxation must not be permitted when, over a period of time, it will result in less production.

Reports indicate that the problem of the modification of labor standards necessary under the circumstances has been met satisfactorily by the State labor departments. Some State departments already had the power to issue orders to meet emergency conditions. In other States such power has since been granted by legislative acts to labor officials or to State executives to grant modification during the emergency.

With this approach to the problem of the modification or relaxation of labor standards, labor departments have been able to grant relief when necessary for all-out war production and at the same time provide such protection to all workers as will assure such production. Undoubtedly most States have been able to adhere to rather rigid compliance with the 1-day-of-rest-in-7 law, relaxing these provisions for relatively short periods of time and when compensating rest periods are provided. Likewise, the employment of women has been limited to 8 hours per day and 48 hours per week, with adequate rest periods. Modifications have, consequently, been granted only to individual establishments where need exists and only for limited times and not beyond the duration of the emergency. By this procedure, I believe that the situation is completely under control, that the war-emergency needs are met, and that basic labor standards will be automatically reinstated when our present necessities are ended.

Boys and girls 16 and 17 years of age are materially meeting the demand for sufficient manpower in factories engaged in war effort. These minors are alive to the necessities of the times and are anxious to do their part. They are being inducted into these services in ever-increasing numbers. Their lives, health, and safety can best be protected by the issuance of permits for employment which is not too hazardous, considering their ages and physical capacities.

The employment of these minors has been especially valuable in those States in which the canning of vegetables and fruits is a large industry. The canneries, during the season now ending, have been

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manned largely by women and children. Because of the size of the pack in some areas and because of weather conditions, long days were sometimes necessary. To avoid possible harm from excessive hours, employment of young persons during such hours should be limited only to those who are found by physicians to be capable of withstanding such employment.

The employment of minors under 18 years of age interferes with the opportunity for full school attendance, which in normal times we have tried to assure them. The curtailment of these opportunities creates a serious condition and requires careful attention. While full-time school attendance cannot and, under the circumstances, should not, be required, certainly some school contact should be provided. Labor departments should encourage and urge school attendance to provide courses to meet the convenience and needs of these young workers so that their educational program, while curtailed, may still go on currently without the break which it is so difficult to mend. The timing of work in plants and of school attendance can be worked out by the parties involved, being careful, of course, that the combined load in factory and in school shall not be so heavy as to be hazardous to the health and well-being of the children so employed.

To bring about the ultimate of production it is apparent that manpower is of primary importance—manpower working efficiently and at capacity and without loss in its ranks. In normal times an increase in accident frequency gives rise to concern, but when manpower, kept at a high degree of productive efficiency, is absolutely essential to the success of our war program, it gives serious cause for alarm.

The greatest single cause for serious interference with the maintenance of adequate manpower is industrial accidents, which, during the year 1942, resulted in a national loss in excess of 263 million man-days of labor. This situation calls for the redoubling of efforts of State labor departments.

Because of the fact that from 85 to 90 percent of all accidents are caused by some form of human failure, more attention must be given to the continuous training and supervision of workers, particularly new workers, minors, and women, who have been inducted into industry, and also to older employees who are operating new machines with which they are not entirely familiar. Supervisory personnel must be increased to keep pace with the increase in employment in particular plants. Special attention must be devoted to the building up and active functioning of safety organizational work in individual plants and to the conduct of foremen’s safety schools in all industrial centers. To permit State labor departments to do the kind of job that the times require, the support of labor and industry must be enlisted to convince State legislatures that more adequate funds should be made available to State labor departments. Increased personnel should be employed so that, in addition to the educational work which is necessary, complete inspections can be made in industrial plants at least once each year with sufficient re-inspections to assure compliance with safety codes.

The aid which special agents of the Committee for the Conservation of Manpower in War Industries and representatives of the safety branch of the service commands can give, based upon the inspectional work performed by the States, can result in improved conditions; and such cooperative effort should continue.
In this connection, I wish to report that, following a direction in a resolution adopted at our convention in St. Louis, I conferred with the National Committee for the Conservation of Manpower in War Industries. It was agreed that there should be closer cooperation between the various agencies engaged in accident-prevention activities. I believe that the resulting agreements of cooperation between the U.S. Department of Labor and other Federal agencies with State labor departments have made our services in this field more effective. Otherwise, our uncoordinated efforts would result not only in unnecessary duplication but, more disastrously, in confusion, lack of confidence in the value of public service, and a consequent lack of necessary action. The agreements properly provide that inspections shall be made by State departments and that their reports shall be made available to those in charge of the work of the Committee for the Conservation of Manpower or to those in charge of safety in the Army Service Commands, and that the activity of these Federal services shall be predicated upon such reports and after consultation with State personnel. Such coordinated efforts have already had some success and, at the same time, available public funds have been used more effectively.

With the urgency of conditions apparent, the power and control of State labor departments should be strengthened as much as possible. In States in which authority is not given to adopt safety codes, every effort should be made to enact laws that will establish a legislative rule of safety, with power in the labor department to adopt rules and regulations within such legislative rule. In that process, representatives of labor and of industry and other experts should be utilized as much as possible to assure codes which would receive ready acceptance and, therefore, be accorded general compliance.

The present emergency has increased the administrative volume of work in all functions entrusted to State labor departments. The burden has been heavy, but I am sure it has been handled expeditiously. Even with this heavy administrative load, it can be observed that States have not neglected to improve their labor laws. Progress has been made consistent with the development in the States and undoubtedly consistent with the readiness with which the citizens of a State are willing to accept certain standards and resulting responsibilities. That is the essence of our democratic way of life and of government and, in the long run, gives assurance to the establishment of reasonably high standards with further assurance that the standards will be observed.

Except in two or three fields, during the past 2 years little change has occurred in labor legislation. As already related, most States have provided for “greater flexibility in existing laws to meet the requirements.”

Workmen’s compensation laws, in several States, have been amended to extend coverage, provide larger benefits, increase medical care, grant expanded occupational-disease coverage, and simplify procedure to assure prompt payment of benefits. Other States are giving consideration to like amendments, particularly as to occupational diseases. I attended meetings and conferred with groups in several States in relation to these problems.

Many States have increased benefits and duration periods within which unemployed workers may receive unemployment benefits.
They have also made very substantial provision for larger reserves to take care of all unemployment benefits which will inevitably become due during the post-war period.

There is added interest and action in the problems of apprenticeship and several States have undertaken definite programs of promotion and of supervision.

The important observation to be made is that substantial progress has been made in various States in response to the social and economic needs of those States, and that such progress represents a high degree of stability that augurs successful administration.

In conclusion, let me express my appreciation for the opportunity to be president of the International Association of Governmental Labor Officials since our last meeting in 1941. I consider this privilege a distinct honor. I have endeavored to respond to such calls for service as have come to me and trust that my efforts have been worth while.
Labor Relations

The Future of Labor Relations

By John R. Steelman, Director, United States Conciliation Service

The future outlook of labor in the English-speaking world is tied inseparably to the victory of our arms in this war. Without victory we have no future worth the name. Yet military achievement alone will not yield the high goals toward which we have been moving the last quarter of a century. A renewed consciousness of unity between management and labor, new methods of industrial relations, and practical usages of cooperation are needed now and in the days to come. Unquestionably there are elements of weakness and strength in the present situation which may make or mar the economic patterns of free men and free institutions. In my judgment, we should not leave these matters to chance improvement in some far-off time. We should study the inventory of our industrial strength and weakness today.

There was mention, recently, in the press of a small Pennsylvania community which has organized all of its work facilities looking to the day when its youth now in the armed forces will return. Each youth is being contacted now with a view of ascertaining how his skills may be employed most effectively within the economic framework of the community to which he belongs. If every village and city in the country would adopt comparable progress of peace-employment preparedness it would help mightily to avoid the scourge of widespread unemployment.

The rich heritage of our American institutions is drawn largely from local men and places. The basic meaning of America is the right and opportunity of every community, large or small, to exert its own efforts and to assert its own dignity. This is the foundation of a vast pyramiding power. The foundation must be maintained or the superstructure will topple. The only plan of industrial relations I would commend to you is the maintenance of our essential American liberties where the free play of intelligence, education, efficiency, humanity, and justice lead on to higher standards of work and production. It is necessary that in the general scope of this precious liberty we observe the safeguards of orderly procedure which have been dictated over long periods of time in the experience of the race. Essentially liberty and justice go hand in hand. Industrial relations have been improved in this country as these basic considerations have been maintained. Americans do not work well in a strait jacket.

Now we are thinking of war problems and post-war problems at the same time. The present difficulties that beset the Nation have shown the need for the spirit and exercise of planning. The consciousness of this need is found everywhere among all of our citizens. I am confident we shall continue to face national problems in a more alert way than every before. We do not intend to be surprised again.
or caught off our guard. There are to be no more Pearl Harbors either in the military, naval, governmental, or economic phases of our lives. The spirit of planning comes from the increased consciousness that human relations demand even more ingenuity and resourcefulness in the handling than the most complex problems of bridge building or construction achievements. Social and economic engineering are being born out of the chaos and confusion of world-wide destruction. From the ashes of selfishness and greed will come a new hope for the world and for our own people, a science of cooperation, and a “know-how” of peaceful achievement.

Long ago we learned in the work of the Conciliation Service that there is a direct connection between work stoppages and the general conditions which play upon the lives of those who work and those who direct work. More definitely, let me say: this war has created an entirely new series of labor-management problems in this country. We are not going to think of pre-Pearl Harbor approaches to the present and future industrial-relations problems of the Nation. What I say of wartime relates just as surely to the post-war days. Problems of contract termination, Government-owned war plants, and the disposition of wartime commodity surpluses will inevitably create direct problems of unemployment, vocational adjustment, and wage schedules. Congress will enact innumerable laws, and administrative authorities will issue various regulations. There will be no end of people upset, overturned, dazed, and confused. If there are strikes and work stoppages, we shall not be surprised. Wartime pledges of cooperation and the no-strike policy of the Government will require strengthening and modification, also rethinking. Social and economic problems are never completely solved. We must continue on the job if we are not to be overwhelmed by the tides of adversity, for the gigantic problems of the war may be dwarfed by even greater problems after the war. Certainly this is no time for the Pollyanna or rosy-eyed vision of things to come. We must not be asleep at the switch when the great trains of this on-rushing century go flashing by.

While we must face our problems in a realistic way, we must not despair or give way before them. We are learning in the schoolroom of present emergencies some lessons which hold a measure of value for the future. I refer specifically to job evaluation, foremen training, grievance procedure, employee educational plans, on-the-job training, and the increased use of industrial resourcefulness of the workers themselves. These do not begin to exhaust the considerations deserving attention. I mention them by way of illustration. When we get down to the production needs of tomorrow, we will require an even larger degree of industrial ingenuity and work-hour cooperation than we have ever known before. New problems arising out of new advances in transportation, communication, and production will demand that we must be on our toes if we are to stand in the competitive markets of the world. The time to get down to earth on these matters is now.

An interesting and worthwhile development in this war period is the increased use of job evaluation and job classification. These methods have been known for a long time, but the need for increased production and the manpower shortage has brought them to the attention of many representatives of both labor and management.
When these methods have been tried in a practical way, they have been accepted because they helped to increase production and eliminate many grievances. In many instances workers for the first time have been placed on jobs for which they were best qualified.

Job evaluation and job classification can and should play an important part in establishing successful labor-management relations in the days to come. It should be remembered, however, that evaluation and classification are not one and the same thing. Evaluation is the yardstick for establishing the proper relationship of one job to another without taking into consideration any individual or group of individuals. In other words, it is the job. Classification is the process of classifying or placing individuals into jobs. Because there is some confusion about the meaning of these terms, labor and management are sometimes led into needless effort.

The Conciliation Service has a staff of technical men with engineering experience who assist or advise the parties in making job evaluations and job classifications upon the joint request of labor and management. These men, through their experience in many fields, believe that such work should be done only when labor, as well as management, is thoroughly conscious of the program, for it is a project which requires the cooperation of both labor and management if it is to be the basis for future successful labor relations.

The training of foremen and supervisors to attain our production goals, increased efficiency, and labor-management peace was one of the most urgent problems facing industry at the beginning of the war. The leadership of foremen in a shop is one of the least understood and most important basic essentials of mass production. It is the foreman who brings together the strength of managerial efficiency and the manpower and labor resources of the plant. The lifeline of a plant is frequently shown by the aptitudes and attitudes of its foreman. If he is educated in collective bargaining, wage standards, and democratic principles as well as in the technical essentials of machine production, his opportunity for leadership in the shop knows no limit. A good foreman is a better work producer than any incentive-bonus plan I have ever known.

In all work situations, problems of one kind or another arise from time to time. In small plants the worker may discuss these with his employer as the employer stops at the work bench to exchange a few remarks with the worker. In large organizations it is necessary to handle such matters in a more orderly fashion. An ever increasing number of plants have established specific steps which are to be taken when grievances arise. In most instances these steps fall into three main groups: (1) negotiations between the employees and certain representatives of management; (2) negotiations between the parties with an impartial party present; and (3) arbitration if negotiations fail. The work of the Conciliation Service is concerned with all three of these steps. It is, however, most closely related to the second step in which negotiations are aided by an impartial party.

When my telephone rings or a wire reaches my office informing the Service of trouble spots, it is often a sign that the parties have tried to negotiate and have not found a satisfactory solution to their problems. Whatever the facts may be, irrespective of time or place, it is our job to bring the organized intelligence and procedures of conciliation to the points of difference in the shortest possible time.
We have no questionnaires to submit, no red tape to untangle. When trouble comes, we believe in the direct application of conciliation without publicity or formality. The Conciliation Service has been operating in this way for 30 years—in peace as well as in war—without compulsion or force—without orders or recommendations. Our settlements have come, because we have encouraged the parties to find a common ground of mutual interest and respect; and when a more friendly atmosphere has been built, we have attempted to help the parties find their own solution to their problems.

The Conciliation Service now has 275 Commissioners of Conciliation stationed in the important industrial and commercial centers of the Nation. Each day these men are meeting different problems. There are no blueprints they can use to settle their cases. Each case is different because different circumstances and personalities have contributed to the situation. Some cases are big, some little, some important, others not so important. Each case, however, must be settled individually and on the basis of fair play and American principles. In the last 12 months these men have settled over 12,000 labor disputes. In other words, on an average, in the last 12 months the Service has settled 33 labor disputes a day.

Most of these 12,000 cases you have not heard about. Conciliators have been assigned as peacemakers and have gathered representatives of labor and management around the conference table. They have guarded the facts given them in confidence, as carefully as do doctors or lawyers. When the settlement is reached after long hours of negotiations, the conciliators, without giving out any publicity, catch a train or plane to the scene of other disputes.

Settlements through conciliation do not mean merely buttoning up the situation, helping the parties to find a solution to their problems, or even preventing a strike. We strive to help the parties find a common ground of mutual interest which will carry over to the future days and years and to encourage the parties to establish workable grievance machinery so that they will be able to solve more and more of their own problems without calling on the Service.

Of course, in some instances, after a Commissioner of Conciliation has used all the resourcefulness at his command, he is still unable to get a total settlement. There may have been eight issues involved, and the Commissioner may have aided the parties to come to an agreement on six of those issues, but two issues of the case remain unsolved. In such instances, in all probability those two issues of the case would then be certified, or officially referred, to the National War Labor Board. In the last 12 months, 2,500 cases have been certified to the Board.

In addition to certifying cases to the National War Labor Board when settlements are not possible through conciliation, another method which is frequently used is voluntary arbitration, or in other words, the final step in most grievance procedures. If the parties voluntarily agree to arbitrate and to abide by the decision of the arbitrator, the Commissioner of Conciliation may then suggest the appointment of an arbitrator by the Service, the War Labor Board, or, if the parties desire, some citizen of the community. A recent survey of union-agreement clauses showed that an increasing number provide for arbitration as the final step of their grievance procedure.
The important thing for both labor and management to remember is that differences should be brought to light at an early stage in order that a solution may be found. If disputes are brought to our attention before they reach a point which will hinder production, it is possible to do a work of healing that may be difficult to achieve after an open break has occurred. That plant which has suffered an actual work stoppage because of bad feeling between men and management often carries the scars of battle for a long time. Since Pearl Harbor more than 95 of every 100 disputes brought to the attention of the Conciliation Service prior to a work stoppage have been settled without any loss of production.

In addition to evaluating jobs, classifying personnel, training foremen, and establishing successful grievance procedure, many plants are making increased use of the industrial resourcefulness of the workers themselves, on-the-job training, and employee educational plans.

In the plants I have visited lately, I have found all varieties of employee educational plans. In many smaller plants the employer made a practice of calling the force together from time to time. In many large plants there was a weekly or monthly magazine for the workers. In either instance these plans were most beneficial to good labor-management relations when the employer used this means of explaining company policy and programs. For instance, in one plant the rate of absenteeism was cut almost 50 percent when the management explained to the workers that the cloth which they found difficult to weave was for a special army contract. The workers then felt that they were contributing directly to the war effort. In another plant production was materially increased when the employees were told of the urgent need for a certain order of steel.

All of these are practical matters very close to the actual problems which we face in the factory every day. To most of you they are not new. However, I am hoping that a new understanding of the need for industrial statesmanship is growing among us. Leadership is the most prized and the least prepared of our national needs. This is true of all avenues of vocations and citizenship. We need more men at the top as lawyers, teachers, social workers, industrialists, leaders of labor, production engineers, and social engineers who believe in and practice the principles of democracy and cooperation in their daily contacts. The old whip hand of unwarranted authority or the caprice of emotion will not meet the requirements of tomorrow. More of patience, humility, gracious living, and human understanding will be required of all of us. We must lift ourselves above the elements of conflict to the higher levels of good will, good deeds, and the good days for which we hope.

DISCUSSION

Mr. Pohlhaus (Maryland). In looking at this subject—Future of Labor Relations—it seemed to me that the relationship between employers and employees or duly elected representatives should be the first, and permanent, labor relation. The employers of this country, and labor, should by all means, if possible, settle their differences without ever having to call on either the State or the Government.

Of course, I know that that would be a Utopia. I also know that the States in the past have been very neglectful in conciliation work. When I became commissioner of labor I felt that one of the first
duties of my office was to learn how to conciliate. Then, I learned that a conciliator is useless in helping the parties to settle an issue, unless he is acceptable to both parties—no peaceful settlement can be made when one of the parties is not satisfied with the person acting as conciliator.

From personal observation, I have reached the conclusion that in most States the labor departments are usually the stepchildren of the States. To my way of thinking, the labor department can be made one of the most essential parts of State government, if it is conducted along the lines of decency and honesty. I feel that each State should allot a sufficient amount of money, not for waste, but for honest and efficient administration of its labor department. Unless our States do set up machinery to do the job—when this war is over and the cry goes out for State's rights—let us not complain when it is necessary for Washington to come in and do the job.

The Future of Labor Relations

By William H. Davis, Chairman, National War Labor Board

I question the wisdom in asking me to talk about problems of the future of labor relations for two reasons: In the first place, the National War Labor Board is more or less at the center of things; and in the second place, my time is very well occupied with the present. The fact of the matter is that when you try to look into future events, you find that the future begins at the grass roots. You people are at the grass roots and really have a much better opportunity than I to observe those things which are going to determine the course of future events; so I feel very modest about venturing my opinion. I am more inclined to express such thoughts as I have, and, like the prophet Isaiah, say, "Come now, and let us reason together."

I think there are certain elements that can be observed in the present picture that are bound to have their effect in the future of labor relations. One of them is a tremendous enlargement in the number and in the experience and self-confidence of the labor unions and of the labor-union leaders. When I look back—when John Steelman looks back, and he knows much more about these things than I do—just a few years and think of the difference in the status of the labor unions and the old craft unions, which have increased their membership so largely, and then think of the great mass-production industries and the present position of the steel workers, the automobile and aircraft workers, the metal-trade machinists, electrical workers—we see a revolutionary change from what the situation was before the war began, which must not be discounted. It is a momentum of events that cannot be and, I am sure, will not be interrupted.

I think the other great factor in the present, or in what we can see after the war period, is this: that during the war the competitive pressure on industry has been very largely lifted. I was talking with a leading industrialist the other day who had resigned from his job and then, because the new president went into the Federal service, he had to resume his duties as president of the company. He said: "We are making about twice as much as we ever made before, but
I can run this company with my hands tied behind my back. I don't have to think any more when I buy a thousand tons of copper whether I can turn it into electrical machinery that I can sell at a profit; I don't worry about that any more. My problem is to get the material at any price and to turn it into machinery which I have already sold.” But, after the war, that is going to end, and the competitive pressures are going to be resumed.

There will be a period, certainly, of great uncertainty, but also of enormous possibilities in production—vast unsatisfied markets in all fields of production. With the uncertainties and with the return of competitive pressure, we are going to have a very unstable situation with countless possibilities for good as well as for evil.

I think those two factors are going to be present. One can, I suppose, only think about the future from the experience of the past, and I have tried to analyze to some extent what has happened during the war and what we will need in order to meet this new situation.

I feel sure that one thing we greatly need is an increase in the democratic conduct and the responsibility of unions. Ever since the Wagner Act the labor union has really had, as the Secretary of Labor has so often said, an established status in society, and the unions must assume the responsibility of that status. If I had to pass or recommend a labor law, it would be one requiring all certified labor unions to have elections by secret ballot at stated intervals of not more than 2 years. I think that would do more to improve the responsibility and the democracy of labor unions than any other one thing.

There is a great deal of talk about making the financial position of the unions open to the public. I say to that, “Of course.” Whatever the labor leaders may say, my own opinion is that practically all of the responsible labor leaders in the country would be quite willing to do that. Most of the important union books are open to the public now, if the public is interested to see them, but opening books to the public unfortunately does not arrest criminals. After all, our national bank books are open to the public, but we still have defaulting bank clerks. I do not think that this would have as good results as some people think it would, but I see no objection to it.

Then, I think the second great need in our somewhat childlike industrial relations in America, is what Dr. Steelman indicated, an increase of the standardization of the basic provisions of union agreements. For instance, seniority provisions, to be any good, have to be worked out in the plant, because they are peculiar to the particular situation in the plant; but there ought to be a seniority clause, and there ought to be an understanding of the differences between the responsibilities of management and mere seniority. Vacations have come to be a standard item in labor agreements; health and safety provisions and, above all, grievance machinery in good form are also standard items. One thing that is very important, in my mind, to good industrial relations is good grievance machinery in good form, because, as Dr. Steelman says, one grievance if it is not settled can cause at least two grievances. These should, in the opinion of the War Labor Board, be terminated through arbitration procedure under the agreement. Of course, I do not mean that you should make agreements by arbitration—I think that is a very bad thing to do. But, having made and signed an agreement, you should have the means for finally determining any
dispute that arises under that agreement. That can only be achieved by making arbitration the terminus of the grievance machinery. That will do more toward increasing production than any other thing except one, I think, and it lies in the field that Dr. Steelman also spoke of—job evaluation and job classification.

Nothing, I think, so depresses the morale of a working force as the payment of different wages to men working side by side on the same type of work. Not only does the man, the individual, who is getting the lesser wage want the money—he has a hard time explaining to his wife why he does not get it—but it goes much deeper than that. When a man is discriminated against to that extent, it depresses his self-esteem and he begins to wonder, “What is the matter with me? Why am I not as good as the fellow next to me?” So we, on the War Labor Board, are very much in favor of job evaluation and classification systems. They take a lot of time and require a great deal of intelligent work, but they are very useful and never cost any money. It can be stated as a general fact, I think, that to substitute an orderly job evaluation system for a haphazard wage structure, in any plant, will—even though it may raise some wages—never cost the employer money because his production will be increased enough to pay for it.

Another element, along that same line, that has developed and is going to grow in importance after the war by the return of competitive pressure, I think, is the competitive relation of wages; that is, the consideration of wages from the employer’s view. Does your competitor have to pay the same wages? Can you be sure when you make a contract of sale or manufacture that you know what your wage cost is going to be on that job? Have you got a firm agreement on wages so that you know what they are?

Under the wage-stabilization program, there has been, I think, a very strong tendency to approach wages from the viewpoint of competitive relationships.

We had a very good agreement during the first World War with respect to the right to organize and bargain collectively. Samuel Gompers made the agreement with industry—it was sort of forced on industry. We are now told that they agreed to maintain their status quo. That is incorrect. The status quo was marked very largely by yellow-dog contracts which were outlawed by this agreement. It was one of the best bargains that any labor leader ever made, and during the war it did result in great improvement in industrial relations. Unfortunately, after the war, our leading industrialists in their wisdom decided to toss collective bargaining overboard and turned in the direction opposed to it when every civilized country in the world—that is, every industrialized country—turned in the opposite direction toward encouragement of collective bargaining. The result was that we went into the present war with a crippled child to do the work of a man. But for John Steelman, I do not know how we would get out.

I felt that to be true in 1940. Because I felt that way, I went to Washington and consulted Mr. Lubin and other people and encouraged as far as I could, the idea of doing something about it. The Government created the National Defense Mediation Board. When I first saw the directive order creating the Mediation Board, I found, to my astonishment and consternation, that it was a tripartite tribunal. Well, I was a mediator, as an avocation not a vocation, and the idea of a tripartite mediation board was a new one to me. I hesitated to ac-
cept the suggestion that I take part in it. However, I accepted and learned many things; among them, something that I think is worth noting in the State labor departments. It is something that I think Mr. Gilbert would call a “most amazing paradox”: a tripartite mediation board being turned into a tripartite board of arbitration is certainly a novelty. I have been interested in trying to reason out why it worked, and I think I know. The answer has a good deal of bearing on the possibilities of the future.

I remember when we started the National Defense Mediation Board in March 1941—we came bravely to Washington. In spite of all that John Steelman could do, the country was full of strikes. The Mediation Board met in Washington and organized itself, had its picture taken, and adjourned. The country set up a howl of derision, very properly. I thought I had an agreement with Dr. Dykstra, who was the chairman—I had been elected vice chairman—that either he or I would remain in Washington. He thought I was going to remain and I thought he was going to remain, so we both went home. About a week later the Secretary of Labor certified four of these cases. Dr. Dykstra was busy at the University of Wisconsin. I was closer so they called me on the telephone. As I went to Washington I did a good deal of thinking that night on the train. I felt we must do something about these four strikes, because the country certainly was laughing at the Mediation Board. The first thing I did was to consult John Steelman. At that time the idea of ordering strikers back to work before their grievances were settled was a wholly novel idea—it was something that just was not done. Nevertheless, John Steelman and I decided, after studying the situation together, to send a telegram in which we said: “This case has been certified by the Secretary of Labor as vitally affecting the defense effort; the Board requests you to resume production forthwith and, in any event, be in Washington tomorrow.” We put in the words “in any event” to give us a chance to climb back to the trunk of the tree if anyone started sawing off the limb. We felt if they did not go back to work and they did come down—we were not sure they would even do that—we would save our face. As a matter of fact, in three of the cases the strikers went back to work within 48 hours, and in the fourth over the week end. I think Dr. Steelman was just as surprised as I was.

During the month of April we had other cases certified to us. The employees involved in those cases were 100 percent on the sidewalk, and none of them at their benches. In October 1941, we had many more cases before us, but 100 percent of the workers were at their benches, and none of them on the sidewalk. That was a revolutionary thing in American labor relations and it could not have been brought about in time of war, in my judgment, except by a tripartite board. The reason is this: In the first place, we were set up as mediators. To emphasize, I want to read to you the powerful authority that we had. An Executive Order stated that we should make every reasonable effort to bring the parties to a voluntary agreement on their controversy; or, if we did not do this, to afford the means for voluntary arbitration; to assist, when requested, in establishing a system or providing the means for the settlement of subsequent controversies; and, finally, in this powerful clause—“to investigate issues between employers and employees, and practices and activities thereof, with respect to such controversy or dispute; conduct hearings, take testi-
mony, and make findings of fact, and formulate recommendations for the settlement of any such controversy or dispute; and make public such findings and recommendations whenever in the judgment of the Board the interests of industrial peace so require."

This provision contemplated the possibility that if these findings were made public—and assuming that the public thought them just—possible public opinion would be created which would induce the parties to accept them. Well, that was all good in the mediation world; but we soon found out it was not very good in times of emergency, because when the Mediation Board got going and tried to act as mediator, it found itself in a situation like this: A mediator goes as far as he can, he keeps the parties at the conference table as long as he can, but finally the time comes when he says, "That's all there is, there isn't any more," and withdraws, saying, "Go ahead, fight it out."

In the meantime, however, we had succeeded in getting these workers back on their jobs. The result was that in the face of the national emergency we were confronted with the necessity of settling the cases in some way or else putting the workers back on the street. Under that pressure, we gathered courage to tell them what to do in the form of recommendations.

I did not know—none of us knew—what would happen if either party were to say, "Oh, you go chase yourself." We knew that that was a possibility. We did not put it to a test until the Southern Appalachian coal controversy was referred to us by the President. He had recommended that the parties go ahead with their negotiations, call off the strike, and agree that whatever wage adjustment was finally made would be retroactive to April 1. The union agreed to that and called off the strike, but the companies would not agree. We tried for 3 days to find a better formula than the President's; and I put it flatly up to every individual present whether we had, in their opinion, exhausted all the avenues of research in that direction. They all agreed we had, and that we did not have any better formula; so we recommended that they follow the President's. The employers said they would not do it.

I went to the White House, and my face was red—I had failed in my job. I found, however, that the President was determined to take over the mines, if necessary. Within exactly 28 hours after that, the southern operators agreed to accept the suggestion.

From that time on we knew that the Administration was going to back up our recommendations, and we realized that we were a board of compulsory arbitration whether we liked it or not. Now I would not sit on a board of compulsory arbitration on labor disputes in peacetime, but I continued to sit on this one.

After the coal-mine controversy, and then the attack on Pearl Harbor, there was a meeting of labor and industry, which made the "no strike—no lockout" pledge. The National War Labor Board was established by Executive Order 9017 of January 12, 1942, and all duties with respect to cases certified to the National Defense Mediation Board were assumed by the War Labor Board. It was given quite different authority in the new Executive order, which provided that the parties should first resort to direct negotiations or to procedures under a collective-bargaining agreement; if the dispute could not be settled in this manner, the Conciliation Service was to be notified if they had not already intervened; and, if conciliation failed, the Secretary of Labor
was to certify the case to the Board, provided, however, that the Board in its discretion could take jurisdiction of the dispute on its own motion. The order said: “After it takes jurisdiction, the Board shall finally determine the dispute, and for this purpose may use mediation, voluntary arbitration, or arbitration under rules established by the Board”—an entirely different tone.

Now we have the War Labor Disputes Act in which the Congress says that, after Conciliation Service certifies a dispute or we find that a labor dispute exists which may lead to substantial interference with the war effort and cannot be settled, it becomes the duty of the National War Labor Board to decide the dispute and provide by order the wages and hours and all other terms and conditions customarily included in collective-bargaining agreements, governing the relations between the parties, which shall be in effect until further order of the Board. This is a most complete grant of authority to decide a dispute and to establish the conditions of employment—if we find that the dispute affects the war effort.

I do not think that this could have come about except for two things. First, the agreement not to strike; I think any frank labor leader will admit that it was an inescapable agreement. What happened was this: In normal times, and quite lawfully, employees reserve the right to strike—that is, they reserve the right to put pressure upon the employer by interfering with his production in a competitive world. But when the war started, interference with production no longer put pressure on the employer, it put pressure on the public conscience and interfered with the war effort. The result was that instead of being a convenient means of bringing the recalcitrant employer to reason, it could conceivably endanger our national survival.

The other controlling element was that the industry and labor members who participated in the discussions, however they might disagree during the discussion or in the final vote, from the very beginning were unanimous in supporting the conclusions of the Board. From the start there was never any question about that on either side of the table. The losing party would back up the majority decision. The result was that into the ranks of labor and into the ranks of industry there was a constant flow of pressure to go along with the Board's decisions. In this fashion, it really became a national policy.

If those people had not been on the Board, that would not have happened. In my judgment, the responsible leaders of American labor could not have handled the situation if they had not been able to say to their people, “Well, we had a chance to talk about it; we were given an opportunity on the Board to express our views and to vote, and we may win next time. We lost that time; let's go ahead.” Industry, I think, would not have accepted the final decisions of the Board but for the fact that the industrialists also sat on the Board. A number of them constantly carried out to their fellow industrialists the idea that, because of the war, “We must go along with this bunch, however cock-eyed they are.”

If that is a sound analysis of the powerful forces that enabled the War Labor Board to exist, the question, when we look ahead, in my judgement, would be: In the post-war period, with the increased momentum of the labor movement and the very interesting, uncertain but promising status of industry, will we conclude that there is a need, of equivalent degree to the war need, to have the disputes settled not
on the picket line but around the conference table? I do not know whether the country will be wise enough to foresee and realize that there is an equivalent need. I am sure there will be that need.

We talk about the end of the war. I think we all realize that the war is going to end gradually, from the viewpoint of industrial production. Great change-overs are going on now, and they will increase as the war goes on and as it slowly terminates. However, I have no doubt that, in any event, the War Labor Board will continue to function until the war is actually terminated. During that period there may develop the sense of the absolute necessity of not returning to the picket line.

After the war the Nation cannot afford to try to settle its labor problems on the picket line. It may be that we will think we can until we are confronted with some really serious outbreak of strikes which will bring home to us the fact that we cannot afford it. In that event, I think some machinery equivalent to the War Labor Board will be set up again. I do hope, as Dr. Steelman does, that there will be a rapid development of mediation machinery in all the States, which would make such a step unnecessary. I even go so far as to recommend this tripartite scheme, provided the States have strong enough pressures to make it useful.

Another very important thing that Dr. Steelman touched on, is the gain in knowledge among industry and labor leaders of one another. We have the 12 regional boards which bring into the Board machinery large numbers, either on the Board or on panels of the Board, of industry leaders and labor leaders who get to know one another. In my opinion the chief thing that holds them apart is fear. We are told: “It’s only the unknown that terrifies.” I think that when people sit around the conference table three or four times, they lose that feeling of fear and gain in knowledge—if not in mutual confidence, at least in self-confidence. There has been a great deal of that and it should be useful. I will take Chicago to illustrate what I am saying. The decisions of the regional board here in Chicago—as in the work of the Conciliation Service—in the great majority of cases are accepted. They dislike very much whenever we in Washington interfere. After the war, when a bad situation comes up in the region, I can visualize the people who have been on this Board saying, “Well, let’s go down to 222 Adams Street and sit around the table again and see if we can’t straighten it out.” Probably they may add: “At least we know that we won’t be interfered with from Washington, and our experience was that most of the decisions we made ourselves were satisfactory, and only those that Washington made were unsatisfactory.” I think there is a real chance that they may do this.

I never like to boast about the strike record of the War Labor Board and the Conciliation Service, because whenever I do, everybody says that the Chairman of the War Labor Board is in favor of strikes. On the contrary, I am not satisfied with anything more than “zero” on strikes. However, the level of interruption of production in this country by strikes is the lowest—and has been for a year—of any country in the world at any time in history.

In spite of the highly developed systems in England and Sweden, I think anyone who has observed them will recognize, even though they may approve the principles upon which the systems are erected, that there is still a great impediment in them—class distinction. We do not have those distinctions, and when our industrial relations grow
up in this country, and we get them on an adult basis, our labor and industry will have a more constructive relationship than has been achieved in any other country.

That probably sounds like a very American thing to say, but I think there are real reasons for anticipating it. From what we already know, I think that the degree of real mutual study of the problem that is being effected in this country is far ahead of anything that is possible in England or in Sweden.

Now, we have the wage-stabilization program, which, of course, is a war program and presumably will come to an end with the war. When we accepted our jobs on the War Labor Board, set up to settle disputes, including wage disputes, we realized that there was such a thing as inflation and tried to put some sort of brake on it. Then in April 1942, came the President's message, announcing the stabilization program. In effect, it said that there should not be any further general wage increases. The War Labor Board was given the power to adjust any inequality in wages.

I always regretted the use of the word "inequality," because the idea of equality in wage rates is not a good one. We talk about the level of wages in America. They are about as level as the Himalayan Mountains, and we certainly did not have time to level them. We decided we had to wind our way through the passes as best we could. So, in July 1942 we came out with the well-known "Little Steel" formula which, much to our surprise, came to be regarded as sort of an eidolon. It was a practical effort to meet a real situation—that is, you cannot freeze wages and you cannot freeze prices in a dynamic world. Freezing is the same as death and it was out of the question.

There had been a tremendous disturbance of the normal relationship of wages from January 1941 on. The Bureau of Labor Statistics assured us that about two-thirds of the industrial workers in the manufacturing industries had already received a greater increase in wage rates than the increase in the cost of living, but that the other third and the workers in the service trades were not so fortunate. We decided, as a practical matter, that before we attempted to say there would be no further wage increases, we would have to assure those who had, up to that time, not had a wage increase equal to the cost-of-living increase, that they could get as much as the 15 percent.

Now, we did not deceive ourselves and suppose that thereby we were equalizing all inequalities which had occurred since the war started. Many had much greater increases than 15 percent. We did not try to rectify that, nor did we think that prices were frozen at that level. We decided that we had to cut wages away from prices and pray that prices would be stabilized. That is what we tried to do with the "Little Steel" formula. Its chief benefit, from my point of view, was that it put an end to the arguing on the Board about the cost of living, because every time after that when anybody said cost of living, the public members would say, "15 percent," and that ended the argument, or we thought it did. Unfortunately, we never met a labor man who had any confidence in the Bureau of Labor Statistics index, so we got the Secretary of Labor to agree to have a reexamination of the index made by experts representing both labor and industry any time they asked for it. I have no doubt myself that the index is the best there is; but we always heard the argument, and there is a lot of truth
in it for the individual, that the index is based on averages, and the average man has not yet shown up at the War Labor Board. Average prices and average wages do not have any direct application to any individuals, because they always say that the averages do not represent what their wives encounter when they go out with the market basket.

On the industry side of the Board, they would start talking about the weekly “take-home”. As we had based our rule on the straight-time hourly earnings, I said to the Board one day: “I am making a bargain with you fellows. We must stop talking about the cost of living and so on, and if the labor side will agree not to argue with the Bureau of Labor Statistics index, and the industry side will agree not to say anything about the weekly “take-home”, we will make a lot more progress with the other problems that are confronting the Board.” They finally agreed to that plan and we did not talk about the cost of living any more. That took care of general wage increases.

We still had this job of equalizing inequalities or rectifying injustices, and we went ahead with a good deal of pressure making decisions—criticized on every hand. Until the act of October 2, 1942, we had no power over voluntary wage increases. In fact, it never occurred to anyone that an employer would voluntarily increase wages—we had been confronted only with disputes about wages. We began to find that our stabilizing efforts were going up in smoke because of the voluntary wage increases made by employers who had trouble getting employees, but no trouble in getting money for their product. So the act of October 2 and Executive Order 9250 took care of that.

We kept on—we had been having, I think, about 70 to 80 dispute cases a month. After October 3, we set up our regional boards as quickly as we could. They have about 1,700 cases pending in the voluntary applications here in Chicago, and are getting an average of about 1,000 a week in our 12 regions. That is quite an administrative burden. The Director of Economic Stabilization, Mr. Byrnes, was under enormous pressure on the price side for price increases.

Executive Order 9328 was issued, which we understood to mean that the Board had gone too far—had been too generous. It provided, in substance, that the Board could not make any wage adjustments beyond the “Little Steel” formula except for substandards of living.

There was an exception hidden in the order—that we could make adjustments for reclassifications—which the Director understood to mean something real. He was impressed, I am sure, with our representation—that one of the greatest sources of dissension was an irregular and unscientific job structure and that it would not raise prices to correct such classifications; so that was left to us.

We told the Director that we could not handle wage stabilization under that order as it stood, for this reason: in times of low production and ample labor supply there is a tendency for the range of wage rates for given occupations in a given community to spread. You have employers who deliberately adopt the policy of a maximum wage, surpassing the highest wages in the community, because they think that is the best way to run the business. Other employers—usually a large group—pay the going rate of wages—often they agree to do this in their contracts. Then, in times of large labor supply, you have another class of employers who deliberately pay a low wage—they can get the workers. I say “deliberately” because often they are in the red, but
often not. In using that method of doing business, they rely on their managerial ability. There was a quite a large group of such employers in the country in 1942.

Now, if an employer is making potato mashers and begins to lose his employees, we lose potato mashers and get along without them. We are trying to draw labor into the war industries. But what actually happens? The manufacturer of potato mashers is given a contract to make parts for airplanes, and his work becomes a vital part of the war effort. As we pointed out to Mr. Byrnes, that man with his wage structure, when the labor market tightens, does not have any wage structure at all. He cannot do business. We said: "You will have to choose between putting him out of business and doing without his production or giving us the right to raise his wage structure." Then the question came back, as it always does in these matters: "How are you going to do that and maintain stability?"

We worked that out with him on the so-called bracket system. It is a little technical, but the idea is this: we were all conscious that, in making comparisons between one plant and another, if you once started to put your attention where labor would direct it—on the highest wage in the community or area—the result would be unstabilizing, because it would mean raising everybody's wages to the highest wage. We discussed the average wage, but agreed that it would be unstabilizing because if everybody's wage was raised to the average, the average would go up until finally it would reach the highest wage. Therefore, we adopted the bracket system, which has worked very well.

The theory is that the regional boards would undertake in the several labor-market areas to make surveys of the going rates of wages on particularly important classifications of labor and plot them on a chart, which would show all the existing wage rates for those occupations, including the rates at inadequate levels. Then they were to determine which of those rates were, as we called it, "sound and tested rates"—that is, rates that are useful in getting employees in the present labor market to do the work. In other words, the brackets would exclude the inadequate rates, but would include all adequate rates, and would be something very different from either the average or the top rate. Once the bracket was established, stabilization was achieved by providing that an employer would be permitted to raise his wages to the lowest sound and tested rate in the area, but not above that. That has worked very well, but not with the exactitude that I have pictured. For instance, we found, with the help of the Bureau of Labor Statistics and the Army who have done a lot of studying on the subject, that if you took the average and 10 or 12 percent below the average wage you generally covered the sound and tested rates in the community. Although we have not yet had full study of the rates, we take the weighted average rate less 10 percent as the bottom of the bracket. In many industries and regions we have stabilized as much as 90 percent of the industry on that basis.

Again, in the face of reality, the directive provided that we should not go above the minimum bracket except in "rare and unusual" cases where it was necessary to the successful prosecution of the war. Well, I get many surprises on the War Labor Board. Shortly after October 3, I was surprised to learn that we were getting 12,000 applications for wage increases a week, and 90 percent of them were filed by the employ-
ers of their own volition. This passion of American employers to increase wages was something novel to me.

Again I was surprised at the extraordinary number of cases that were claimed to be the “rare and unusual” cases that had to be corrected to win the war. Without criticizing my brothers in the Government, it is truly remarkable how many agencies of the Government concerned with production or manpower problems are quite ready to put pressure on the War Labor Board to treat a case as “rare and unusual,” justifying an unstabilizing wage increase. That is to be expected, because these people have responsibility for production or manpower, but they have no responsibility for stabilization. We on the War Labor Board have the responsibility for stabilization.

We are under pressures all the time on these “rare and unusual” cases. The fact of the matter is that, in this game, you must have a safety valve. When the President said there are not going to be any more wage increases, we all knew—Mr. Lubin and I think the President knew—that we had to have a safety valve. So, in the original statement of the President, the War Labor Board was given some discretion. That safety valve will wreck the machine if you do not control it so that its effect will not be unstabilizing. What we really did was to control the safety valve through the “Little Steel” formula—that is, to limit in a stabilizing way on the cost of living. The bracket system was the next step we took to control the safety valve which was still wasting steam. Now, the thing we have left is the “rare and unusual” case; and our problem is to work out a method of handling such cases so that they will be safety valves—not explosives, not waste steam. This is a very difficult problem. What it means, concretely, is that whatever action we take on the “rare and unusual” cases must be sufficiently surrounded by safeguards to prevent them from becoming contagious. To use a medical term—they must be sterilized as we handle them.

I suspect that, as we move on, we will get a further limitation of the “rare and unusual” case. The one thing that we must avoid is making the rare and unusual case a usual one. As Mr. Gilbert says in The Gondoliers, the king promoted everyone to the highest stations, saying, “When everybody is somebody, why no one’s anybody.” That is what we are up against—what we must avoid—in the rare and unusual case.

That is about the way the stabilization picture looks in this country. Probably I should not say it, but I think that it has been a splendid achievement. We have control of the increases in wages in this country. The increases in hourly wage rates that resulted from the decisions of the War Labor Board in 8 months were substantially, I think, about eight-tenths of a cent an hour. I can, for that matter, say the same of price control. I do not know how long this substantial level that has been attained in the last 2 or 3 months is going to last. I think there is probably a little increase this month, but that, too, has been a great achievement.

When you think of an economy that has considerably more than doubled its total income at the same time that it has very substantially reduced its supply of consumer goods—and still we have held on to wages and prices to the extent we have—I think it is an extraordinary job. It gives us every reason, in spite of the fact that we are now
running into another storm, to believe that we can control the inflationary situation if we stick to it—if we do not get discouraged and do not let little things divert our attention from bigger things. After all, the essence of stabilization is confidence. As long as the country is convinced that the Government is in control of special groups, that no one special group is running the country to its sole advantage, and that the Government agencies, however much they may be damned from day to day by individuals, are on the job, I think we will have enough confidence in this country to effect substantial stabilization—to prevent runaway inflation.
Caring For War Workers

Care and Welfare of War Workers in Great Britain

By the Hon. James Griffiths, M. P., Great Britain, South Wales District

It is indeed a privilege to have the opportunity of discussing this all-important problem of caring for war workers with a gathering of men and women who are engaged in this vital social service.

First of all, as a background of what I have to say about the attempts that Great Britain has made in this field, I should, perhaps, give you some salient facts about the man- and woman-power situation, indicating to what extent we have had to call—by voluntary methods and also by compulsory power—upon the men and women of the country.

Manpower Situation

In the early days of the war a complete survey was made to ascertain the available manpower and womanpower in the whole country. Out of a population of 46 million, it was estimated that there were 33 million persons between 14 and 65 years of age. In June 1943—close to the end of the fourth year of war—of the 33 million persons between the ages indicated, 26½ million had been registered and allocated to the armed services or to either the war industries or essential civilian work. All the man- and woman-power in the country is recruited and allocated through one central administrative agency. In the last war we had a great deal of administrative difficulty, owing to what I suppose is inevitable in wartime in any country; that is, competition between the rival industries and the armed forces for the available man- and woman-power.

This time it was decided that the task of registering, of mobilizing, and of allocating the services of men and women, should all be done through one central agency and there should be one central committee on the cabinet level (which is the executive level of our Government) which could make all the decisions. The Ministry of Labor was chosen as the instrument through which all labor would be registered and allocated.

We have had a very complete survey of our man- and woman-power. As I said, out of the 33 million, 26½ million have been registered by the Ministry of Labor and have been allocated. All the services make their claims for man- and woman-power, and the final allocation is determined by the Cabinet.

In addition to absorbing all the men that are available, we have had to call—as every country engaged in this war has had to do—extensively upon the women in the country available for work. Perhaps I can give you some figures to indicate the degree to which that has been done. Of all the single women between 18 and 41 years of age, 91 percent are in full-time essential employment—full-time employment that is accepted by the Ministry of Labor as being the most effective service they can render to the nation in time of war. In
addition, 2½ million married women have been recruited, by entirely voluntary methods, for both the war industries and the essential civilian industries. Of our boys and girls between the ages of 14 and 18 years, 79 percent are also in full-time employment. It is assumed, therefore, in our country, that we are getting very near the bottom of the barrel of available man- and woman-power.

We have reached the stage where actually it has become not only a question of deciding which industry must be expanded and which industry can, within reasonable security, reduce its manpower, but also a question of transferring labor from the less-essential to the more-essential industries. This year [1943] we have the tremendous problem of increasing substantially our most vital war industry—which appears everywhere to be the aircraft industry. This we did by reducing some civilian industries below the very low level at which they stood, and also by transferring men and women from other war industries.

Problems of Caring for War Workers

We have attempted to deal with four of the major problems that are related to the care and welfare of war workers. First, housing; second, food, with particular reference to the development of communal feeding in our country, which is of great importance not only now but for the future; third, health—the arrangements and provisions that have been made to care for the health of war workers; and, last but not least, under the peculiar conditions which the war has inflicted upon our country, to provide recreation for war workers.

HOUSING

Before the war began, most of our industrial cities were overcrowded, and housing accommodations were inadequate and often on a standard below what was desirable. The war has accentuated our housing problem in two ways. At one time, it was actually within our power to avoid one of these, but we did not. The other is one of the ill fortunes of war.

First of all, our basic armament industries were far too over-concentrated. Most of the basic armament industries in our country were concentrated in that part of the British Island which is known as the Midlands—centered around the great industrial towns and cities of Sheffield, Coventry, Birmingham, Manchester, and Liverpool—the middle stretch of the island. Many of us urged, long before the war came, that it would be to the interests of the nation, even in peacetime, to disperse industries over a wider area of the country. When war became inevitable—and with war we knew there would be bombing—we urged upon the Government and upon industry, that it would be desirable to disperse industry as much as possible, drawing attention to the fact that we had a dangerous degree of overcentralization. In 1940—at the end of Dunkerque—when we had to make a sudden expansion of our war industries, it was too late to disperse industries, because dispersion interferes with production—it creates time gaps and time lags—and in 1940 we could not afford to hold up production. The result was that when it became necessary to produce more planes and more guns we had to bring new workers into the
already overcentralized area, which added enormously to our housing problem.

The second cause, adding to the difficulties of our housing problem, has been the bombing. A quarter of a million of our houses have been completely destroyed. In the main, these were working-class houses. A million houses were damaged—half of them to such an extent that their complete repair during the war was found to be impossible. The result was that, owing to these two factors and to the enormous transfers of labor from one area to another, housing has become a very difficult problem.

Now let me indicate, if I may, the provisions that have been made. First of all, the local authority (which is the general term used in our country for the town council, etc.) was, in the early days of the war, given power to billet people among the families living in the area. This power to billet is an over-all power because it is not only the housing of war workers that has been our problem, we also had to handle the evacuation of 2½ million children from the bombed areas to other areas in the country. In addition, we had to make preparations for something which fortunately has so far not come upon us—invasion. We had, therefore, to maintain a margin of housing accommodations which could be used for this possible eventuality. To cover all these eventualities the local authorities were therefore given billeting powers.

The first thing they were asked to do, before the war began, was to make a complete survey of the housing accommodations in their areas. Every house with all its accommodations—the number of rooms, the space in the rooms, and the number of people living there—was surveyed. The real aim of the survey was to find out how many persons could be housed in the emergency, by putting the maximum number of persons in each house with a fairly elastic margin of safety. People were told that they had accommodations for two persons, or three or four persons, as the case might be, and each householder was given a certificate by the Ministry officials or by the local authorities, indicating that on our scale and on our standards, should the need arise, accommodations were available for a certain number of people.

The local authorities had the power compulsorily to billet persons with householders. The compulsory powers have at times had to be used. But it is pleasing that in the main the people have accepted it as being a service which they must render to the nation; consequently, compulsory powers have only been used in a very small percentage of the cases.

Since 1940, and the bombing of the cities, we had to do in a very great hurry what we had failed to do before. We had to disperse and we had to expand industry as much as we could in the circumstances. Many of the new plants built since 1940 have been built away from the towns, a substantial distance out in the country, where they could be more easily camouflaged and where there was plenty of land so that they could be dispersed. Instead of having one factory building to house 2 or 3 thousand workers, what generally happened was that the factory was built in small units, widely spaced, very heavily banked in between the buildings, so that if the factory was bombed the damage would be minimized.

This created a new housing problem, because we had to bring working men and women, particularly women, in very large numbers to
new factories in areas where there was little housing accommodation. From the beginning it was realized that when we built factories in these areas, housing accommodations would have to be part of the plan. We have provided hostels—Government-built and Government-operated—for men and for women, in the factory areas where housing accommodations were not available and where transportation was too difficult. These hostels are built in units with accommodations for about a thousand workers each. We have a number of them, and sometimes people like myself dream of the marvelous things we can do with them when the war is over.

On the whole, the hostels are very well designed. The best designers in the country were called and readily gave their services to this job. The hostels have served an extraordinarily fine purpose for the country. We realize that these are places where the men and women, particularly the women, who are called to work there, have to live; so we made provisions for the hostels to be self-contained communities, with every possible kind of facility for life outside factory hours. I can only say that we should be very glad to have some of you come across and see our hostels.

Now, a few more words about the transferred workers. There are compulsory powers to transfer workers, which had to be very widely used indeed. The compulsory powers were to compel men and women to leave their jobs, whatever they were, and to go to other jobs in other places, if that was deemed by the Ministry of Labor to be essential in the interests of the nation. We realized, therefore, that if we compulsorily transferred men and women from their homes to other areas, that we created for them an economic problem which it must be our obligation to accept. The obligation of maintaining two homes is accepted as one which the State must meet. Therefore, when men or women with that obligation are transferred, they are paid an allowance—an allowance which in English money is 24 shillings and 6 pence per week (in American money, 5% dollars per week) is paid to each one. This sum was fixed because it is the same as that charged by the Government for accommodations at its hostels. Sometimes the workers have to pay more. However, if more is charged, the worker, the Government has the power to summon the person who charges more than the recognized rate for the accommodations arranged through the billeting officers.

In addition to paying this 5% dollars per week, there is another provision which we make for transferred workers. We give them three travel vouchers per year, by which they are enabled to travel to their homes, on railway tickets, for which they pay a dollar and a half. Travelling to and from home by transferred workers is subsidized—all travelling fare over 78 cents is paid by the Government.

In those ways we have, on the whole, managed the housing problem reasonably well. I must make this reservation, however. Unless bombing is resumed on a heavy scale, and the problem of our housing, therefore, becomes very much more severe, I think that we have made a passable job of it in the ways I have described.

Food

From the beginning of the war, food has been rationed in Britain. We have had one advantage in this war: Practically every problem (except the problem of bombing and all that it involves) that has
arisen during this war we had to deal with in the last war. We made many mistakes last time. We have tried this time not to commit the crime of making the same mistakes twice.

We discovered that the important thing was to give the people a sense of security about food—to destroy and to dispel the fear of an acute food shortage. The thing that created the most uncertainty, we found, was to play about with the rations. We have not changed our rations, in any substantial degree, for 3 years. The Food Ministry had determined from the beginning, with the full support of Parliament, that although the rations were meager there must be equity in distribution. People now have a reasonable security that, if the war lasts another 2 or 3 years, rations on the whole will not get worse, although they are disappointed that they will not get better. Believe me, it is indeed a sound point of psychology to fix the rations in such a way that nobody plays about with the points. We have succeeded in doing this, and I think it was a very wise thing to do.

In the beginning we realized that the rationed foods would have to be supplemented to at least three sections of the community. First, to the children at school, in what we call elementary and secondary schools (secondary schools in our country correspond to your high schools); second, to expectant and nursing mothers; and third, to war workers, particularly women war workers.

Then the problem arose, how to do this. Before the war there were long negotiations between the Government and industry. When I say, “between the Government and industry,” I might add, to make it clear, that industry does not mean merely the employer—it means the trade-union congress on an equal footing in all the discussions and in all the negotiations. I say this, because I am a trade-unionist myself—we have the right, we claim it, and in speaking or negotiating for the workers, the right is not disputed by anyone. We sought to find out whether it would be possible to supplement the rations of children, mothers, and war workers, by increasing the individual rations. Eventually that was found to be too difficult.

The strongest argument, I think, for developing communal feeding was that there would be a saving in food which experts of the Ministry of Food estimated at 30 percent, and their estimate was found to be a conservative one. As a matter of fact, the saving in food by cooking and supplying it at the communal canteens is more than 30 percent. The result was that we approached the problem from that angle, and we have taken care of the children, the mothers, and the war workers in this way.

I will describe what we do for the war workers. First, the Ministry of Labor secured power from Parliament to make it an obligation upon every employer who owned and operated a factory, employing more than 250 persons, to provide facilities for communal feeding. In other words, the employer has to build a canteen—provide the building and the essential equipment for the canteen at his own cost, as part of the cost of production. Having done that, the canteen is run by a joint canteen committee, composed of representatives of the employer (management), the workmen, the Ministry of Labor, and the Ministry of Food. All the arrangements for operating the canteen, as regards catering, come under the Ministry of Food and its officers.
There are, of course, large numbers of factories which employ less than 250 persons, and the obligation of looking after these is placed upon the local authority which must provide in the neighborhood, at reasonable distances from these factories, facilities for communal meals in what are now known as British restaurants. There are well over 2,000 communally owned British restaurants, established by the civic authorities in our country. The post-war fate of these is a matter of very great interest.

Meals at the canteens are provided at mid-shift. In the hostels, of course, there is full provision for communal feeding of all the girls and all the men who are housed there. The canteen meals provided at mid-shift are for all workers, whether or not they live in hostels, whether they live at home or elsewhere. Generally they consist of soup, a portion of meat or fish, two vegetables, and—something without which life in Britain would be impossible in peace or war—a nice hot, strong cup of tea. The cost at which such a meal is supplied to the worker is a shilling in British money, which I think is 25 cents in American currency.

Those arrangements, on the whole, have worked very well. I think it is accepted that we have been able to maintain the health of children, of expectant mothers, and of war workers, by the development of these provisions for communal feeding.

**HEALTH**

There were, of course, in Great Britain, the pre-war factory acts which laid down prescribed standards for the safety and health of the workers. There was a large and competent inspectorate employed by the Government for the purpose of enforcement. All factory acts are administered centrally by the central government, all the inspectors are in its employ, and the powers of enforcement are in its hands.

The Ministry of Labor, as I have already said, was found at the beginning of the war to be the best instrument for the mobilization and direction of all man- and woman-power to all the services and industries. By one of those political accidents, the Home Office had been responsible for the administration of the factory acts. When the powers over the mobilization of labor were transferred to the Ministry of Labor, so also was the administration of the factory acts in their entirety. I would like to say that I do not think anyone should suggest that these duties be transferred back at the end of the war. One of the things we are determined to do is to make the Ministry of Labor a ministry as high in its prestige as, say, the Foreign Office. The whole of the administration, therefore, is in the hands of the Ministry of Labor.

In 1940, Parliament passed an act called the Emergency Powers Act, which gave power to the Government over all the property and over every person in the land. Power was also given to make legislation by what we call an “order in council” which dispenses with the long procedure of getting a bill passed in a normal peacetime way. In 1940, the Ministry of Labor, acting as the one responsible for factory administration and for health and safety, issued an order on industrial health. The order applied to all factory owners that came under the act and required the provision of a health service at the factory. This service must include, first of all, suitable premises,
equal to the required standards at the factory, at which a health and medical service can be operated. The Ministry of Labor decides whether any factory is big enough or important enough to require the employment of a full-time medical officer to have supervision of the health service in the factory, or whether a part-time doctor should be employed. Very often, a number of factories are combined in order to obtain the services of a full-time doctor. All factories must have an adequate nursing staff. Where factory owners were not directed to employ either a full-time or a part-time medical officer, they were compelled to make arrangements with a doctor in private practice to have supervision over the health arrangements in the factory.

So far as I have been able to gather the figures, the number of doctors engaged in full-time service increased from 35 in 1940 to 164 in 1942. The number of doctors employed part time has increased from 70 to 673. The number has been severely limited by what has become an acute problem for all the services, a shortage of doctors in our country. In addition, there is the problem of the transferred workers who live in hostels and those who are billeted. For these, the Ministry of Labor was able to take advantage of a medical service which we were compelled to build up before the war—a large Emergency Medical Service. Existing hospitals had been registered and accommodations reserved. Other hospitals of a temporary structure were built. A large number of doctors was recruited and a very comprehensive medical service was established, based upon estimates of possible future needs. Fortunately, the deaths and the injuries in bombing, serious and tragic as they were, were below the estimates made. We all thought, feared very much indeed, that bombing would bring large numbers of cases of neurasthenia. Fortunately, the number of cases has been less than anticipated. The result was that the service, which had been built upon expectations that did not materialize, has been made available to all the war workers, particularly to the men and women living in the hostels.

In addition there is, of course, education for health—by talks and by pamphlets or leaflets. The teaching of personal hygiene and of industrial hygiene has been recognized as a very important service and a great deal of good work has been done.

More recently we have had to build up a rehabilitation service, which is coming to be recognized as a very important and essential part of the medical service. It, too, was made available to the war workers.

Perhaps you will allow me to mention one special service that has been developed in which I have a particular interest because I am a coal miner. I began my education as a coal miner, and there is a saying which, to my delight, I find is equally true in Pennsylvania and Illinois as it is in South Wales—"Once a coal miner, always a coal miner." In the coal-mining industry, which in our country has been taken under the control of the Government for the duration of the war, we have established a central medical service in the Ministry of Fuel and Power. All of the coalfields in Britain have been divided into eight regions, and a medical service has been established in each of the regions. There are now 30 specialists employed in this medical service, men and women, chosen because they have, in the course of their medical training, specialized not only in indus-
trial medicine, but also made particularly study of the industrial diseases (such as lung and eye diseases) to which miners are subject. This service has been developed separately for the miners.

RECREATION

Recreation in our country has been a problem with which we have had to deal and which we have not been able to leave entirely to the normal entertainment industry—first of all, because of the blackout; and second, because of the large number of men and women removed to hostels away from towns.

Furthermore, we tax the leisure time of people very severely. Every man between 18 and 51 (the ages at which men are recruited to the armed forces), if he is deferred on industrial grounds, has an obligation to give 48 hours' service each month to one of these services—the Home Guard (which is the army trained for anti-invasion purposes), the civilian defense service, or the national fire service. The result is that the men, even when they do have some leisure, find it so heavily taxed by the leisure-time service they are called upon to do, that recreation has become a problem.

Another problem we have, which oftentimes has been one of the most serious, is in the field of youth. The blackout creates problems among the youths. What are we to do with boys and girls who normally find release for their energy in the street? It has become a matter of absolute necessity, and a matter of safety, to try and attract them off the streets, which have become places of complete darkness and are very dangerous. Therefore, we have sought to deal separately with the youth recreational problem. There is a National Youth Committee, upon which I have the privilege of serving, that brings together, in each town, the voluntary organizations working in the field of youth. Religious and voluntary organizations of all kinds, engaged in youth work, and the local education committees or boards together are charged with the responsibility of making provisions for the entertainment and recreation of the youth in their areas. The Government provides subsidies and funds by which this work is assisted and developed.

In addition to that, we have entertainments at the factories, at the hostels in the villages, and in the towns, provided as a war service completely outside commercial entertainment. The artists of the country—musicians, actors and actresses, film producers and writers—all joined together to form an organization called the Council for the Encouragement of Music and Art, now known as C. E. M. A. They recruit the services of all the great artists and entertainers in the country at substantially reduced fees; oftentimes they give their services free. Some of the great figures in the world of entertainment in Britain—Sybil Thorndyke, Robert Donat, Sir Henry Wood of the Symphony Orchestra—and others have collaborated in building up this council, through which opportunities are given at both the factories and the hostels and in the villages for music and entertainment.

My own town is one of 50,000 people, and last winter we had two things for the workers living in our town. First, we had a London theatrical company headed by our most distinguished actress, Sybil Thorndyke, in 2 weeks of performances of plays by Euripides and
George Bernard Shaw. Then we had a fortnight of music provided by the London Symphony Orchestra. Workers under 18 years of age pay 6 pence (10 cents) for admission, and workers over 18 pay a shilling (25 cents) for admission to these performances. At the factories and at the hostels, no charge of any kind is made.

In speaking of recreation I should mention that the war has brought, in our country, as it does everywhere—indeed it would be a very sad thing if it did not—a great revival of interest in serious social problems. We have had to increase substantially the arrangements made for adult education. This was done through an organization, known in our country as the Workers Educational Association, which now has a record of 50 years of very good work in providing opportunities for working men and women to get together in order to discuss all kinds of problems—through classes, by talks or discussions, and through study circles. The work is closely linked up with the university. From the very beginning, the universities have done their utmost to make it a success and have given it their fullest support. Educational opportunities for workers are increasing in number. Classes are very often established in factories and certainly in the hostels—classes of all kinds, sometimes commercial, sometimes designed to give training for the post-war period. The most popular are those classes that deal with social problems. We provide discussions about such things as the Beveridge report, and music; and I should say, if we had a Gallup poll, that Beveridge was more popular than Beethoven.

The administration of all these services, as I have already said, is entirely in the hands of the Ministry of Labor. However, when we come to health, the Ministry of Health is brought into association, and when we come to education, music, and recreation, the Board of Education is brought in.

CONCLUSIONS

In conclusion, may I say this: We have done these things under the stress of war. We have been compelled to do them, because they were essential. The workers in industry are as much in the battlefield as the workers in uniform. The worker in uniform can only do his job to the degree that the worker in industry does his or her job. Therefore, it is essential to care for their health, their welfare, and their recreation, and that has been very important and urgent in the conditions of bombing, black-out, diet, and so on that exist in our country. I do not think that we are going to scrap this work when the war is over. In any event, I shall do my best to see that we do not scrap it in our country when the war is over; and the Government has accepted that.

Let me tell you one thing, if I may. The Government in our country has just issued its proposals for the post-war reconstruction of our education system. It is interesting to find that with the Government—a coalition government, which includes all parties in Britain—adult education is not a matter of controversy between parties and is not likely to be scrapped in its new education proposals. It has been accepted that in the future every child in school in Britain—from every home, irrespective of income—will have as part of his educational service, a complete mid-day meal. That is supported
by every doctor in the land, because they say that the health of the child is a matter in which the nation must be extremely concerned, and the good effect of this communal feeding upon the health of children in wartime makes it essential to continue it after the war.

I believe that the same thing is going to be true about the factory as well. I am certain that most of these provisions will be woven into our post-war Britain. Men like myself, and others who are interested in this problem, have already given some of our time and some of our thought to ways and means by which we can incorporate these features into our permanent social-service system at the end of the war.

That is an outline of some of the things that we have done. I think that the essentials of statesmanship in our country will be to retain, and to adapt and to apply, some of the things that Hitler has compelled us to do—things we should have done before. Now that we have established these services, I hope we shall have the wisdom to weave most of them into the permanent social-service structure of our land.
Labor in the Post-War Era—Round-Table Discussion

Mr. Hinrichs (Washington, D. C.). When we are talking about the post-war situation I think it is probably wise to distinguish three entirely different kinds of periods.

First, we are going to be faced with an immediate problem of demobilization and a period of reconversion from war to peacetime production.

Second, we are almost certain to be confronted at a somewhat later stage with what may very well be a boom period. The way in which we handle the problems of that boom period will have much to do with the situation of labor 4, 5, or even 10 years after the war closes.

Finally, we have the longer-run outlook, after we have emerged into a fairly well-stabilized situation. The question there is what the level of economic activity in the United States and the world is going to be; whether we are going to move forward to a rising standard of living or whether we are going to be faced with a long period of depression and of falling rather than rising standards.

It is convenient, I think, in analyzing the post-war period, to distinguish these different phases of our problem because if we do so, we can then to some extent distinguish between those things which must be done today and those things which can be done tomorrow or next year. It does not follow, merely because the period is distant, that we can entirely disregard at this time the problems of that more distant period. Merely by way of illustration, the way in which we handle the problems of the boom period may very well be determined by the mechanisms that we establish for a demobilization of wartime controls.

If wartime controls were to be as suddenly relaxed after this war as they were after the last, particularly in the field of prices and perhaps of wages, and if there were no regard whatsoever for an allocation of materials during a period when materials and facilities for peacetime production were still short relative to demand, it seems very improbable that we could control the boom which would subsequently develop and the collapse which would inevitably follow that boom.

In the same way, it seems to me, that, if we look at the more distant future, it is extremely important during this present period to create that form of international machinery which is going to determine the political environment in which we are to live. If we intend to live saddled with huge military expenditures, if all of the nations of the world are going to live in fear of one another and each is going to try to be completely, militarily sufficient, we might just as well forget the idea of a rising standard of living.

There are then these three different periods, each of which requires action at the present time with respect to at least certain of the broad problems that we are going to be called upon to face.

Today, however, I want to confine my attention almost entirely to the problems of the demobilization and reconversion period because
it is that period which is certain to present us with real political problems first. It is that period, in my opinion, in which an early transition is indispensable to wise political and economic action. If that period becomes one of terrific confusion and widespread fear, there is very little reason to count on sane political action. If, on the other hand, we meet the problems of demobilization and reconversion wisely and, as far as may be, smoothly, I believe that the prospects of handling the entire post-war problem satisfactorily become very much brighter.

The first step in evaluating the problems that we are going to face in this demobilization and reconversion period involves getting a clear picture of where we are, where we have come from, and where we are going during the course of the war itself. In 1940 there were about 56 million people in the labor market, including the people engaged in agriculture. Each year our working population grows more unbalanced; more people enter the labor force than die or retire. The normal increase each year is about 600 thousand. Thus, at the present time [October 1943] we would expect some 58 million people to be in the labor market. Actually, at the present time, there are about 6 million more than that number, in either the labor force or the armed forces. The total number expected at the height of the war effort will be about 64 or 65 million people, or probably at least 5 million more people than would normally be expected to be in the labor force.

These people, as you know, have thus far come from three groups: (1) School children have supplied the largest numbers; about 1.8 million children and young persons under 20 years of age who would normally be in school have been drawn into the labor force within the last 2 or 3 years. (2) The next largest group is represented by women who have come into the labor market. So far they number not more than about 1.2 million, very largely in the age groups from 35 to 55 years of age. There has been no abnormal increase in the number of working women between 20 and 35 years of age, for several reasons. In the first place, it has already become customary in the United States for single women in those age groups to work. Married women of those ages are likely to have young children, and not many have been in a position to take a full-time job. Finally, I think it is highly probable that the operation of the Selective Service system has discouraged the taking of paid employment by women less than 35 years of age, as they fear that this might change their husbands’ draft status. At all events, the additional women that we have in the labor market at the present time are primarily drawn from the age groups 35 to 55. (3) The rest of the additional labor supply—and it is a comparatively small one—has been drawn from the male population over 20 years of age. The largest single contribution has come not so much from men who have returned to work from retirement as from those who have postponed their retirements during the last 3 years. There has thus been an unusually large accumulation of older men in the labor market.

We are, therefore, going to conclude the war with at least 5 million more people in the labor market or in the armed forces than would normally be in the labor market, over and above the natural increase in population.
Within the last 3 years there have been very serious distortions in the distribution of employment. The largest increase has, of course, been in the armed forces which in 1940 numbered only about half a million people but by the middle of next year (1944) will number in the neighborhood of 11 million. So far as economic commercial employment is concerned, the largest increase has been in the fields of manufacture. Before the outbreak of the war, the largest number of people ever employed within that very broad category that we label manufacturing was about 11 million. By the middle of next year the number will approximate 17 million. The expansion, of course, has been particularly large in the heavy industries, in the munitions industries, and the metalworking industries; by next year they will be employing almost as many people as were employed in all manufacturing at the highest levels ever attained in peacetime.

Another large category of employment in which there has been a substantial growth has been in Government which has expanded its force from about 4 to 6 million workers. Government employment at the present time is rather frequently misrepresented, as far as its character is concerned. The major expansion that has occurred to date has been in the civilian personnel of the War and Navy Departments; this includes not only what might perhaps more properly be called “manufacturing activities,” as represented by the arsenals and navy yards, but also the very large civilian establishment necessary for the operation of Army and Navy depots, of the air fields, and the whole of the purchasing mechanism of two business enterprises which together are purchasing more each year than all the people of our Nation used to purchase in any single year of which we have record.

Up to 1941 there had been a general increase in almost every line of employment. Although our capacity to manufacture munitions was limited, the needs and demands of the civilian population with increased employment were expanding. To man our larger civilian and military establishments we were still able to draw heavily on the relatively large number of people who had been unemployed at the outbreak of the war in Europe. But, since 1941, and more particularly since 1942, employment has been cut back in most lines of employment other than those I have mentioned (manufacturing and especially munitions and Government employment). Construction employment, which reached a peak of somewhat over 2 million workers, is almost certain to decline by the middle of next year to not much more than half a million people.

Employment in trade expanded about 6½ to 7 million people, but is now slowly decreasing. There has been a very serious decline in the number of persons engaged in various forms of self-employment, casual labor, and domestic service, a reduction from a level of about 8 million to a figure which we anticipate will drop as low as 5 million.

By the middle of 1944, therefore, we are going to be left with an enormously expanded armed force, a vastly increased manufacturing activity heavily concentrated in the metalworking trades, an expansion of Government operations to levels which will certainly not be maintained in peacetime, and a shrunken volume of activity in the fields of construction, trade, and a host of service industries and other employments.

That picture, of course, will vary sharply from one area to another. One of the first of the necessary jobs, as I see it, is to break that picture
down into pictures of the effect upon each of the several States and upon each of the major industrial areas within those States. That is a job which you people in the States can do very much more effectively than we can in Washington. We, in the Bureau of Labor Statistics, have made a large number of studies and have under way a still larger number of studies of the major industrial areas of the United States. We are assembling the basic statistical materials, tracing the developments of employment as they have occurred to date, and projecting those developments as well as we can through the peak of the war effort. A job of that sort, for example, has been done with reference to the Pittsburgh area. I would suggest that those of you who are interested in the studies which we are making, obtain the reports for the areas within your State. These are designed to give not so much the final answer as a beginning point for your own thinking and a foundation on which you can build, because the picture of the problems of each one of your communities can be seen far more clearly from your vantage point than it can possibly be seen from Washington.

The basic problem of this period of demobilization and reconversion will present itself, of course, in terms of an enormous shifting from wartime jobs to other types of activity. I think it is highly probable that, taking into account the men who will be demobilized from the armed forces and those certain to be demobilized from manufacturing activities which exist only during a period of war, at least a third of the population will be on the move during the period of transition from war to peace. That represents a tremendously large basic turnover. In this estimate of a third of the population, I am not taking into account the girl who is moving from the drug store on one corner to the drug store across the street; that kind of turnover, I suppose, will continue, but it is not the kind of shift I am talking about. I am talking about shifts necessitated by the fact that what people are now doing will no longer be necessary for anybody to do and that we must engage in activities which we now are unable to undertake.

During that period of shifting it will, therefore, be even more necessary than during the period of the war itself, to have strong employment services; and to have employment services which are able not only to help people move within the community but, perhaps even more important, able to move people from areas which have had an enormous expansion that cannot be permanently sustained in peacetime to areas from which they may have come or to other areas which have greater long-run promise.

There has been, of course, a vast shifting of population during the war period. Some States have had an increase in population from 1940 to 1943 of at least 100,000 people more than the mere natural increase and trends of 1930 and 1940 would indicate. The growth of population from 1940 to 1943 has been concentrated along the Eastern Seaboard from Virginia to Massachusetts, across the country from New Jersey to Illinois, in the large developments which have been going on in Texas, and finally the enormous development on the West Coast. The Bureau of Labor Statistics has made a distribution of the cost of publicly financed war facilities, by States, from 1940 to the present time [fall of 1943], and here, too, we find concentrations of the development and expansion of industrial
facilities. These occur in the Middle Atlantic and East North Central States, from New York to Michigan, Illinois, and Missouri, again with a relatively large development in the State of Texas, and a heavy concentration of facilities in the State of California.

The problem of movement is going to be the outstanding characteristic in that period of demobilization and reconversion and every instrument that can be devised to facilitate that movement needs to be strengthened. There is going to be one very marked difference between the situation in the demobilization and reconversion period and that which faced us in the period from 1929 to 1932. From 1929 to 1932 the whole economy was contracting; steel was going down, textiles were going down, retail trade was going down, everything was shrinking all along the line, with the result that the outstanding characteristic of that period was a growing amount of very long-term unemployment. The reconversion period that we must face will be one of shrinkages which, in gross terms, will be larger than those which occurred from 1929 to 1932; but, on the other hand, there will be an almost simultaneous expansion of employment in large numbers of industries that will be getting back as rapidly as they can to a peacetime basis. The problems of the prospective reconversion period are therefore going to be the problems of getting men and women from areas of shrinking opportunity into areas of expanding opportunity. It appears, therefore, that the instrument of unemployment compensation which has been developed in the last few years in the United States gives us a tool which can be used far more appropriately in this reconversion period than it could have been used during the period of the 1930's. However, I want to call your attention to the fact that the burdens of this particular period we are talking about are going to fall very unevenly indeed on the different States of the Nation. I am not sufficiently expert with respect to the problems of unemployment compensation to interpret these differing strains in terms of their effect upon the adequacy of our unemployment compensation systems as they stand today. I suggest, however, that those of us who have responsibility for labor administration, anywhere within the Federal or State governments, have also a primary responsibility to discover how adequate our unemployment compensation schemes are to stand the strains of this reconversion period and, more particularly, the strains of a very uneven rate of demobilization.

Contrast, for example, the situation that Mr. Dean is going to face in Michigan and the situation that Mr. Shuford is going to face in North Carolina. By and large, Michigan and North Carolina have furnished men to the armed forces more or less in proportion to their populations and more or less in proportion to the number of employed workers. There will be minor differences from one State to another but we can assume that, as far as military demobilization is concerned, the demobilization load is going to be spread more or less evenly across our economies. Industrial demobilization, however, will depend upon the extent to which the munitions industries were developed in the various States. Michigan, for example, is probably going to have to deal with twice as many demobilized industrial workers as with demobilized soldiers. North Carolina, on the other hand, will probably have to deal with ten times as many demobilized soldiers as with demobilized industrial workers—or let us say, with only a tenth as
many demobilized industrial workers from munitions industries as with demobilized men from the armed services.

In some States—Arizona and New Mexico, for example—the ratio is going to be even lower than that in North Carolina. Not unlike the situation in Michigan is that in Connecticut where industrial demobilization is probably going to involve twice as many people as the demobilization of the armed forces. Indiana will have at least half again as many demobilized industrial workers as demobilized soldiers. Maryland will have about 30 to 35 percent more demobilized industrial workers than demobilized servicemen. So you can go down the list, finding what is perfectly obvious, that having had an uneven development in the distribution of the munitions load, we are going to have a very uneven burden of demobilization from munitions production—a situation in which I suspect it will be necessary for the Federal Government to play a very substantial role, as the burdens rest rather unfairly on some of the areas which have had the highest level of industrial munitions development during the period of the war.

In the period of demobilization there are going to be four variables—four things which to some extent lend themselves to control and to manipulation—four things which, if well done, will minimize the problems of an area, but if left to an entirely haphazard development, may produce intense confusion and great suffering. One is the rate at which men are demobilized from the armed services. If we were to maintain permanently an Army of the size that we now have, there would be no problem in the reconversion to peacetime employment of all of the people that we could hold in the labor market. Thank God, that is not going to be the situation in the United States. Men are coming out of the armed services when the war is won against Germany and Japan. The rate at which they do come out, then, is going to have a great deal to do with determining the extent of the problem in the individual communities of the United States; and to the extent that that demobilization can be carried on in a smooth, continuous flow, rather than as the dumping of a great gob of men in any single month, to just that extent the problem of the communities of the United States is going to be eased.

Where the compromise is going to be made between the desire to get men out of the armed services just as quickly as is humanly possible and the desire to see them re-introduced to the civilian life of the community as an orderly flow rather than as a flood, still remains to be worked out. I think it can probably be assumed that the rate of demobilization will correspond rather closely to the maximum rate which is possible in light of the transport difficulties and the need for the maintenance of a police force in various parts of the world. The rate of demobilization is, however, one of the variables which can be manipulated within some limits to bring order or chaos into this period of demobilization and reconversion.

The second thing which lends itself to some measure of control is the rate of contract termination. If all of the wartime contracts are terminated instantaneously on the conclusion of hostilities, the shrinkage of our economic activity is going to be very much more rapid than anything that we can possibly hope to build up simultaneously in the way of peacetime production. Now, it will not be possible to maintain the production of munitions of war for any extended period after the cessation of hostilities. First of all, it is an economically wasteful
kind of activity. Secondly, there is no place, except the middle of the ocean, where the products can be stored. Characteristic of wartime production is that you destroy the output almost as rapidly as you make it or that you move it into areas where large amounts of it can be stored out in the open. For very large amounts of the war production which is going on we can find no peacetime use. On the other hand, substantial volumes of goods under contract have peacetime uses, and these in particular can be adapted to meet the relief needs of the world, part of which must be met by the United States as well as by other countries. It will require something in the way of legislative implementation and a great deal of planning by the State governments and the Federal Government, the Army, and the Navy, as well as by business and labor, to determine how contracts should be terminated, where they should be terminated, how payment may be made, how machinery may be removed from the building, and what to do with partly finished goods so that business enterprises can move quickly back into the development of their peacetime lines of production. However, if we can introduce any degree of sustaining force through the maintenance of those contracts which do have a potential peacetime use, to just that extent we will reduce the problems of dislocation.

The third thing that will determine the seriousness of the problem of unemployment in this immediate demobilization period is the rate of withdrawal from the labor force.

I said that by the end of the war there would be in the labor market at least 5 million people who would not normally be there. How many of them will get out and how rapidly will they do so? If they were all to leave instantly at the close of the war, the problem of economic readjustment would be comparatively slight. Actually, if that were to happen, employers would find themselves momentarily facing acute labor shortages in many areas. As regards withdrawals from the labor force, there are certain things that we can do. In the first place, if there is ever going to be, over the period of the next 20 years, any increase in old-age benefits, any encouragement for older people to retire from the labor market, the period during the termination of the hostilities is going to be the choice period of the next two decades in which to encourage that sort of withdrawal from the labor force. Even more important, I think, will be the steps we may take to encourage the withdrawal of children from the labor market. I want particularly to emphasize that the most important single thing, when the war is terminated and the need for children's services is no longer acute, is to see that the faucet is turned off at the schools and turned off hard.

Each year there is a very large influx from the schools. These million eight hundred thousand youngsters that have been drawn out of school, either by industry or by the draft, are for the most part children who would normally have entered the labor force within a year or two, or at the most 3 years. The abnormal increase in the number of children in the labor market can be very rapidly reduced after the termination of hostilities if we can at that time make the children see, and see quickly, the advantages of remaining in school. The whole line, at present, of encouraging children to withdraw from school is something which must be completely reversed and reversed very quickly. It will, I think, require a large measure of cooperation with educational authorities in the development of a program which
will, first of all, hold the children in school and more especially will induce those who have left school at too early an age to return and complete their education. No matter how I visualize the volume of employment in the post-war period in the United States, I cannot visualize a situation in which our standard requirements for higher education should go downward. One of the standard requirements that we have come to rely upon here is the completion of far more in the way of schooling than is customary in other parts of the world; but the school generation which is coming out during this period of the war is going to be at a great economic disadvantage throughout most of their working lives unless a very high proportion of these young people can be encouraged to return to school.

Finally, we can to some extent determine how rapid reconversion to peacetime production should be. Most of that job must be done by private business, but some assistance can be given. First of all, there should be an insistent public demand that the program of the individual businessman be thought through with reference to his reconversion period. That is the kind of job that the Committee for Economic Development is trying to stimulate at the present time, the kind of job which can be encouraged by labor and other groups in the community through the organization of local committees to survey the problem of demobilization and reconversion in the community, fastening the attention of the community on problems sufficiently narrow so that they can be grasped and dealt with.

We need to visualize in connection with this period three different kinds of situations: (1) There is the possibility that the wars against Germany and Japan may be terminated almost simultaneously. Although that does not seem to be the most probable outlook, it is a contingency which we should consider. (2) There is the possibility that the war against Germany will be terminated first, but that the war against Japan will be fought with as large a mobilization of economic and military force as can be brought to bear and continue, which would not change the picture substantially from that of the simultaneous cessation of hostilities against both powers. That is, if we would still have an Army of something like its present size we would maintain something like the present volume of industrial production. (3) There is the possibility that the war against Germany will be terminated first, but (and this seems highly probable) with a decrease both in the size of the armed forces which can be effectively used against Japan and in the volume of industrial and munitions production necessary to wage that war with a peak of intensity.

If this third situation occurs we are going to take this reconversion and demobilization in two bites. There will be a period of demobilization and reconversion while the war against Japan is still going on, and then another following the end of the war against Japan, a completion of that process.

If we are fortunate enough to face a situation allowing us an opportunity for partial conversion, the job can be done very much more smoothly than would otherwise be possible. However, I want to call your attention to the fact that, in such case, you people are going to face making the most difficult political decisions which any people has ever been called upon to make, and make sensibly. There are going to be two ways of cutting back munitions production—one, on the basis of a more or less flat percentage decrease applying equal-
ly to every plant in all States, in all areas; and the other a process of amputation in which you say that, in this plant, in this area, or whatever it may be, we will close down 100 percent, whereas in that plant we can go just as rapidly as possible to a peacetime basis.

From the long-range point of view the latter process is likely to be much more helpful and much more healthy, and those individuals who are allowed to reconvert at that time may in the long run find themselves very much better off than would otherwise be the case. It is going to be a very difficult political decision to make, however, because neither you nor any of the people in your community will like facing the prospect of having to go without business that might otherwise be available even though it were only about 50 percent as much as you had formerly.

I think that the problem is going to be most acute in some of the areas which have been developed for munitions production—an activity which has absolutely no prospect whatsoever of a continuance at anything like wartime levels. The danger to those communities in case of the simultaneous collapse of Germany and Japan is that they will be left with stranded populations whose support will be saddled on the community and the States unless they can be moved to some other areas where there are employment opportunities.

I think that one of the fundamental situations we will have to face in the event of the collapse of Germany, first, is an opportunity to diminish the volume of our munitions activities with respect to Japan. Our problem then will be whether we are going to avail ourselves, during our breathing spell, of the chance to get rid of what otherwise will be ghost areas in the United States for years to come.

Mr. Hall (Virginia). I am sure we have all been inspired and stimulated by the splendid address just delivered. There is much food for thought there and all of us should take it to heart and see if we can profit thereby.

In some of the conclusions, we may or may not agree with Mr. Hinrichs. However, I want to give this thought to the conference; that as the wartime effort is a national problem, so the demobilization is also going to be a national problem. The States can have their part in it, and should have their part, but where the munitions factories are located (as in Virginia, Michigan, and other States), the Federal Government stimulated and brought in the workers from other States. Now, if it were as simple as getting the people from New York to go back across the border and go back on the farm, why that would be an easy solution; but, some of you may remember the old song after the last war, “How Are You Going to Keep Them Back on the Farm After They Have Seen Paree.” That is going to be the problem for the National Government in cooperation with the State governments.

The State of Virginia is fortunate in having a State planning board. I think that every State and community should have something of the kind. The defect in our Planning Board, which I hope to try to correct shortly, is that we have no labor representative on it. We have an educational member and Chambers of Commerce and various other business organization representatives, but for some unknown reason the State Planning Board, which I helped to inaugurate some years ago, is now without a labor representative. That is very important, to my mind, in any planning for post-war rehabilitation.
I want to substantiate the speaker’s statement about Virginia. The peak of our employment was in September 1942, and it has been gradually going down since then, notwithstanding that wartime activities have continued. In January 1939, our State employment in factories was 122,000; in September 1942, it was 193,000; and by June 1943, it had fallen to 173,000. Some of this is probably due to the fact that industry hired everybody it could at the start and now, that operation is on a more efficient basis, employers are probably getting along with fewer people. Another factor is the discontinuance of certain small businesses.

Mr. Hedges (Washington, D. C.). I am very glad that Mr. Hinrichs preceded me and laid such a solid foundation of fact and figure for our discussion. That leaves me free to do the thing that I think can well be done, deepening some of the shadows and lightening the sunlight, so to speak, in our picture.

If you let me jog along here as I will, perhaps I may be able to make a point or two before I am through, that will be helpful.

I want to pay tribute to the work of the United States Bureau of Labor Statistics in the field that Mr. Hinrichs discussed. All of us, who are interested in post-war problems and in planning, owe a big debt to this particular Bureau, because they have provided us with the figures that point the way.

I regret to say that Mr. Henry, who is on the program, is not here. In a sense Mr. Henry is a colleague of mine because he belongs to the electrical industry and is serving with me on a planning committee. I would have been very glad to have him present the employers’ side of the picture.

I would like to rephrase the title given to my remarks to “Building a Nation.” Somebody has said that democracy is unfinished business. We never are finished with this job of building the nation. Before I am through I hope to show that the thing we need now more than anything else, and probably more than at any other time in the history of the United States, is a kind of new unity, a unity of feeling and of approach to our problems. If we can acquire that somehow, we can have an era of unprecedented prosperity and an unprecedented development. I think the patriot is right who says it is the greatest country in the world.

On a trip to Tennessee from Washington not so long ago, while waiting for a New York train—it was late because of a wreck on the Pennsylvania—I talked with a captain who was waiting for the same train. I was delighted with this soldier. He was a World War veteran and just about to leave the United States for a foreign assignment. He was going to be a military governor and expected to be away 10 years. We talked about one thing or another, chiefly about our country, when a bomber flew overhead. He looked up and said: “Look, there is the future.” Feeling as he did, he meant, of course, the world, and not the country—he meant that the world has swung into a little space. It is the littleness of the world and not its bigness that is giving us our trouble and our problems today; and it seems to me to point out that we must build a nation to live in a new kind of world.

Now, if that is an emotionalism, call it that—I find it everywhere. I talked to taxicab drivers in every part of the United States, in the

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1 Marion H. Hedges, of the International Brotherhood of Electrical Workers.
last year, and I have talked to soldiers. There is a "ferment" going on in our country underneath this possible mere emotion, that is going to bear some kind of material satisfaction—some kind of action before we are through. I only hope it is going to develop into the right kind of material satisfaction and the right kind of action.

That, I think, is pretty much what planning is for at the present. I want to talk about planning quite frankly, because I think that is the most hopeful thing, and I want to tell you why. Someone has defined planning colloquially as "foresight constantly revised in terms of hindsight"—a fairly good working definition in that kind of vernacular. I think it means that we are to operate our governments and our Nation with more accurate information and more intelligence.

"Planning" is not just a word. It does not mean making a blueprint of the future, as some people believe, nor is it a product of the long-haired professors. Planning has developed its own ideology, and its main goal—economic planning on a national basis—is to provide full employment. At present, the goal of our national life is to make profits. That is not the goal of planning—it is to provide full employment.

Now, if that sounds idealistic and theoretical, remember that the Declaration of Independence was an ideal and a theory in 1760; and the American Constitution was an ideal and a theory in 1776, but now it is the strong foundation of 130 million people living on a continent. The goal of the planners is to provide full employment.

Under the National Planning Association we have committees of farm people, business people, and labor, and we are working on these problems together. We call it collective bargaining in ideas. In other words, labor sits across the table from employers, and we talk about what the problems are that we may expect to face, just as Mr. Hinrichs outlined them today, and what we are going to do to solve them.

I am going to mention a few names that are on these committees simply because I think we are getting important people. The chairman of our planning association last year was Charles Wilson, a vice chairman now of the War Production Board. Our present chairman is William Batt, a vice chairman of the War Production Board, and we have representatives of the Aluminum Co. of America, the I. C. Railroad, the Monsanto Chemical Co., Johns-Manville Co.—all companies which are considered huge and basic to our national life.

Mr. Queeny, of the Monsanto Chemical Co., wrote a book recently called the "Spirit of Enterprise." I have read it. In it he takes crack after crack at central planning—he thinks it is a terrible thing—but Mr. Queeny sends his man to our committee meetings. He cooperates with us on this planning, so maybe Mr. Queeny is going to play both sides—maybe he is going to be for free enterprise and for planning at the same time. Anyhow, Mr. Curtis, his representative, is a very valuable member of our group.

I am telling you these things to try to make you realize that this "ferment" exists and what things are taking place.

As a matter of fact, yesterday [October 8, 1942] in Washington, the Committee on Economic Development brought to Congress a bill to establish a Commission on Reconversion and Termination of Con-

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tracts, and at a meeting Thursday night our planning association appointed a committee to call on the President to ask for the same kind of thing.

Now, you know what happened after the first World War. The dollar-a-year men slammed the tops of their desks down, got out of Washington just as fast as they could. The President of the United States had neglected to appoint a commission on reconstruction, and we had a terribly chaotic period. I think that error on the part of the Administration in 1918 was really the cause of the crash of 1929 and the subsequent depression of 10 years.

We were not ready to wage war this year or last year in 1941. Are we going to be ready to wage the peace? This is what the planners are asking.

In Chicago today I am to attend a planning committee of an industry, because thinking at the top is beginning to seep down into all industries. We have a labor-management committee in the electrical-construction industry. That committee already made a report in June, and we are going to make another report today or tomorrow. These people are businessmen, but they are very much worried about the problems of their industries, and they are asking: “Can we do something about it?”

Let me show you, by recapitulating a few of the figures that Mr. Hinrichs indicated, some of the post-war problems. In 1942, at the height of construction, we did in this country about 13 billion dollars worth of construction. That figure has fallen now to about 6½ billion, and at that rate by spring there will be 3½ billion dollars of construction to be performed. That means that, in the midst of this period of wartime production when we read nothing in the newspaper headlines but labor shortages, the construction industry is facing a post-war problem—labor surpluses.

Today, in Chicago, we are meeting to face the problem of unemployment, to try to determine what we can do now to find jobs and work for our people, and it is not a pleasant problem. It is not easy to solve, but we are trying to do it this time on a forecast basis and not on a wait-until-spring basis. It means work and more work on our part, but we are making some progress.

It is apparent that there are going to be issues in this planning field. Last Thursday night in Washington the executive committee of the National Planning Association met and we had as our guest the president of the Chamber of Commerce from a city of 60 thousand people. He is also the head of the public utilities in that city as well as of the planning group. Quite frankly and quite ably this man laid the problems of his region before us, and I want to recapitulate them a little because it dramatizes, I think, what the American communities are facing. Here is a city of 60 thousand in the corner of one State. It was built upon zinc mining. Those mines are running out, and the ore is being depleted very rapidly. In that city, the problem is looked upon not as a city, not even as a State problem, but as a quad- State problem. They call their planning association the Quad-State Planning Association because this mining region serves four States.

They asked us: “Can you do anything to help us solve this problem?” What I am trying to point out is this: we are inclined to think in terms of territories, of artificial counties, of State lines, but if we develop our country as we must, we must develop it, in the terms of economic
resources which run across county and State lines, on a regional basis. This chamber of commerce president was absolutely obdurate in that point of view. He said, "It is no use to offer any solution that is just going to be for this one State." "Well," I asked, "will you run into the question of State's rights?" He replied, "Oh, no, everything there is zinc mining. We are trying to develop our four-State community on the basis of the resources we have." "Well," I said, "we hear today so much about State's rights. Why haven't you got that problem?" "Well," he said, "we haven't got that problem, I think, because we don't have public ownership." I said, "Do you think that that is the real issue in the country, public ownership? Labor doesn’t really care whether it is private ownership or public ownership. The problem is the same. The problem is democracy. Are you going to build the framework in which all elements of the community can live and work? If private enterprise is going to become the community, then you have to let labor into that community, and from the labor point of view, this whole period of the last 10 or 12 years can be described as a period in which labor has become legally, at least, a part of the community. Make no mistake about it, we are not going back as labor people; we are going to insist, if you people carry on the business of this country on a private-enterprise basis, that we be part of that enterprise, and every enterprise."

Now, if you will think back and be honest, you know that every community and every State of this great Nation, in the period of the 1920's, were cut down in the middle, a great chasm stood between our classes, if you call them that. Mr. Hall served a good purpose for my main point when he said that Virginia has a planning commission, but labor does not sit on it. That dramatizes the whole issue. If we can go ahead in this country and do the business of this great country on a private-enterprise basis, okay; but we are not going to do business on a private-enterprise basis if private enterprise is not the community, meaning that it takes in all elements of the community, including labor. Well, he did not answer me on that argument; but I think that dramatizes the whole thing insofar as planning goes, and insofar as the effect of post-war problems go, on the mainspring of the labor movement.

I think labor officials have got an extremely important role in this coming era. Up to this moment, I have tried to speak as an American citizen, but now I am speaking for labor. Labor commissioners ought, at least, to see that the framework in their States gives labor representation, and that we really do have the kind of life that our Declaration of Independence and our Constitution meant for us to have, a unified life, a constant meeting of a forum where all elements in the community take part and where policies are thrashed out by debate of every element in that community. If that is done, labor does not have any fear of whether it is public or private ownership, whether it is private or public enterprise, but personally, I think, we are going to have both, because there is plenty for all of us in this country. We can go forward with that assurance.

Mr. Hall. We would like to hear from some of the people present as to their agreement or disagreement on these important matters at this time. Dr. Lubin, I wonder if you might criticize the statistical part of this program.
MR. LUBIN. I don't know that I have any criticism to make, but I do feel that the various States and particularly the State labor departments have not given sufficient attention to the particular types of problems that they are going to have to face. Irrespective of the fact that we feel that this problem is national in character and that the Federal Government has to play an important part in solving it, the fact still remains that it is you people who are going to have to live with these unemployed. It is you who are going to have to live with the businessmen who say, "we cannot do anything about this"; and, if you are going to be able to deal with the problem intelligently, you must know in advance what the problem is going to be like.

Mr. Hinrichs pointed out the nature of the problem by contrasting the State of Michigan with the State of North Carolina. Within the State of Pennsylvania you are going to have particular areas where the problem is going to be extremely acute and other areas where the problem will be relatively simple.

The Bureau of Labor Statistics has approached the problem from that point of view. They have made studies of the Pittsburgh area. They have attempted to find out what the normal working population has been in the past and how many new people have come into the area. They have attempted to find out how many persons now employed in that area are working on things that are peculiarly war materials and whose services will not be needed. They have attempted to find out what plants in those areas will continue to operate as they are now—making the things they are now making—and how many of those plants will have to stop operations entirely.

They have done a similar job in the Springfield, Vt., area, where there has been a tremendous growth in the machine-tool industry. But, as Mr. Hinrichs said, the problem can be much more easily and effectively assessed in the States and in the areas in which the problem is going to be arising, than in Washington. All Washington can do is help you get the information or give you such information as is available to it. The thing that worries me is that, with the tremendous pressures upon us, each one of us having more work than he ought to be asked to do—all of which is geared to one primary factor, getting this war over with—under such circumstances, we are either too busy or just do not have the energy ourselves to be giving enough attention to these other problems.

I think that the future of labor departments in the various States is going to be determined by what they do now to handle their problems later. There is nothing sacred about labor departments. They are all established agencies; they have been in existence in many States for many years. I think the people whom they are supposed to serve are going to expect the State labor departments to be able to help them, not only in avoiding accidents, not only in fixing employment standards, but in guiding them and industry as to the future. I can think of no better function that State labor departments can assume, even unofficially, without appropriations, than to plan now so that they will at least know what they are going to have to deal with when this show is over.

MR. ROYLE (Utah). What approach are you going to use with the huge mining and smelting concerns that have a national interest or international control? These interests extend all over the Nation, probably international. I am thinking, for instance, of the Kennecott...
Copper Corporation that now has interests in South America, interests in Alaska, New Mexico, Utah, and Nevada. How are you going to meet those people and plan with them for the future of their present employees? They are almost beyond reach. You cannot reach them by collective bargaining; even the Nation has been unable so far to apply the National Labor Relations Act to them. They are almost beyond reach.

Mr. Hall. Do either of you gentlemen care to answer that?

Mr. Hedges. That condition, it seems to me, shows conclusively that you must meet the problem on a national and international basis. You cannot look out across the boundaries, as you indicate, without seeing cartels. Cartels are international syndicates of business that are powerful enough to affect international policy, and, as you indicate, some American businesses have been parts of cartels. That is the reason I am so interested in this whole movement toward decentralization, because it means democracy. I do not think democracy is a territorial thing at all. Democracy is something far different from the territorial thing.

You cannot keep national business apart from international business on a mere State or county level. You must meet it on a national level, and I think when the history of this period is written, historians are going to find out that the chief incentive toward the strengthening of federalism has been the load that national businesses have placed upon the Nation. We may have to pass through another period of chaos, but eventually you have got to have a government strong enough to stand up strongly to great national syndicates.

Mr. Hinrichs. I would like to try my hand, not in contrast to what Mr. Hedges has said or certainly not in conflict with it, but from the local approach. We in the Bureau of Labor Statistics have talked with hundreds of businessmen, large and small. I cannot speak from memory as to Kennecott Copper or what the attitude of the people in Kennecott Copper may be; but I can say, generally speaking, that we have found the business community keenly aware of the difficulty of the problems that they were facing, very willing to sit down and talk and talk very frankly, and quite as anxious as the labor groups, for any help or light or guidance that they can get.

Coming back to your question with reference to Kennecott Copper, may I ask: Have you in Utah tried to get together with the leaders of business, with the leaders of organized labor and with the leaders of the political and community life, to try to find out what the problem is, what things can be done in Utah, and where you run over into international dealings and questions of the plans for the regulation of national or international monopolies? I venture to say that an analysis by the people in Utah who know the different phases of this problem would not by any manner of means give you a clear pattern of all of those things that need to be done in order to insure that everyone now employed in Utah will be able to find a job after the war. However, the very least that it would do would be to clarify the minds of your local leadership—labor, political, and business—on a great many fundamental political issues. You would, at least, then be in a position to know what questions you wanted answered by the United States Government and at what points you needed outside controls or outside aid.
I think you would find that that kind of an exploration of your problem would be extremely helpful and enlightening. I should be surprised if any substantial number of important business interests were unwilling to sit down for a full and rather frank exploration of the problem that you people face. It seems to me that part of the answer to your problem is: Have you tried and have you failed? If so, is there any other way by which you can try to bring these groups in Utah together for an exploration of your local problems?

Mr. Royle. It is not my disposition to argue this morning with anyone, but the problem does loom up rather formidable and extensive before us when you recognize that Kennecott is a corporation of some quarter of a billion dollars, and that the mining industry as a whole is operating on a subsidy from Washington. That is a known fact. At the same time Utah’s business and industry—the whole society there—is dependent to the extent of 47 percent on the mining industry for its economic life. That has been figured out very minutely, and it is true. Metal mining and processing is 47 percent of Utah’s economic life. This comes to my mind: How in the world are you going to reach those people, through the State or through the Nation? Strictly speaking, they have given the State the brush-off pretty much and also the Federal Government. The thought, when you refer to cartels, runs back in my mind to 1929 when the British and American copper interests got together and set the price of copper at 18 cents. A little mining company in Rhodesia struck copper that was not in the international cartel, and broke the copper price of 18 cents and dropped it down to 9. That was an extraordinary thing, but it broke the international copper cartel.

Now, how in the world are you going to deal with the British interests and American interests when the dollar and profit is the primary thing and when the industrialists give the Governments of both Nations the run-around? It just looms up as large.

Mr. Hall. I recall that prior to the war the English system of employment services had a system of vocational training in areas that were mined out, so to speak, by the miners and trained those people for other occupations and transferred them to other districts. That might be a function of the employment service. It is more than a State problem, as the speakers indicate. Are there any other questions or comments at this time?

Mr. Dean. I was quite disturbed by the remarks of Mr. Lubin, who indicated that those on the Federal level were busy and had more work than they should be asked to do. I was wondering if he realizes that probably the labor commissioners are very much in the same boat. This matter of post-war planning has been ably brought out by Mr. Hedges of the Electrical Workers. He brings out the fact that labor can make a contribution on the State and Federal levels. I know of no labor commissioner that does not welcome the contribution that labor can make. Many labor commissioners do not have the benefit of this help; as Mr. Hall from Virginia states, there is no labor on his post-war planning committee. I might say the same condition obtains in Michigan, principally due to the fact that labor is and has been concerned with war problems and now is beginning to awaken to the importance of the post-war era.
Labor must prepare to take its place in this picture. It must insist on its place. We should have local post-war planning committees in organized labor. I think every central body should have such a committee, and it should be headed up through the State federations of labor so that they may make their best contribution. I am sure that the labor departments would welcome that kind of assistance.

Mr. Hedges. I think that is an excellent suggestion. I want to bring you up to date, though, a little. The post-war planning committee of the A. F. of L. has just recommended to each of its 100 constituent unions that they engage to get all of their industries to set up labor management planning committees. If that happens, you are going to have a great body of people at work on these common problems.

Mr. Pohlhaus (Maryland). I would just like to ask Mr. Hedges one question, not for point of argument. I would like to know if I understood him correctly when he said that labor does not care whether it is private or public ownership.

Mr. Hedges. I said that; but I did not mean to imply that those are not issues. What I meant is that for labor in this hour of our development, the main issue is representation. Now, if this country decides, as I believe it may decide, that the private-enterprise system should be the basis of our development, then the private-enterprise system from the labor point of view will have to be a vastly different kind of private-enterprise system than it was in the 1920's, because private enterprise is asking that it become the community. If it is going to become the community—think of any company-dominated town that you know in Maryland where there is one company—that company absolutely controls that community, and that company says, "We don't want labor representation; we don't want the American system in here." If they are going to elect to take over, then they must build the kind of private-enterprise system that is based on collective bargaining and on representation where all of us can live together and have a kind of unified community. That is what I mean.

Mr. Pohlhaus. That is for clarification. As the statement was made, it could have been used to detriment by a speaker who would seek to use it that way, and I felt sure that you did not mean that labor has no interest whether it would be private or public ownership.

Mr. Hedges. That is right; and I am glad you helped me to clarify it. Personally, you know that I have been identified with the TVA for 10 years, and I certainly am going to defend the TVA regional development to the last drop of my blood.

Mrs. Beyer. I would like to get the views of this group as to whether the time has come to invite employers to sit in on the next National Conference on Labor Legislation along with labor groups. The conferences have been held annually for 9 years, and the tenth conference will be held probably this fall or early winter. Heretofore the Secretary has asked the Governors of the States to send the labor commissioner and representatives of organized labor. Very frequently industry has asked why employer representatives were not included in that invitation, since they were equally interested in labor law and the administration of labor law. We have felt in the past that employ-
ers would inject another element—probably of discord—and that it was better to continue with the labor organizations and the labor commissioners. Labor and industry are working together so much more closely now on many of these problems. It seems to me it would be well, while all of you are here, to get a consensus of opinion as to whether we should continue on the same basis of representation as we have in the past or whether the time has come to have the governors appoint management representatives to that conference in addition to labor. If we could have some discussion of it, perhaps, and a show of hands, it would be helpful in guiding the Secretary in making the plans for the next conference.

Mr. Wrabetz. In Wisconsin we have for many years used the device of advisory committees on practically all of our functions. These committees have been made up of representatives of industry and of labor; both have had representation of their own choosing, and it has led, I believe, to a better understanding and a better meeting of problems. For one, I believe it would be well to have employer representatives at the conference.

Mr. Dean. In Michigan, we now have a management and labor advisory committee dealing with labor problems. I think the members of that committee are very helpful in arriving at solutions.

Mr. Hall. Does anyone else desire to express an opinion on this?

Mr. Wrabetz. Mrs. Beyer, would you like a collective expression of opinion?

Mrs. Beyer. I would like a show of hands of the number who think it would be a good idea to have employer representatives there, if possible.

Mr. Hall. Is it in the form of a motion?

Mrs. Beyer. No; just informally.

Mr. Dean. I would prefer, if possible, that this be taken up at the next session to give the commissioners a little more time to think of this departure. I would like to make that suggestion. I think it is rather quick and abrupt, and probably the commissioners would rather give it a little thought.

Mr. Wrabetz. It is merely advisory anyway.

Mrs. Beyer. Yes.

[A show of hands indicated approval of Mrs. Beyer's suggestion.]
Apprenticeship Training

Present and Post-War Adaptation of Apprenticeship Training

By Walter Simon, Wisconsin Industrial Commission

In this discussion we shall confine ourselves largely to the metal trades, in which principal trade group the need for skilled mechanics is greatest.

This war could not have caught us at a worse time as far as our already diminished supply of skilled workers is concerned. All through the depression years apprentice training was practically at a standstill, and during the same period of time more than an average number of mechanics dropped out of their crafts—probably permanently. While the NYA offered instruction of one kind or another to tens of thousands of young people, the program must not be confused with formal apprentice training. Since Pearl Harbor, industry has lost a considerable proportion of its younger skilled workers through voluntary enlistment in the armed services and through the operation of Selective Service. However, it appears at this moment that Selective Service intends to give this classification of employees more favorable consideration than has been the case in the past. Among the circumstances tending to operate against bona fide apprenticeship was, and still is, the unprecedented high wage paid inexperienced young people.

By upgrading its employees and by rearranging its methods of production, it is possible for a manufacturing plant to get along with a minimum number of skilled workers. Nevertheless, a certain percentage of employees in almost every plant must possess a high order of skill and supervisory ability—qualifications that can best be acquired by serving a regular apprenticeship. Even in normal times employers constantly are on the lookout for such workers. It is this type of employee in whose selection and training we are now interested.

There seems to be a popular opinion that there is not time enough to train skilled mechanics. How can we wait 4 years to produce, let us say, a toolmaker? The war might be over by that time. That question contains two very common erroneous assumptions. One is that 4 calendar years’ time is involved. This is not at all true. A 4-year apprenticeship represents about 8,000 hours of employment. That figure is based on our former practice of working 40 hours a week and 50 weeks a year. Most shops work more than 40 hours and thus the term of apprenticeship is reduced proportionately. There is nothing unusual about completing a “4-year” apprenticeship in 3 calendar years, and even in 2½ years’ time. The second fallacious assumption is that an apprentice produces nothing until the expiration of his apprenticeship. If that were so there would never be any apprentices in any trade. The truth is he begins to produce almost at once and as he progresses he more than pays his own way.
The question then is, can we wait 3 years to produce a craftsman? Let us cite an analogous situation: Two years ago we had occasion to observe the first steps in the construction of a powder-making plant. We were told the first powder would come off the line 18 months later. To us 18 months looked like a very long time to wait. The war might be over by that time. We might be invaded. Anything could happen. But engineers and workmen went about their tasks as if there were no war, and they finished the job. Here we are 2 years later just beginning to make a dent in the enemies' defenses. This plant, which to us appeared to be such a futile undertaking, has been producing powder for quite some time, and no doubt some of that same powder is now being used on many of our far-flung battle fronts.

Therefore, if we are going to need toolmakers and other skilled mechanics 1 year, 2 years, or 4 years hence, it is nothing but common sense and good planning to begin now to train them. At the beginning of the war Germany was reported to have had some 800,000 indentured apprentices. If we can believe newspaper accounts of what has been going on inside Germany during the last couple of years, the scarcity of skilled workers constituted such a major problem that she had to import countless thousands from occupied countries. In our country we are only beginning to feel a lack of skilled help; and it is hard to imagine from what source we might import them.

Skilled mechanics are off the market just as surely as are electric refrigerators and the many other manufactured articles needed by civilians. There remains only one recourse for the employer who wants such men and that is to train them in his own shop.

Whom shall we apprentice? Able-bodied young men can expect to enter the armed services upon reaching military age. The apprenticing of men past military age obviously is not entirely practicable either. We can apprentice those who have a 4-F draft classification, although the available supply is rather limited and there is rarely any dead certainty that they will not be reclassified. The two main sources of prospective apprentices are, in our opinion at least, 16-year-olds and young men discharged from the armed services. However, to open the field of apprenticeship to these two new groups requires a certain amount of coordination between industry and local, State, and Federal agencies. For example, mention of 16-year-olds immediately suggests interference with high-school education and probable conflict with child-labor laws. As for the returning veteran, there are so many agencies concerned with him that endless confusion and duplication of effort is likely to result if there is improper administrative handling of the matter.

Regarding the apprenticing of 16-year-olds, the following should be the objective:

1. To supply them with the kind of all-round training and experience that will materially assist them to make a decent living after the war, when jobs may be scarce.

2. So to arrange the work program as to enable completion of high-school attendance during the apprenticeship.

3. To complete as much of the apprenticeship as possible by the time they are 18, or shortly thereafter. The skill acquired will be useful in the armed forces, and a minimum amount of additional technical training will be necessary.
This may appear to be a rather ambitious program but it is entirely feasible. The idea of giving boys all possible school and work experience before the age of 18 might well be cultivated anyway at this time, because we are likely to have universal compulsory military service for many years following this war.

Are not boys of 16 too young to decide what occupation to follow? Is it right to decide the question for them by apprenticing them? Any skilled trade is better than common labor, or no practical training at all. It does not follow that one must remain for life in an occupation for which one has been trained. As a matter of fact, early practical training and experience is one of the surest foundations for a useful life no matter into what vocation a person finally gravitates. It would be silly to argue that practical training ever hurt anyone, especially if, as in this case, there is to be no harmful interruption of high-school attendance.

Let us assume that very shortly after reaching his sixteenth birthday a high-school junior enters an apprenticeship under an arrangement whereby he attends school at least 1 whole day each week in high-school accredited subjects. Such attendance could be either in his regular high school or in a vocational school under qualified high-school teachers. Within the 2 remaining years he could complete his studies, provided he was permitted to take only required subjects such as English, science, mathematics, history, and social science. There is no reason why the mathematics could not be of a practical application and related to the trade being learned. Nor is there any reason why a high school should not allow some credit for the experience and training the apprentice receives in the shop. In our State, educational standards permit a high-school student to spend up to 25 percent of his 4 years in the industrial arts departments of the school. If that much credit, actually amounting to 1 year out of the 4, can be allowed for time spent in industrial arts, then why cannot the same percentage of credit be allowed for the kind of supervised and diversified work an apprentice receives in the shop? It can.

Our practice is to require payment of wages for time spent in the part-time school. Almost invariably this is 1 full day each week. This school attendance is counted as hours of labor. For apprentices under 18 the combined maximum work and school hours can be 55 per week and for those over 18 the work hours are the same as those governing adults in the same place of employment. From this it is obvious that by the time an apprentice reaches his eighteenth birthday he will be well along toward completion of his apprenticeship.

Now, of course, a program such as is contemplated here is not possible unless somebody makes it his business to bring local school people and representatives of industry together for the purpose of arriving at some mutual understanding of the matter. More than that, the State department of public instruction, the agency administering apprenticeship, and the State board of vocational education likewise must be in agreement on policies affecting employment and school attendance of minors under 18. We accomplished this uniformity of purpose by issuing a joint statement signed by Voyta Wrabetz, chairman of the industrial commission, and John Callahan, State superintendent of public instruction. The statement, which
was widely distributed to schools and industries, contained the recommendations of both State departments.

Regarding the application of child-labor laws, the industrial commission holds that apprentices indentured in compliance with the terms of the apprenticeship law are not subject to that part of the child-labor law concerning prohibited employments. This might appear as a rather liberal and possibly dangerous interpretation of the statutes, but we feel that we have much greater control over the working conditions of the apprentice than we have over other employed minors. The work schedule of the apprentice can be so laid out that he performs the least hazardous parts of the trade while he is a beginner, and he is then advanced to the more dangerous operations as his skill permits. Furthermore, the apprentice always works under the direct supervision of journeymen mechanics.

We come now to the apprenticing of young men discharged from the armed forces. This group bids fair eventually to be one of the best sources of apprentice applicants, and therefore it is important that plans be made now, before the servicemen return in ever growing numbers. The situation existing in this war is somewhat different from that in World War I in that many men will be returning to civilian life long before the war actually ends. Industry needs all the manpower that it can get. The problem then becomes one of placement and training.

As previously pointed out, there is likely to be some confusion on this score because of the many agencies interested in ex-servicemen. In this connection it may be of interest to mention the recent action of our State legislature. A veterans' recognition board was created to coordinate the activities of all State agencies whose functions in any way relate to the care, placement, and training of veterans. Mentioned in the law are the industrial commission, State Selective Service administration, State vocational board, State superintendent of public instruction, the Red Cross, the veterans' organizations, and the State university. It specifically provides that the board “in cooperation with the industrial commission and State Selective Service or any other Federal, State, and local agency shall carry out plans for the training and placement of returning veterans in peacetime work.” In general the new law recognizes that within the State are all the necessary facilities needed to do an excellent job for the benefit of the veteran. It is the kind of State legislation which should be encouraged.

In the largest manufacturing plant in the State, the Allis-Chalmers Manufacturing Co., there was recently indentured the first service-connected disabled veteran in cooperation with the Veterans Administration. No doubt you are familiar with the program sponsored by that organization. The employer signs a standard contract in which he agrees to take into his employ disabled veterans as trainees or apprentices. The Government pays married men a monthly allowance up to $120 and single men up to $80, the exact amount being determined in each case by the Veterans Administration. The toolmaker apprentice referred to here was indentured under the regular State indenture form and the wages he will receive are the same as any other toolmaker apprentice earns in the plant. The amount of the monthly allowance has not at this moment been decided upon. The indenture contains the signature of the employer, the apprentice, and the manager of the Veterans Administration in this State.
Of passing interest might be the fact that following the name of the apprentice, wherever it occurs in the indenture, are the words "World War II veteran." The same recognition of his war service will be contained in the State certificate of apprenticeship he will receive upon completion of his 4-year term of training. A fitting gesture would be to add the signature of the Veterans Administration to his diploma.

This case serves as a good illustration of results obtained through the collaboration of industry, the apprenticeship division of the State industrial commission, representatives of the Federal Committee on Apprentice Training (Apprentice-Training Service, WMC), and the Veterans Administration, both within the State and in Washington. Other such apprenticeships are in the process of making in a number of plants around the State.

A variety of effective combinations of placement and training of returning veterans can be conceived, more especially in the field of apprenticeship. There are, for example, few trade-training opportunities in small nonindustrial communities. A young man living in such a place can hardly expect to move into a manufacturing center and support himself on apprentice wages, but as a veteran entitled to a monthly allowance such an arrangement could easily be made.

Since industry needs every available man, the tendency will be to place returning veterans in employment as early as possible. This demand for manpower in turn may lead to the temptation of offering veterans a short course of training designed to fit them for war jobs only. We sincerely hope that officials of veterans' organizations will thoroughly familiarize themselves with the difference between genuine trade training of lifelong usefulness and training for temporary jobs. Inasmuch as men are badly needed in industry, let the veterans go to work as soon as they can, either on straight production or in an apprenticeship, but let there be some plan whereby monthly allowances can be put into a trust fund or simply held in abeyance until after the war. Veterans serving an apprenticeship may want to enter college later, while some of the others may want to learn trades now considered nonessential. If present regulations do not permit such an arrangement, then they should be changed.

Speaking of regulations governing the handling of veterans, Federal requirements especially should be sufficiently flexible to enable adjustments locally, because laws, employment conditions, and training facilities vary greatly among the States. A reasonable amount of leeway must be permitted if good results are expected. Above all, every effort should be made by both Federal and State authorities to use the services of existing organizations, offices, and institutions rather than to set up new ones. The machinery is there and ready for use. The governmental agencies you represent are peculiarly well situated to do the coordinative work necessary to create harmonious relationship among administrators whose duties in any way impinge on the employment and training of young men for the skilled crafts.

DISCUSSION

Mr. Voorhies (Louisiana). I would like to ask Mr. Simon a question concerning the veterans. I am speaking of a closed shop that is loaded right now with apprentice material, and they carry the cards of their respective locals. How is room going to be made for
the returning soldier in these various crafts so as not to disturb the ratio?

We will take any craft—steamfitters, for instance—in my locality. There are possibly several hundred apprentices available. If they should be indentured—they are not all indentured, but are qualified to be—how are you going to put them aside and take in a veteran who has returned from the war?

Mr. Simon (Wisconsin). I do not believe we should attempt to put them aside to make room for the veterans, because I think there is plenty of room in other industries that now have an insufficient number of apprentices to take care of the veterans.

Mr. Voorhies. I mean those that are returning to Louisiana, for instance; I am speaking of the State of Louisiana, not of the States at large.

Mr. Simon. I cannot answer for Louisiana.

Mr. Voorhies. I am trying to get a solution, because I am very anxious to help them. In fact, I have attended several meetings in New Orleans for that very purpose, but I cannot conceive of a plan to solve the problem of placing a man carrying a card—whether he is a steamfitter or a boilermaker—as an apprentice or a helper, and the man returning from the war who also wants to be a boilermaker. All these men are in line. The men returning from the war will want to be apprentices, too.

Mr. Simon. If you have a sufficient number of apprentices now in a given trade, I am sure that no one would attempt to place any additional apprentices in that trade, whether or not they are veterans. If there is a full quota of apprentices, I would arrange to have these veterans attend college or the university or, as I said before, get into some occupation now considered nonessential. You cannot have many apprentices left in so-called nonessential occupations.

Mr. Voorhies. That is exactly what the war veterans have in mind in New Orleans—that they can be brought in and put into any trade and be indentured. That is one thing for which I would like a solution, because they will soon be returning to Louisiana, and I do not have the solution, Mr. Simon.

Mr. Tone (Washington, D. C.). Is it not true that they have had the quota in the building trades, but not in the metal trades—that they have had no apprenticeship system in either industry for 10 or 12 to 15 years?

Mr. Simon. Even in the building trades, I do not know of a single city or a single trade in our State which had its full quota as permitted by union agreements when this war started, believe it or not.

Mr. Dean (Michigan). I would like to press home a thought here that I have on this: "There remains only one recourse for the employer," who needs qualified mechanics of journeyman grade, "and that is to train them in his own shop." In connection with the source of supply of apprentices, mention is made of the 16-year-olds and those in the 4-F military classification. I think we can all agree that the occupational skills of the people of a nation are its greatest asset. We have long thought, in Michigan, that since occupational deferments at the present time are being considered on the basis of occupational skill—there should be a quota of apprentices trained, not necessarily
for the war effort alone, but for building up the resources of the skills of this country.

We feel that a certain number of apprentices—of 1-year, of 2-year, of 4-year apprentices—are necessary; in other words, have a supply coming up the stairs of preparation, and thus maintain the supply of skills in this country. Germany, pressed as it is, has not been fit to dispense with its apprenticeship program to any degree. We can ill afford to do anything but encourage the War Manpower Commission to think about developing apprenticeship training throughout the country, even in this time of war. The post-war period will bring to us problems which we would be better prepared to handle if we have developed an apprenticeship-training program to take care of it.

Mr. Simon. There is no question that, following the war, we probably will see a greatly expanded building program—probably carrying on for 10 years—and there will, of course, be a shortage of skilled workers in that trade group, especially in view of the fact that so few have been in training all through the depression years. I think the gentleman is correct when he says that we should now be making preparation for apprentice training in those trades.

Mr. Dean. I think that apprentices should be selected through vocational schools—that their contribution to the war effort is in being trained to become journeymen in a certain field. I am not trying to minimize the value of the training of those 16-year-olds on the specific job. We have them in the State of Michigan with the Chrysler Corporation. They complete a training unit in the school, for instance, on the lathe. The department of labor and industry will permit them to be employed on the lathe, because they have been trained to operate it and through that training the normal hazard has been removed. That is valuable, after they have completed that unit and succeed in the plant. Then they may be given another step, but that is not apprenticeship training; they do not receive the technical information nor is it correlated with their work experience. I think this group could lend its voice to the encouragement to the War Manpower Commission to consider a minimum training program for this country.

Mr. Olander (Illinois). I am unable to visualize even the possibility of a surplus of apprentices in the United States. There has never been a moment in the history of this country that we have had anything but a shortage of native skilled labor. We have never developed sufficient skills among our own people. Our practice has been to import skilled workers from Europe. That has continued, in some degree, even after the immigration bars were put up.

By apprenticeship, of course, I mean what Mr. Dean means, and what the term itself means, the learning of a trade—not merely some single operation in the trade. We are failing in that right now, even under the needs of war. If, at the time the present war started in Europe, we had then begun the training of apprentices on the same basis that Germany had been doing for many years prior to the war, and if we had accelerated that training system a bit, we would today be graduating hundreds of thousands of skilled journeymen. As it is, we are playing with the situation by training workers in single operations intended only for the duration of the war.
Mr. Patterson (Washington, D. C.). The forward-looking statements just made are concrete evidence of the increasing recognition of the importance of apprenticeship to the country. They bear out a very definite trend throughout the country to the effect that we have sold ourselves short on the matter of training skilled mechanics.

Recently I visited several emergency shipyards which at the beginning of the war indicated there was no place for apprentices in their yards. Now they say that overlooking apprenticeship was the saddest mistake they ever made, because they cannot get the trained men to meet the drains on manpower.

At the A. F. of L. convention last week [October 4-14, 1943], I was pleasantly surprised to find that in the last year the international unions and the State federations of labor are increasingly realizing how much apprenticeship means to the labor movement and are asking for vigorous leadership on the part of National and State apprenticeship agencies in the promotion and strengthening of apprenticeship.

Mr. Simon has just provided us with a realistic description of what is being accomplished on the placement of veterans in Wisconsin. In our dealings with the rehabilitation training people in the United States Veterans Bureau, they have stated that they want these returning veterans with service-connected disabilities to have the all-round training which apprenticeship gives rather than minute specialization. They must get all-thorough grounding that will stand them in stead all their lives.

We get the same reaction from many sources. People who are working intensively on post-war planning and reemployment and reconversion are saying that they see strong apprenticeship as a major factor in post-war reconversion.

Mr. Voorhies of Louisiana raised a timely and pertinent point about holding places for apprentices who are now in service. The A. F. of L. convention has numerous resolutions before it, urging that every constituent body give priority to the returning veteran in choosing new apprentices. One after another of the State federations of labor have resolved in favor of giving priority to returning veterans. Most new sets of standards of apprenticeship that are coming into effect specify that priority shall be given to the returning veteran. So, although progress in apprenticeship is a tough uphill fight, and it has been especially hard the last year, it is reassuring to notice that more new firms are establishing apprenticeship programs each month than ever before in the last 9 years.

Another thing that is of interest is a trend that our reports show: There are now twice as many first-year apprentices in training as there are second-year. Our records show that in spite of the drain by the draft, which is large, there is a constant increase in apprentices in the country and in the number of companies training them. This optimistic picture of the status of apprenticeship is proof of the strong and growing belief in the worthwhileness of the institution to industry, labor, the youth, and the country. The Federal Committee on Apprenticeship has carefully studied the whole problem, and it recommends, for the country, machinery on the national level to recommend basic minimum standards, to serve as a clearing house on information, to give leadership, and to smooth the way with national groups and agencies. However, the real operating will be done on the State and local level.
Therefore, it will interest this particular group to know that the Apprentice-Training Service aims to provide all possible assistance to State councils on apprenticeship attached to State labor departments. We believe sincerely, in view of experience, that that is the answer to getting the job done. Those States that have enacted good State laws, that have set up good State councils, and that have an appropriation and a State director of apprenticeship, are really going ahead on this—they are making genuine headway. Instead of having 16 States with apprenticeship laws, we hope that ultimately every State will have an apprenticeship law. It is encouraging to know that the Territory of Hawaii has set up a strong and successful apprenticeship council with a full-time paid director. Therefore, we hope that State labor departments, if they do not have a State council, will try to get one; if they do not have a State law, that they will try to get one enacted; if they have both of these, that they will try to get adequate State appropriations to carry on the job. The volume of work to be done is too big for our small staff ever to be able to do it. We will give every possible assistance in servicing the State councils and in helping them to succeed, but the final direction and control must rest in the State councils. In the localities, local joint apprenticeship committees on which labor and management are equally represented should give the direction.

We have arrived at a pattern of machinery for this country to put our apprenticeship out in front of that of any other country in the world and still do it through democratic means.

In 1936 I studied the German apprenticeship program. It was superior then to ours in most respects, except that it was not democratic. Let no one say apprenticeship is out for the duration. It is moving ahead soundly, and it is showing progress in all areas—showing particular progress right in this area of Wisconsin, Illinois, and Indiana. The picture is optimistic, and it is largely true because the State labor departments are taking their responsibility.

Mrs. Beyer (Washington, D. C.). Listening to this discussion, I believe Mr. Dean made a very good suggestion. In the Department of Labor we have always thought of apprenticeship as the equivalent of technical college training. The Army has found it advisable to give college-level technical training to about 500,000 young men every year. Why should we not do the same for civilian boys who are learning the skilled trades? Why would it not be possible to have that same type of program applied to those who must carry on in the skilled trades? I think it could be done. The recognition that would be given to apprenticeship training, the push that would be given to it in the after-the-war period would more than justify the cost. I think a resolution coming from this group, endorsing such a program, would be extremely effective. In speaking to a group of State labor commissioners, I would be derelict in my duty if I did not say that while apprenticeship has left the United States Department of Labor temporarily, we believe that at the end of this war it will be back in the Department. We expect to work with you State labor commissioners again in making it one of the big programs for service to the youth of the country.

Mr. Shuford (North Carolina). All of us join you in that hope.
Child Labor

Wartime Child Labor

Report of the Committee on Child Labor, by Beatrice McConnell (United States Children's Bureau), Chairman

Much history has been made since the last report of the child-labor committee to this Association in September 1941. At that time we were speaking of the safeguarding of the Nation's youth as one of the vital aspects of national defense. The attack on Pearl Harbor, barely 2 months later, plunged the country from a defense program into a war crisis. In the fall of 1941 the increase in the employment of young persons under 18 years of age, though noticeable, was not much more than sufficient to take up the slack of their depression unemployment, but it gave warning of future trends. Now, in 1943, the 9½ million youths 14 through 17 years of age in this country have risen from a place of relative inconsequence in the total labor-market picture to an important source of labor supply.

Youth in the Labor Force

The number of boys and girls under 18 years of age at work has doubled and trebled since 1940 under the pressure of wartime demands for labor. In April 1943, it was estimated that 2½ million youths 14 through 17 years of age were in full-time or part-time employment—a half million of them under 16. Of the 2 million 16- and 17-year-olds, probably around half were in full-time employment and half were working part time and going to school. By July, with vacation work opportunities mounting, the estimated number of youths 14 through 17 years of age at work had risen to roughly 5 million, with about 2 million 14 and 15 years of age and 3 million 16 and 17. This means that two out of every five 14- and 15-year-old and two out of every three 16- and 17-year-old children were engaged in full-time or part-time work. Other thousands under 14 were working, chiefly on farms, but also in jobs such as delivery boys, newspaper carriers, and helpers in stores. In April 1940, the total number 14 through 17 at work was less than 1 million.

During 1943 the labor inroads into the high-school age group have been greater than into any other age group,¹ according to estimates on increase in the labor force made by the U. S. Bureau of Labor Statistics. In April, the number of boys and girls 14 through 17 years of age in the labor force was 71 percent in excess of the number that would have been anticipated on the basis of normal peacetime expectations. For the 14- and 15-year-olds the excess over the normal was even greater, 128 percent, showing the disproportionate use of children in this young age group. This excess of 14- through 17-year-old youth in the labor force over peacetime probabilities amounted to a million

¹ Age groups: 18-19, 20-24, 25-34, 35-44, 45-54, 55-64, 65 years and over.

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workers, comprising over a fourth of the 4 million or more persons added to the labor force (including the armed forces) over and above the normal expectations.

This trend is borne out by the spectacular increase in the number of employment certificates issued for children going to work, as reported to the Children's Bureau, and by the mounting numbers of Social Security account numbers issued to boys and girls. In June 1943, the number of employment or age certificates issued for youths 14 through 17 years of age was more than double the number issued in June 1942. These figures also indicate that children 14 and 15 years old, for whom school attendance has been generally assumed as the norm in recent years, are entering both full-time and part-time employment proportionately faster than those of 16 and 17. Social Security account numbers applied for by boys and girls of these ages in the first 3 months of 1943 increased 84 percent over the first 3 months of 1942.

**National Wartime Policies**

Shortly after the attack on Pearl Harbor the need for national planning in the whole field of labor standards was evident to both Federal and State labor-law administrators. It was recognized that the Nation's existence depended on speed in production and that a tremendous job faced labor and industry, alike, to meet staggering goals in creating war matériel. In December 1941, a conference made up of representatives of the Federal Departments of Labor, War, and Navy, of the Office of Production Management, and of State labor departments of the States most important in war production, was called by the Secretary of Labor to consider policies for relaxation of labor standards where this was essential during a period of transition to war production. The recommendations of the group were embodied in a statement on policy for hours of work issued by the Secretary of Labor, January 27, 1942. While emphasizing the necessity for all-out production, the statement urged as proper hours of work essential to maximum production an 8-hour day, 48-hour and 6-day week, and adequate meal and rest periods. It also recommended adaptation of hours of labor and working conditions to the age and sex of the worker and the nature of the occupation and pointed out that, although relaxation of standards might be necessary during a period of adjustment, there should be no relaxation of standards governing employment of minors under the age of 16. These policies were reiterated in December 1942 in a letter to State labor commissioners from the War, Navy, and Labor Departments, and certain other Government agencies.²

It soon became apparent, however, that if production crises were to be met without disaster to State and Federal child-labor standards and to the resultant protection which they afford to youth under 18, it was imperative that statements of essential principles for employment of young people be worked out in the light of total anticipated Selective Service and production demands and of the needs of youth themselves. It was realized, moreover, that such statements could be widely influential only to the extent that they were sanctioned as official national policy, and cooperative action of Government agen-

² War Production Board, War Manpower Commission, Maritime Commission, and Office of Defense Transportation.
cies has resulted in the formulation of three such statements of wartime standards on employment of youth.

The first statement of policy, relating to children and youth in agriculture, preceded the establishment of the War Manpower Commission. In March 1942 the Department of Agriculture, the United States Employment Service, the Office of Education, and the Children's Bureau formulated policies on recruitment of young workers for wartime agriculture that have definitely influenced all subsequent programs. Such a policy was particularly necessary because wartime labor shortages had intensified the problems that have historically resulted from the deplorable living and working conditions and loss of education for large numbers of child agricultural workers—many of them very young.

Shortly after the War Manpower Commission was established, the need for special consideration for youth in the total manpower picture was brought before the Commission, and in January 1943 a general statement, "Policy on Employment of Youth Under 18 Years of Age" was issued by the Commission. It is based on the premise that the first job of youth under 18 is school, that these young people should take full advantage of educational opportunities in order to prepare for war and post-war services, and that they should have the fullest opportunity, consistent with the war effort, to complete their education. The Commission recognized, however, that the demands of the war period would increase the number of youths entering the labor market and set forth 10 basic standards which should govern such employment. These 10 safeguards have been called the War Manpower Commission's "decalogue for the employment of youth." As is true of any document embodying views of many groups, it represents compromises and adjustments. By necessity it is brief and general in character, requiring implementation and continuous interpretation in the light of changing situations. Nevertheless, its adaptability to particular situations has already demonstrated its importance as a balance wheel to prevent unwise extremes in wartime employment of youth.

Early in September 1943, the War Manpower Commission, joined by the Office of Education and the Children's Bureau, issued the third policy statement,3 dealing with the part-time employment of school youth. This last statement implements and supplements the earlier general policy and suggests a framework for community planning to guide the part-time employment of these children in places where it has been determined that such use of school youth is necessary to meet essential labor needs. If the education and the future contribution to the Nation of these young people are to be safeguarded, an intelligent and planned approach to their part in the labor force is necessary. Many of them are already carrying a far too heavy burden of combined school and work, sometimes working for a full 8-hour shift after school. The result in many cases is that the pupil's health is impaired, and he either fails in his school work, or, discouraged with lack of school progress and lured by the pay envelope, he drops out of school.

These three statements considered together present a forward-looking view as to employment of youth and, with State and local

3 Statement of Policies and Standards Governing the Nonagricultural Employment of In-School Urban Youth Under 18 Years of Age.
community participation, should do much to safeguard this young
generation. Briefly, these standards include the following:
1. Observance of legal standards, both State and Federal.
2. Recruitment of workers under 18, particularly those in school
or under 16, only after it has been officially determined that other
sources of labor cannot meet essential labor needs.
3. A minimum age of 14 for either full-time or part-time employ-
ment and a minimum age of 16 for manufacturing occupations.
4. A minimum age of 18 for employment in occupations hazardous
or detrimental to health or welfare, employment of youth under 18
to be limited to work suited to their age and strength.
5. A minimum 8-hour day, 48-hour week, and 6-day week, for
minors under 18 with certain safeguarded variations, and limitation
of work to hours of day not detrimental to health or welfare.
6. Provision for adequate meal and rest periods, adequate sanitary
facilities, and safeguards for health and safety.
7. Employment at wages paid adult workers for similar job
performance.
8. As an enforcement measure, requirement of employment or
age certificates or, in case these are not provided, other reliable
evidence of age.
9. For employment outside school hours of school youth between
14 and 18 years of age, special maximum hours and night-work
restrictions adapted to the health needs of the child and to his school
work, recognizing the fact that in general these students cannot suc-
sessfully carry a combined school and work program of more than 8
hours a day.
10. For agricultural work, special safeguards for safe and suitable
transportation where needed, supervision while at work, and, for
those living away from home to be near their work, provision of fully
adequate housing accommodations, supervision, medical care, and
leisure-time activities.

Relaxation of Standards

State laws and rulings.—The great increases in demand for the
labor of children and youth have resulted in disturbing efforts to
lower, by legislative action, existing standards of State child-labor
laws. In addition, both State and Federal administrators, partic-
ularly those having some discretionary authority under child-labor
laws, have been confronted with increasing requests to relax standards.
These pressures began in 1941 with the growing defense production
program, but did not become really alarming until the present year
[1943]. In 1941, as your child-labor committee reported, a few
regressive steps in the child-labor field occurred, but the line against
these pressures was in general maintained and even a few important
advances made.

In 1942, a minor legislative year, this 1941 trend continued, in that
a few major advances occurred, along with limited relaxations. Out-
standing among the advances were the revisions of the child-labor
laws of Louisiana and Puerto Rico which placed these laws among
the most progressive in the United States. No relaxations occurred
in minimum standards for general employment. There was a defi-
nite trend not to lower child-labor standards for minors below 16
years of age, although school-attendance requirements were lowered for such children to permit them to meet farm needs. Hours and night-work restrictions were for the most part maintained for youth up to 18 years of age. In fact, a number of States, in passing legislation providing for relaxation of women’s hours and other labor laws during the war emergency, provided specifically that such modifications should not apply to minors under 18 years of age. In three States with flexible laws, hours or night-work relaxations were made affecting minors under 18, but it is significant that these occurred in States with standards higher than the general average. The other backward steps taken in 1942 related chiefly to specialized fields of employment in which opposition to regulation has been traditional, such as farm work and street trades, and to the commercialized amusement field, such as bowling alleys. In addition, a few States relaxed measures protecting minors under 18 from employment in hazardous occupations.

In 1943, however, child-labor standards have felt the impact both of the withdrawal of millions of workers for military service and of unprecedented opportunities in employment for even the least experienced youth. The general legislative pattern of not permitting relaxations under the age of 18, evident earlier in the war period, has been broken. Many of the relaxations affect not only minors between 16 and 18 but even those under 16. They are no longer restricted to specific areas of employment, such as commercialized amusements, or to hours standards alone. For instance, six States (California, Connecticut, Massachusetts, New York, North Carolina, and Pennsylvania) have adopted general acts under which modification of labor standards for minors under 18 is possible: only one—that of New York—being limited to minors 16 and over. The California act authorizes issuance of emergency permits for war production affecting minors of any age. New York reduced from 18 to 16 years the age at which dispensations from labor-law provisions are permitted. Acts passed in Connecticut, Massachusetts, North Carolina, and Pennsylvania are sufficiently broad to permit relaxations affecting minors of any age. Legal standards affecting minimum age for general employment were lowered by law in two States. The protection afforded minors from employment in hazardous or unsuitable occupations was affected in a number of States, by either legislative or administrative modifications. These modifications covered work in bowling alleys, as messengers, in hotels, or in railroad-track repairing. A considerable number of new laws have also permitted hours or night-work standards for minors under 18 to be relaxed. Compulsory school-attendance requirements, which complement child-labor laws, have been affected to a greater degree than in 1941 and 1942, particularly insofar as they interfere with the employment of children on farms. In all, administrative or legislative relaxations have been allowed in 1943 in 19 States for minors under 16 years of age, and in 23 States for minors of 16 and 17 years.

In spite of this general trend toward relaxation, it is encouraging to note that even in 1943 there were a few improvements in standards. For instance, the two States that did weaken basic minimum-age provisions at the same time improved the law in certain other respects. Moreover, in some of the other modifications that were made, safe-
guarding provisions have been included. For example, in connection with an act under which maximum-hours and night-work standards for minors 16 and 17 years of age may be lowered, one State (New Jersey) created a special emergency committee on child labor to advise on applications for such relaxations. Encouraging also is the fact that the majority of the relaxations that have occurred have been limited to the war emergency, and a number have included provisions aimed to insure that the standards will be relaxed only in case of actual labor need.

A cumulative picture of the progressive break-downs in child-labor standards since the beginning of 1941, when the present trend had its inception, shows that some lowering of labor standards for boys and girls under 18 has occurred in almost two-thirds of the States.

**Standards of Federal Legislation**

The child-labor provisions of the Fair Labor Standards Act of 1938 have been a bulwark of strength in preventing wholesale break-downs in standards for young workers, just as in World War I State labor officials found the Federal law of 1916 of great aid in the maintenance of State standards. The 16-year minimum age fixed by the Fair Labor Standards Act undoubtedly has helped to support the basic 16-year minimum in the 15 States in which it exists under State law, and in other States undoubtedly it has prevented an influx of 14- and 15-year-old children into factory work.

As you know, the Federal act permits employment in nonmanufacturing and nonmining occupations of children 14 and 15, under conditions determined by the Chief of the Children's Bureau—not to interfere with schooling, health, or well-being. The regulations originally issued by the Bureau excluded from the areas in which such children might be employed all processing occupations and set up a number of other standards as to conditions of employment, among them a prohibition of work after 7 p.m. Two wartime modifications, limited to the duration, have been made in the past 2 years, one permitting employment of 14- and 15-year-old children in the cutting of pears, peaches, and apricots, in fruit dry yards outside school hours, and the other allowing, for not more than 8 workweeks in any calendar year, the employment of these children until 10 p.m. on nonschool days in the packing of fresh fruits and vegetables. In both cases certain safeguards, including a 6-day week and provisions for meal periods were established in the rulings, in addition to those applying to all work of 14- and 15-year-old children under the act. The 18-year minimum age applicable to certain types of hazardous employment under the Fair Labor Standards Act has also been modified for the duration to permit minors 16 and 17 to be employed in a few of the least hazardous occupations in logging and sawmilling.

With the great increase in Government contracts for war purchases, the provisions of the Walsh-Healy Public Contracts Act, particularly its minimum-age standard and the prohibition of industrial homework, are becoming more and more important safeguards for young workers. At the request of the Secretary of War, the Secretary of Labor, under authority specified in the act, granted an exemption from the 18-year minimum age for girls, established for the employment of girls, and a
16-year minimum age—the same as that established for boys—was permitted on condition that certain safeguards are put into effect for girls of 16 and 17.

**Youth Employment in Canada**

In Canada as well as in the United States the shortage of workers has emphasized the same problem of social wastage that often follows when children leave school for work at too early an age. Reports, however, are not available as to numbers of young persons employed. A significant advance has been made in school-attendance standards. The one Canadian Province without a compulsory school-attendance law, Quebec, enacted such a law, effective September 1, 1943. Under this law, attendance is required to 14 years of age, with provisions for a 6-weeks exemption period in case of a child whose services are needed by his parent in husbandry or home duties. In New Brunswick, a 14-year minimum age for employment in factories has been established. Last September the Canada and Newfoundland Education Association appointed a committee to ascertain the chief educational needs in the Dominion of Canada, the first such survey, I understand, that has been made for the whole Dominion. Among the needs listed as most important by the Provincial departments of education, according to the report of this committee, are three that are of particular interest to officials dealing with child workers—a program of counseling and guidance, health examinations and follow-up treatment for all school children, and part-time education for boys and girls 16 and 17 years of age.

**Problems Facing Labor-Law Administrators**

To this group, as officials enforcing labor laws, this large and sudden increase in employment of children offers complex and difficult problems. It means exploitation of youth, particularly in the fields of employment where controls of legislation and of public opinion are weakest. It means the use of youth labor by employers not accustomed to it, and thus not conversant with the special needs of young workers and of the legal restrictions applicable to them. It means a heavy increase of responsibilities for labor officials whose duties include supervision of age-certificate systems.

With the absorption of the pool of unemployed and the increasing expansion of war industries, it must be recognized that there has been and will be an important part that older boys and girls might and should play in the labor force. But for their ultimate value to the Nation as well as to themselves, this part must be so planned and guided as to avoid undue sacrifice of educational opportunity and harm to health. Instead it has been to a large extent haphazard and undirected, and the price in health, safety, and school opportunity has frequently been far too high.

**Conclusion**

The care which a Nation devotes to its youth is a barometer of its civilization and a test of its survival. The unplanned and largely unregulated exodus of boys and girls from school to work, the health
and accident hazards, the stress of speed-up and long hours to which
many of them are exposed, and the heavy part-time work programs
many of them are carrying, are not justified by war needs as long as
it is possible in any other way to keep up war production and satisfy
minimum essential civilian needs. Some employment of youth
under 18 in wartime is necessary, some of course is desirable at any
time. But when that employment reaches the present magnitude
and bids fair to become even greater, when it includes increasing
numbers of children under 16, when it means loss of high-school
training for many youth who should have had further education,
when it is accompanied by extensive removal of minimum protective
labor standards, it becomes not a war necessity but a preventable
war catastrophe.

Labor officials have done much in whatever has been accomplished
to regulate and hold those trends in check. But greater efforts must
be made to prevent their extension and to remedy as far as possible
the disastrous results of what has already taken place.

Much thinking and planning has been going on throughout the
country about measures that can be taken to safeguard the education
and wartime employment of youth in such a way as to satisfy the
needs of the emergency and at the same time insure a generation of
young men and women capable of meeting the needs of the future.
There is a growing consciousness of the national hazard in allowing
continuance of the present trend. Large numbers of the young people
who leave school now will not return to school or carry forward their
education. Instead of reaching the post-war period with a well-
prepared group of young men and women, can we afford to attempt to
solve post-war problems with an undereducated citizenry? It must
be remembered that even for the requirements of the present and the
immediate future, for both industry and the armed forces, the country
needs the highest skill its young people can attain.

With these facts in mind, State labor officials have an important
function in stimulating programs to keep children in school and to see
that part-time school and work programs, in places where the services
of these children are found necessary to meet essential labor needs,
are developed and carried out with due regard to the needs of youth
as well as of production. To supplement such programs there must
be developed a community and employer responsibility for finding and
using all other possible sources of labor supply, full-time or part-time,
to relieve the pressures on school youth. Most of this planning will
be on a local basis and must be adapted to local needs throughout the
country, but standards and framework for that planning can best be
provided through the cooperative action of State agencies—labor,
education, and welfare departments, defense council children's
committees, employer and employee groups, and private organizations.

Labor officials also have a unique responsibility in maintaining legis­

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that they may result in as little harm as possible to the growing generation and to the contribution that generation must make to the Nation's future.

DISCUSSION

Miss McConnell (Washington, D.C.). This report on child labor comes to you at a time when probably more children and youth are in the various areas of employment in this country than at any other one time in its history. When we last met in the fall of 1941 we were beginning to see the results of defense production—to see the slight increase in the use of young people as a part of the growing number of workers called for to meet the demands of defense production.

Great changes have taken place since then. This country has been plunged into war and with it into war production. The number of young persons 14 and under 18 years of age who have been drawn into the labor market has grown from around a million in April 1940 to roughly 5 million in the summer of 1943.

It is particularly significant, I think, to know that in April, of the 4 million in excess of the normal estimated number in the labor force in the United States, 1 million were 14 and under 18 years of age. In other words, the proportional drain on boys and girls of this country has been greater than on any other age group. I think it poses to us, as labor administrators and as persons interested in the welfare not only of the children but of the coming generation, some very serious problems in relation to this unprecedented use of young people.

Just before I came to Chicago I picked up a clipping, quoting a statement by Colonel Adamson of the Army, in which he was deploring the great exodus of high-school boys and girls into industry. He says: “I can describe it only as a retreat as detrimental to our quest of victory as any single collapse in any single combat theater.” He warned that “youth might be transformed into a mere mass quantity of manpower minus the ‘quality of brain power’; unless drastic steps are taken to stop this retreat, an army of more than a million high-school boys and girls will call an abrupt halt to their education. This loss would be equal to about 40 Army divisions.”

As we review this situation in relation to child labor and youth employment in the war period, it seems to me that we have a responsibility which carries far beyond the present year or even the coming year. We have a responsibility to place even greater stress than we have—and I know that you have all placed a great deal of stress on it—in making certain that, insofar as possible, we do not withdraw further from our schools these boys and girls to swell the labor market and that we maintain the labor standards which have been built up to protect these young people. In this, you and I, as persons interested not only in labor-law administration and the maintenance of labor standards but in the welfare of the youth of this country, can do a great deal, in helping to serve as “balance wheels” in our States and in our communities, to make sure that schools are not being used as recruiting ground (only because they are the easiest places in which to do mass recruiting) and to make certain that every other available source of labor has been used before these young people are called upon to cut short their education or to assume the double burden of attempting to keep up their education and at the same time carry on a part-time or, unfortunately in many cases, a full-time job.
I am not sure whether such a suggestion is in order at this time or not, but I am wondering whether this Association will not want to set up a committee to give special consideration to planning for the post-war period, particularly, it seems to me, to planning for the period of adjustment and reorganization and reorientation which will be necessary for these boys and girls who are having their education stopped, interrupted, or changed around.

When the war is over, and we face a period of lessening production and a need for fewer workers than we have at the present time, that problem of reorganization and reorientation is going to be particularly serious for these young people, and I would like to see this organization give particular attention to future planning.

Mr. Wrabetz (Wisconsin). Miss McConnell, you mentioned in your report a statement of policy formulated, I believe, in September. Is that statement available to State labor departments?

Miss McConnell. Yes; it has been sent to all the State commissioners; if you have not received one, there should be, before the conference closes, copies available to anyone who wishes to take them.

Mr. Lubin (Washington, D.C.). Miss McConnell, have any of the States actually, by legislative act, lowered any child-labor standards as a result of the war?

Miss McConnell. Yes; there have been a considerable number of legislative modifications of child-labor standards, some in the field of maximum daily and weekly hours, some in night-work regulations, and some in the lowering of minimum age for specific occupations. There have also been many administrative modifications, and in general, I think there has been, during this war period, a rather disturbing tendency to lower standards for employment of young persons.

Mrs. Beyer (Washington D.C.) I would like to ask if the statement Miss McConnell read from the Army representative was typical of the attitude of the armed forces on the child-labor problem.

Miss McConnell. I don't know. I think that sometimes what the leaders of the Army and the Navy say is somewhat different from the practice actually carried out in some of their establishments in the States; but in general, I think the Army does stand back of the spirit of what Colonel Adamson said, which is that the Army and Navy do need trained and educated youth for military service—that is really the content, or the intent, of the quotation that I read.

Mr. Wrabetz. I suppose we have all had the experience (in not too critical a sense) with some Army—or Navy—lieutenants who have urged modification of standards to meet particular situations, much below the standards that are recommended by the Army itself. I think that was largely the result of the enthusiastic or too enthusiastic support of a particular local situation.

Miss Papert (New York). I think that the employment of children is greatest in the nonwar industries. We found some resort hotels that were manned practically entirely by youngsters of 14, 15, and 16 years of age, and that is also true of retail stores. It has been our experience that it is the nonwar industries that have been drawing on the children even more heavily than the war industries, and I
think that becomes particularly significant in view of the limited scope of our present labor legislation.

Mr. WRAZETZ. Have any of those legislative changes that you refer to been for beyond the duration or have they all been limited to the emergency, Miss McConnell?

Miss McConnell. In a few cases they have not been limited to the duration; in some cases they have. It is interesting to note, I think, the fact that one of the greatest and heaviest pressures for modifications of standards for children in nonessential fields has been in the field of amusements—of bowling alleys, for example. There has been a demand for the lowering of standards for night-work control, lowering of ages from 16 to 14, for example, and at the same time often extending the hours of work for the younger children, which is a good illustration that the pressure which develops first with respect to necessary war production is often quickly picked up and carried on into the nonessential fields.

Mrs. COLEMAN (Illinois). May I ask Miss McConnell if there has been any legislation passed which would reduce the age of 16 to 14 for the bowling alleys in any of the States?

Miss McConnell. There have been one or two States where that has been done. In some cases an administrative regulation was changed, and in some places the age was lowered from 16 to 14 in the law itself.

Mrs. COLEMAN. The reason for my question is the bill, which passed our senate but was killed in the house, for the ages to be reduced from 16 to 14 in the bowling alleys.

Mr. WRAZETZ. That problem, I think, has been met in some States by administrative order. In Wisconsin we permitted short-time employment for 15-year-old boys in bowling alleys on alternating nights and not beyond 10 o'clock or 10:30—whatever it was. Then if the work of the boy drops below normal, upon recommendation of the school principal, the permit is vacated. Of course some of these industries, while they are not absolutely essential, they really are necessary for the maintenance of civilian morale. I suppose that a certain amount of recreation is absolutely necessary to war workers. “All work and no play makes Jack a dull boy” applies to a worker in a factory as it does to a boy in school; therefore some of these facilities for recreation should be made available, but not, of course, at the expense of jeopardizing the health of young people. I think that is admitted.
Minimum Wage

Minimum-Wage Legislation in the United States,
September 1941 to September 1943

By Louise Stitt, United States Women's Bureau

Three months after this Association held its meeting in September 1941 the country was at war. During the past 2 years our entire economy has been dominated by our war program. To consider the course of labor legislation during this period without relation to the war is as impossible as to discuss the food supply, gasoline, or manpower problem separately from the war demand. The substance, administration, or practical application of most of our labor laws has been affected in some way by the war. Changes in policy or administration that are taking place today are not only of present significance, but may indicate future trends that will project into the post-war period.

Minimum-wage legislation is a field in which the effects of the war have been both positive and negative. Negative, inasmuch as during 1942 and 1943 no new legislation was adopted. At the 1941 meeting of this Association, State minimum-wage administrators expressed the fear that the Nation-wide publicity then being given to the high wages paid to defense workers would blind the public to the fact that thousands of workers in other industries were being paid appallingly low wages. Low wages are still common in spite of the public's growing conviction that all workers are earning fabulously high amounts. The Women's Bureau and State labor departments continue to receive letters, usually from women, complaining that the writers cannot possibly live on the wages they make in laundries, stores, and other service industries. As would be expected, the majority of these letters come from States that do not have minimum-wage laws. State legislators apparently shared the general impression that low wages are not an immediate problem and concluded that legislative action is not required at this time. Fewer minimum-wage bills were introduced in the legislatures this past year than usual, and none became law.

Any impression that low wages are strictly a depression phenomenon and that minimum-wage legislation benefits workers only when "times are bad" is certainly not borne out by the facts, as can be shown by the enforcement experience of any State minimum-wage agency. The experience of New York and California will suffice to illustrate that even in times as prosperous as the present, women are paid substandard wages and doubtless would continue to be so paid if it were not for minimum-wage laws. During 1942 and the first 6 months of 1943 the Division of Women in Industry and Minimum Wage of the New York State Department of Labor collected $224,477 from 7,464 establishments which had paid 21,000 women less than the legal minimum wage. These figures are especially shocking when one realizes that none of the six orders under which this underpayment was collected provides for a minimum wage of more than 36.7 cents an hour. For
the same 18-month period the Division of Industrial Welfare of California collected unpaid wages amounting to $419,455.

We all know that enormous sums have been collected for the workers under the Fair Labor Standards and Public Contracts Acts during this war period. Under these two laws, during the fiscal year 1943 employers paid or agreed to pay to underpaid employees almost $17,000,000 while in 1942 the amount of restored wages was more than $21,000,000. Wage restitutions effected under the Federal laws furnish less significant evidence of low wage rates, however, than do the State minimum-wage collections, inasmuch as a large proportion of the underpayments under the Fair Labor Standards and Public Contracts Acts are due to failure to pay overtime rates at time and one-half the employees' regular rates of pay rather than failure to pay the basic minimum hourly rates.

The war has had one positive effect on minimum-wage administration which one might wish were more general among the States. Most State minimum-wage laws provide that minimum wages shall be sufficient to meet the necessary cost of living of women workers. In spite of the Government's efforts to control the cost of living during the war period, average prices in the United States have increased by 25 percent since war broke out in Europe in the summer of 1939. Minimum-wage rates established before the outbreak of the war may have been adequate to meet living costs at the time the orders were issued, though all minimum-wage administrators know that seldom does a wage board recommend a wage equal to the budget prepared by the State labor department as representative of what it costs a woman worker to live. Whether wage rates set several years ago were or were not adequate when adopted, certainly they are inadequate today to meet living costs, which have risen by 25 percent. Some States have taken steps to correct the discrepancy between living costs and legal minimum wages. California has done the most complete job in this respect of any of the States. In the past year and a half, the Industrial Welfare Commission of California has revised all previously adopted orders and issued new orders for three industries not formerly covered. All the revised orders provide for a minimum wage of $18 for a 40-hour week. The three new orders for transportation, amusement and recreation, and industries handling farm products after harvest—the last three to be adopted—provide for a $20 wage for a 40-hour week. Twenty dollars represents an increase of exactly 25 percent over the earlier California minimum wage of $16.

Seven States, since September 1941, have raised the minimum wages for thousands of women workers by revising upward the rates established by 22 wage orders. South Dakota, by legislative action, increased the statutory minimum for cities of 2,500 or more in that State from $12 a week to $15. In addition, 6 States issued 9 wage orders for occupations not previously covered by such orders. Altogether, in 11 States, at least part of the employed women have had their minimum-wage standards raised since the United States entered the war. However, more than half the States have neither issued new orders nor revised old ones during this period of drastically rising prices. Few wage orders issued before 1939 provide for basic minimum hourly rates of more than 35 cents. Today, because of the rise in living costs, 44 cents would be required to buy what could
have been bought with 35 cents before the war. Moreover, workers even at the minimum-wage level must now pay income taxes. Unless some adjustment is made in the legal wage, the purchasing power of many is reduced far below that which is necessary to maintain anything approaching an adequate standard of living.

The National War Labor Board, which is charged with the obligation of stabilizing wages in order to prevent inflation, has declared any wage below 50 cents an hour substandard in certain areas of the country. Moreover, the Board has given blanket approval of all wage increases made in compliance with State minimum-wage orders that do not bring wage rates above 50 cents an hour. The establishment of minimum-wage rates as high as 50 cents an hour therefore would not be out of harmony with the anti-inflation program.

In 1941 we reported that Puerto Rico had passed a new minimum-wage law covering both men and women. On the recommendation of minimum-wage committees, composed of representatives of employers, employees, and the public, the administrative agency may establish minimum-wage rates, maximum working hours, and standard labor conditions. During 1943 wage orders were issued for three industries—leaf tobacco, sugar, and hospitals, clinics, and sanatoriums. The provisions of these orders are extremely interesting. Two orders provide that double time shall be paid for hours in excess of 8 a day. Employers in the leaf-tobacco industry are required to provide suitable rooms in which workers may eat; cold, filtered water must be furnished; and rooms with mild temperature must be provided, where workers may change their clothes before going outside. Ditch diggers working in water in the sugar fields must be provided with boots, and gloves must be furnished portable-track handlers. The weight of bags of sugar that may be lifted by workers is limited. Deductions may not be made for meals; and rents charged for company houses are regulated in the order for the sugar industry. A unique provision of the order for this industry is coverage of workers in the agricultural branch as well as in the industrial branch of the industry. These orders represent remarkable progress, and Puerto Rico is to be congratulated on the standards that have been established.

The Wage and Hour Division of the United States Department of Labor has made rapid progress since this Association last met in September 1941, in establishing the 40-cent minimum wage permitted under the Fair Labor Standards Act for workers covered by that law. Since our 1941 meeting, 16 orders have become effective for industries not before covered by such orders, while 14 orders have revised previously established minima to 40 cents. All wage orders now in effect provide for a 40-cent minimum except for two industries (lumber and clay products) and parts of two other industries (straw hats and cigar types of leaf tobacco). For all of these, recent industry committees have recommended a 40-cent minimum.

By August 31, 1943, a total of 66 industry committees had met after the Fair Labor Standards Act became effective in October 1938, and had recommended minimum wages for industries with almost 18 million employees. With one exception, each of the 33 industry committees which have convened after our last meeting has recommended a 40-cent minimum for the entire industry under consideration.
The present program of the Wage and Hour Division indicates that, far in advance of October 1943 when a 40-cent minimum would be required under any circumstances, the Division will have established a 40-cent minimum for all employees in continental United States who are covered by the Fair Labor Standards Act. In September 1943, four additional orders, all providing for 40-cent minimum wages, will become effective. For eight additional industries, committees have recommended a 40-cent minimum, on which administrative decision is pending. Five additional industry committees will meet in September and October to recommend minimum wages for all remaining employees in continental United States who are subject to the Fair Labor Standards Act.

Minimum-wage standards for workers covered by the Public Contracts Act also have been raised during the war period. Wage orders for 24 industries either have been issued for the first time since September 1, 1941, or have been revised to provide higher wage rates or more extensive coverage. The rates established by these orders range from 32½ cents for processors of evaporated milk in certain States to 67½ cents for manufacturers of men's hats and caps.

The policy of the National War Labor Board in respect to wage increases made in compliance with State minimum-wage laws and orders has gone through several stages. The negotiations which have continued for almost a year between the Women's Bureau of the United States Department of Labor and the War Labor Board to secure a policy satisfactory to the States would have been unnecessary if title VI of Executive Order No. 9250, the President's order to stabilize the cost of living, had been more inclusive. Order No. 9250 provides that no wage increases or decreases shall be made without War Labor Board approval. The first paragraph of title VI stipulates, however, that "Nothing in this order shall be construed as affecting the present operation of the Fair Labor Standards Act, the National Labor Relations Act, the Walsh-Healey Act, the Davis-Bacon Act, or the adjustment procedure of the Railway Labor Act." Unfortunately, no reference was made in this section to State minimum-wage laws.

After the Women's Bureau called the War Labor Board's attention to this omission and to the fact that the purpose of State minimum-wage laws is the same as that of the Fair Labor Standards Act, namely, to eliminate substandards of living, the Board on October 31, 1942, issued General Order No. 7 giving blanket approval to all wage increases made in compliance with State minimum-wage laws and orders. This seemed a happy solution to the problem, and State labor departments continued as usual to issue wage orders without reference to the National Board. On April 19, 1943, the Board announced that General Order No. 7 had been amended, and that henceforth no wage increases made in compliance with State wage orders issued after April 8, 1943, could be made without Board approval. This sudden change in policy was difficult to understand until it was discovered that a State in which a serious manpower shortage existed contemplated issuing an order establishing a minimum wage of 70 cents an hour for women in the canning industry. The War Labor Board feared the inflationary effects of minimum wages as high as 70 cents. To prevent similar rates being established by other States, Order No. 7 was amended. Considerable anxiety was felt lest the requirement that all wage increases made by order of State minimum-wage authorities
must be approved by the War Labor Board discourage the issuing of new State orders or the upward revision of outmoded rates. The Women's Bureau therefore requested the Board to rescind the amendment of April 19 or, if that procedure was unacceptable, to substitute for the amendment one of several proposals made by the Bureau. The result was Amended General Order No. 7 as adopted by the Board August 2, 1943. The order as revised gives blanket approval to all wage increases made in compliance with State minimum-wage laws and orders when such increases do not result in rates above 50 cents an hour. Part-time and overtime rates higher than 50 cents also are approved. This policy leaves State minimum-wage administrators free to establish such minimum-wage rates as conditions in their respective States demand, without referral to the Board except in those cases where the basic minimum rate would be in excess of 50 cents an hour. The Board probably would approve even the higher rates if the evidence supported the need for the establishment of such minimum wages.

Other Federal legislation has created administrative problems for State minimum-wage authorities. The Revenue Act of 1942 provided that a 5-percent victory tax be withheld from the wages of workers, and the Current Tax Payment Act of 1943 requires that 20 percent be deducted from wages for income-tax payments. The current law applies, as did the 1942 act, even to workers paid at the minimum-wage level, providing wages are in excess of $12 a week. The term “wages” means all remuneration, whether in cash or goods, for services performed by an employee for his employer. It can readily be seen that deductions such as these greatly complicate the task of inspecting for compliance with minimum-wage orders. If meals are wages, who is to determine the value of meals as a basis for computing and deducting the tax? Must the tax be deducted from wages earned before the revenue acts were passed but paid to the workers after the laws became effective, because violations of the minimum-wage law were discovered and restitution of wages ordered? These and similar questions have arisen and been referred by the Women's Bureau to the Bureau of Internal Revenue for reply. On these specific questions the Bureau has ruled that the value established for meals by State minimum-wage orders is acceptable as a basis for computing income taxes, and that wages earned before the tax laws became effective, but paid afterwards, are not subject to tax deductions. The requirements of the Federal Revenue Acts certainly have slowed up inspection and increased the work of State minimum-wage investigators.

State courts in two recent decisions have shown gratifying understanding of the purpose of State minimum-wage legislation and the importance of administrative regulations to safeguard wages and to assure the welfare of workers. The first of these decisions was rendered on December 3, 1942, by the highest court of the State of New York. The New York Court of Appeals upheld the principle of the guaranteed weekly wage, which has been incorporated in many wage orders in recent years and has benefited thousands of women. The New York wage order for the confectionery industry requires employers to pay $10 to employees working 3 days or less in any week during the busy season and $7 to employees working 2 days or less in any week during the slack season. The order provides,
in other words, for a guaranteed weekly wage for part-time workers. The court recognized that the State labor department in adopting this order was attempting to cope with the problem of low wages that result from underemployment. In its decision the court said:

The very concept of minimum-wage legislation necessarily involves the determination of the cost of living and the fixing of a wage that will reasonably cover, or approach, that cost. The idea of a "living wage" is the heart and core of all such legislation. * * *

* * * It is fairly to be assumed that the legislature, bent on seeing to it that women and minors should, so far as possible, receive subsistence wages for their work, appreciated that no hourly rate of wages could achieve that result unless it were multiplied by some appropriate number of hours.

* * * The legislature, driving toward its plainly marked goal, would have stopped far short of that goal if it had provided for minimum hourly wages only. The accomplishment of its high social purpose required a grant of authority to the labor department to make such orders as would in fact be directed toward providing a living wage, not merely an hourly rate which, in most industries, would not produce a living income, unless ordered paid for a sufficient minimum number of hours.

This is one of the most liberal decisions relating to minimum-wage legislation that has been rendered by any court. The constitutionality of minimum-wage legislation per se has been established by the United States Supreme Court. State courts gradually are coming to recognize the necessity and importance of administrative regulations in carrying out the true purpose of basic wage laws.

The other important minimum-wage decision to which we have referred was handed down June 16, 1943, by the Supreme Court of California. It relates to a problem which has troubled minimum-wage administrators for years, that is, the relation between tips and wages. When this Association last met, the United States Supreme Court had not yet ruled on the status of tips under the Fair Labor Standards Act. On March 2, 1942, however, in the case of *Williams v. Jacksonville Terminal Co.*, the Supreme Court held that, under the "accounting and guarantee" plan present in that case, tips paid to redcaps at railroad terminals may be treated as wages under the Fair Labor Standards Act. State administrators were greatly concerned about the possible effect of this decision on the administration of State minimum-wage orders that contain a provision that "in no event shall gratuities from patrons or others be counted as part of the minimum wage." The Solicitor of Labor, when consulted about this matter, stated that the Supreme Court in the redcap case had dealt with a specific situation under the Fair Labor Standards Act and had not passed on the legality of State regulations holding that tips are not wages.

It remained, therefore, for the Supreme Court of California to render the first decisive opinion concerning the validity of State regulations prohibiting the inclusion of tips in minimum wages. Section 3 of the California Industrial Welfare Order No. 12A for hotels and restaurants provided that—

No employer may include tips or gratuities received by employees designated in section 1 hereof as part of the legal minimum wage fixed by said section of this order.

The California Supreme Court declared that the restriction placed by section 3 on employers' and employees' freedom to contract in relation to the disposition of tips is a legitimate exercise of the police power of the State. If employers were permitted to include tips in
the minimum wage, employees might report tips in greater amounts than actually were received for fear of being dismissed. "The effectiveness of the minimum-wage law thus would be impaired." To insure receipt of the minimum wage and to prevent evasion and subterfuge, the power to provide safeguards is necessarily implied in the power to fix a minimum wage, the court declared.

This decision is binding, of course, only in the State of California. As this is the first decision rendered by any State supreme court concerning the relation of tips to wages under State minimum-wage laws, it is indeed encouraging that it should have been in favor of accepted social practice in such situations. A constructive precedent has been established which will, without doubt, influence decisions in other States.

Your committee believes that the most urgent need at the present time in the field of State minimum-wage legislation is extension of coverage. Every effort in States without minimum-wage laws should be exerted to secure the passage of such legislation before this war is over. State laws with limited coverage should be amended to provide protection for all workers. The benefits of existing laws in many States could be greatly extended without legislative action if wage orders were issued for all occupations now covered by the laws. The committee urges the adoption of new orders and the revision of unreasonably low rates at this time, first, because of the immediate protection such orders would give thousands of women workers, and second, because of the stabilizing effect that wage orders, if widely adopted, would have on our post-war economy. If States wait until wages begin to fall to establish minimum-wage rates, employers' resistance to the setting of minimum wages will be very much stiffened. The experience of the Wage and Hour Division is striking. Every industry committee convening in 1942 and 1943 has recommended a 40-cent minimum.

Moreover, the security that a legal minimum wage would afford might be of real assistance in the present drive to recruit women for employment in the service industries. The traditionally low wages that still prevail in these industries is one of the important reasons why women are deserting them for other employment and are not responding to the many urgent appeals to take jobs in laundries, restaurants, stores, and cleaning establishments. The National War Labor Board has given its sanction to minimum wages up to 50 cents. If States could immediately set rates for those service industries not yet covered, a real contribution to the war effort would be made.

It would also appear that this is a proper time for States that have minimum-wage laws covering domestic service and labor on the farm to pioneer in the field of setting rates for these occupations. Eight State laws do not exclude domestic service; the same number cover agricultural labor. Domestic labor is at present so scarce that it is conceivable that housewives might be glad to cooperate with the State in establishing wage and working standards that would attract more women to this employment. Legal minimum wages for the women who now work in considerable numbers on farms would be an important first step in establishing standards for this occupation,

1 The laws of California, Colorado, Kansas, Oregon, Utah, Washington, and Wisconsin do not exclude domestic service in the home or agricultural labor. In addition to these, Oklahoma does not exclude domestic service in the home and Nevada does not exclude agricultural labor.
which hitherto has been entirely unregulated. States that have had the longest and most successful experience with the administration of minimum-wage laws are among those whose laws cover domestic and farm workers. They would be in an exceptionally good position to experiment in this new field. So far only Wisconsin has issued a wage order for domestic workers in the home. No State orders covering agricultural workers have been adopted.2

Those States that have postponed issuing wage orders, because of lack of staff or funds necessary to assemble the wage data required for a wage board's consideration, may find of assistance the wage data currently collected by the Bureau of Labor Statistics, U. S. Department of Labor. For the use of the National War Labor Board, the Bureau of Labor Statistics is making surveys of wages in both service and manufacturing industries in all communities of 25,000 or more population in the United States. Ultimately every State in the Union will be included in this survey, and in certain special cases towns of less than 25,000 will be covered. Average hourly rates are reported by occupation, sex, and community. These studies do not include all the wage data usually furnished wage boards nor all that usually are required. They are sufficient, however, to indicate whether women are being paid substandard wages and the need for wage-board action.

It is suggested, therefore, that minimum-wage administrators contemplating the appointment of minimum-wage boards consult the wage analysts of the appropriate regional offices of the Bureau of Labor Statistics to discover what data can be secured from this source that would be helpful in establishing minimum wages. Though the Federal Bureau may be unable to collect additional material to assist the State authorities, it is possible that special tabulations of existing data might be prepared to meet the needs of the State.

All evidence indicates that now is the time for States to increase minimum-wage activities. It is easier now than it will be later to establish desirable wage standards. The establishment of a bottom to wages at this time is a sound contribution to the efforts which must be made now to avoid economic disaster in the post-war period.

DISCUSSION

Miss Stitt (Washington, D. C.). In view of the fact that many members of the original Committee on Minimum Wage are no longer affiliated with their respective State departments of labor, this report has been submitted for discussion and not as the official report of the Committee on Minimum Wage.

Miss McConnell suggested that this Association appoint a committee to discuss and make special recommendations concerning post-war child-labor problems. I would like to suggest that the minimum-wage committee which now exists discuss and make recommendations not only about the post-war period, but also about the minimum-wage problems that exist in the present war period.

Miss Swett (Wisconsin). I want to make one correction to Miss Stitt's report. We have not had a separate order in Wisconsin for

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2 Maud Swett, field director, Woman and Child Labor Department, Wisconsin, corrected this statement. She explained that the Wisconsin general minimum-wage order covering all occupations, except canning, applies to women and minors employed on farms.
agriculture. We do, however, have separate provisions for domestic service. Because it was so difficult to determine the hours worked by household employees, we established a regular weekly rate for full-time employment and applied the hourly minimum wage if the hours worked were less than a certain number. In agriculture we enforce the minimum that comes within our general order.

I want to call attention to one point, which I think anyone might easily miss, because we have special provisions for domestic service. It is natural to assume that the general order does not cover agriculture, because in almost every labor law that you know about, agriculture and domestic service are excluded. Our minimum-wage law provides that no employer shall pay less than a living wage. We interpreted that to mean that domestic service and agriculture are covered the same as any other kind of employment. In agriculture we tested the rates in the cherry orchards to see that they paid the minimum to the youngsters and women employed there. In other employment, of course, the work is usually on an hourly basis, and it is easy to apply the minimum. Now that women are going into different types of agricultural work, we may find the matter somewhat more puzzling; we may find the same difficulty as we did in domestic service, and we might have to set a weekly or a monthly rate. But, agriculture is covered.

Miss Stitt. I am glad to be corrected on that point, because I did not know about it. Once more Wisconsin is the pioneer.

Mr. Lubin. What is the lowest minimum wage now in existence in those States that have issued orders?

Miss Stitt. In some States the rate is as low as 20 cents plus meals, and other States have orders as low as 22 cents without meals.


Mr. Lubin. Does anybody work for those wages?

Miss Papert. The answer is Yes. In New York we find a lot of workers that do. I can speak only for New York on workers who get the minimum wage and those who receive above and below the minimum. We find from the data that we collect from employers, and from our inspection reports, that there are plenty of workers who receive only the minimum rates. Of course there are more workers today than there were in 1939 and 1940 and 1941 who are getting above the minimum rates; but, the thing that amazes us is that there are workers who are willing to work for even less than the minimum rates established under our State laws. Even in war areas, we find that there are workers who, because they are used to the place or are afraid to take another job in a war industry for a variety of reasons, are still willing to work for less than the minimum wage. The anomaly of low wages in a high-wage area (of subminimum wages in a high-wage area) is found in boom areas—war critical shortage areas—in our State as well as in areas that have not had their employment slacken through war production.

Miss Stitt spoke of wage collections in connection with the State and Federal minimum-wage laws. I should add that under our State laws, four of our six orders are directory, and the only penalty on the employer is publication; so our wage collection is representative of only part of the underpayments that we find on enforcement.
Mr. Olander (Illinois). A question that puzzles me very greatly has to do with certain problems that confront me in my capacity as a representative of labor. In order to ask the question I must describe the situation in a particular case. A waitress who had worked in a restaurant on Wells Street, became dissatisfied and quit, then went to work in another restaurant about two blocks away. Her second employer received a notice from the War Manpower Commission to the effect that because of her lack of a "certificate of availability" her employment was contrary to law and he was subject to heavy penalties if it continued. The girl had heard nothing about this until her employer discharged her, showing her the letter from the War Manpower Commission. The case was brought to my attention. I called up the Commission and told them the story of the waitress. The WMC official said, "Of course we'll investigate."

The following day I received from another WMC official a copy of a very long letter that had been written to the girl after my telephone call, telling her what the law was and pointing out that she could appeal—that she had several appeals as a matter of fact; a rather appalling arrangement to present to a waitress out of a job. I immediately wrote back and asked certain questions that must be answered in the case of even the meanest criminal, namely: Who made the complaint? What are the facts alleged? And why was not the girl told about it? I have never received a reply to that.

However, I told the young lady to go to the State unemployment compensation division of the State department of labor and make a claim for compensation. She went and, of course, was denied compensation. The official there drew from her the statement that there was a bar in each of the places, whereupon he told her that the rule did not cover such places of employment, and she could work where she pleased. The union telephoned me, and I called up the War Manpower Commission again and said, "I understand that bartenders are nonessential from the viewpoint of the war effort." The reply was "Yes, that's true." "Well," I said, "I need an interpretation. Will you tell me the difference between serving drinks from behind the bar and serving drinks in front of the bar?" They could not answer that, and again agreed to investigate.

For a girl—a low-paid waitress—out of a job, this is a tragic sort of matter. I said, "Well, while you're investigating, why not allow her to have bail?" "Bail?" "Yes," I said. "You know when a criminal is arrested, the court, the laws—the Constitution—all provide that he must be accorded bail to permit him to go free while the investigation is pending; that is to say, until the trial is over. Why not give this girl that privilege?" The Commissioner seemed stumped at my question, and asked, "What can I do?" "Oh," I replied, "tell her to go to work any place she pleases while you're making the investigation. That's what I mean by bail." He agreed.

The first restaurant might very well be described as a restaurant having a bar connected with it, and the second as a bar having a lunch counter connected with it. I never did get a ruling as to just what the coverage is, but I waited to see what would happen. Nothing happened. Then I had an interview with the official who had handled the case.

He claimed she had accepted a higher wage. That amounted to changing the charge in the midst of the trial! Now, all this brings
in the question of the wage, the general status of the woman in employment, the treatment accorded to her, the relation of the State unemployment compensation division to cases of that kind, and the general state of the Federal law as relating to the matter. Apparently the only reason that she has not been bothered any more is because I got in the way. And I am concerned about this: How many women are there, how many girls are there, that do not know where to go for help? What is happening to them? What can organizations such as yours do for them? What can the State governments do? What can anybody do? Not knowing the answers myself, I ask the questions of you. Can you help me out?

Mr. Wrabetz. One answer is that the woman should have gone directly to the State labor department.

Mr. Bernstein (Illinois). I am commissioner of placement and unemployment compensation for the State of Illinois. The question proposed by Mr. Olander is one which is plaguing most State unemployment-compensation administrators directly—especially at the present time. All of you know how closely unemployment-compensation administrators must work with the War Manpower Commission. The problems of coordination of policy have been considered in Illinois for the last several months and have led to almost daily meetings with the Commission. We have had requests from the agencies in Washington to cooperate with the War Manpower Commission, wherever possible, so that full and effective mobilization of labor toward a successful prosecution of the war effort might result.

If we pay benefits when the War Manpower Commission refuses to issue a person a statement of availability, we, in reality, vitiate the effectiveness of the Commission's directive. The refusal to issue a certificate has, as its objective, the imposition of a penalty upon that worker. State unemployment-compensation administrators feel that since the War Manpower Commission has been directed by the Federal Government to mobilize labor for an effective prosecution of the war, they should cooperate with the Commission.

To what extent should State agencies, in the administration of all State labor laws, change their interpretations and policies in order to assist the National agencies in giving effect to the war program? In examining our principles, we find that in many situations we would allow benefits where the War Manpower Commission has felt that a certificate of availability should be denied, as, for example, a person who voluntarily leaves an establishment. Shall we say that those principles should be changed so that they conform to the policies of the War Manpower Commission? Those are the questions facing the State agencies today. In Illinois, we have definitely come to the conclusion that under many circumstances the State agencies cannot follow the principles established by the War Manpower Commission. This is especially true with respect to the question of wages. Under Regulation 7 issued by the War Manpower Commission, and made effective in Illinois on October 1, the attitude of the Commission on the question of wages seems to be this: If the War Labor Board has not acted to establish wage brackets for a particular job, the only criteria which will govern the War Manpower Commission in the determination of whether a certificate of availability shall be issued is
the question of whether the salary exceeds that prescribed by the Fair Labor Standards Act—40 cents an hour.

A worker may be entitled to 75 or 80 cents for a particular job, or even 90 cents—that may be the prevailing rate of wage. If the War Labor Board has not acted to establish the prevailing rate, WMC will not grant a statement of availability to that worker merely because he happens to be getting a great deal less than the prevailing rate for that particular job.

In administering our program in Illinois, we refuse to deny unemployment compensation to a worker who leaves a job because he is being paid below the prevailing rate for that job; and we intend to pay that worker benefits, regardless of the fact that he has no statement of availability. This is an example of the problems all of your administrators are going to face in the administration of unemployment compensation.

I expect that there will be charges, in some cases, of noncooperation in the war effort, because we are paying benefits in cases where statements of availability have been denied. We are accepting that situation in Illinois; if the gauntlet is thrown down, we are willing to pick it up. We feel that wherever we can, consistent with our principles, we should cooperate with the War Manpower Commission; but where any principle that we have established is definitely violated we do not intend to follow the policies of the War Manpower Commission.

Mr. Wrabetz. Does that answer your question fairly well, Mr. Olander?

Mr. Olander. That simply gives emphasis to a fact that I have known right along—Illinois has a very fine administrator of unemployment compensation.

Mr. Wrabetz. And I might add that you will find them in most States.

Mr. Lubin. I might suggest to Mr. Olander that a further way of eliminating such difficulties as he mentioned is a closer relationship—that is, making use of the State labor departments by the War Manpower Commission. After all, the people who live in those areas know their local problems. I refer, of course, to the State labor department officials. I think some of the difficulties that have arisen are the result of failure of the War Manpower Commission to make use of existing State labor departments.

Mr. Olander. May I ask another question? The War Manpower Commission is charged with the duty of allocating labor and meeting all of these difficulties that we have just discussed. Is the Commission represented in this conference?

Mr. Lubin. I don’t know that there is any one here in the room from the Commission. Invitations were issued to various people on the Commission to be present.

Mr. Wrabetz. The invitation was definitely sent to the Employment Service which is a part of the Manpower Commission.

Mr. Hall (Virginia). Do you think this conference should adopt a resolution calling for that method of operation? I suggest that you refer it to the resolutions committee.

Mr. Wrabetz. You might prepare a resolution and submit it to the resolutions committee.
Mr. Dean (Michigan). I would like to ask a question as to whether or not there is a local War Manpower Committee on which management and labor are represented?

Mr. Olander. Yes; there is such a committee, and that committee has refused to agree to the methods being used here. Nevertheless, the rules are in effect.

Miss McConnell. I would like to raise one question. In the development of part-time programs for use of school children, I would like to know if any situation has arisen in any State that has a guaranteed wage under its minimum-wage law in which the hours for children are less than the over-all provided under the guaranteed wage rate and, if so, how you have met that situation. For example, it is recommended that children be employed not more than 3 hours, or at the most 4 hours, if they are to carry a part-time school program. If the guaranteed minimum wage is on the basis of 4 hours a day, and children are being employed only 2 or 3 hours a day, how do you meet that situation?

Miss Stitt. A memorandum on that question was sent to Miss McConnell, by the Women's Bureau, probably just before she left Washington. There are not many wage orders that would really interfere directly with the employment of children for less than 4 hours. The orders for the mercantile industry, where children probably would be employed in large numbers after school, usually provide that the payment for 4 hours is not required if the worker is not willing nor available for employment for 4 hours.

Some of the States have made adjustments of the 4-hour provision for the war period. In Massachusetts, many of the orders have the 4-hour provision. For the duration they are issuing permits waiving the 4-hour requirements, but ordering the payment of the higher part-time rate for each hour of employment under 4. However, the permits being requested and issued in Massachusetts were not for children but for women who are not available for a full 4-hour period. The schools have made arrangements by which the children are available for 4 hours of work.
Women in Industry

Report on Women in Industry—United States and Canada

By Mary Anderson, United States Women's Bureau

With the rapid movement of recent events, it seems incredible that at our last meeting, 2 years ago, we still spoke in terms of "defense." One of the most striking occurrences during this time has been the ready response of women to their country's call to work—in factory, mill, transportation system, restaurant, store, laundry, office, mine, lumber camp, and on the farm.

Women's New Employment

Latest available labor force figures show over 17 million women employed. This adds at least a third to the greatest number of women ever before in the labor force in the history of this country. With shortage of manpower becoming acute in an increasing number of areas, the Chairman of the War Manpower Commission decreed a year ago that "every effort is to be made to recruit and refer women, including older women, for employment or training on the basis of their qualifications." Since the spring of 1942, women have constituted more than four-fifths of the increase in factory workers. By June of 1943, in the production of the basic war materials alone, nearly 2 million women were at work.

The matter of informing employers as to the work women could do and the conditions effective for their employment has become continually more pressing. In order to determine where and how women could work best, the Women's Bureau made intensive surveys of the jobs suited for their performance in various war industries—in the making of aircraft, guns, ammunition, instruments, ships, machine tools. The need for such surveys and their value has been increasingly evident as employers newly faced with the problem of adding more and more women to their forces repeatedly have called for advice of all types.

In the spring of 1941, for example, scarcely 150 women factory workers were employed in seven major aircraft assembly plants visited by Women's Bureau agents. Employers were not greatly interested. Six months later, when it had become evident—even before Pearl Harbor—that the male labor force would be depleted, and when plants were being pressed to employ women, these same aircraft employers were eager to seek the advice of Women's Bureau agents, not only as to the kinds of jobs women could do and the hazards on certain work, but as to policies on a long series of knotty problems. The solution of these problems was well known to the Bureau but unfamiliar to those who formerly had not supervised many women—for example, as to pay rates on various jobs, effective training plans, provision of dressing rooms, approved standards for protective work clothing,
night work and suitable arrangement of work shifts, policies regarding employment of married women, personnel policies best suited to adapting women to the factory routine, etc. In June 1943 more than 313,000 women helped to make airframes, gliders, engines, and propellers.

The commercial shipyards, which began later to take on women and had only 2,400 women wage earners in June 1942, within a year were employing more than 88,000.

Other industry groups employing women also have shifted in the adjustment to war needs, showing enormous increases in the numbers and proportions of women in machine industries, and in all types of war manufacturing. For example, in the spring of 1941, iron and steel industries employed 93,000 women; in June 1943, they employed over 317,000. In the same period of approximately 2 years, employment of women had increased in electrical-machinery plants from 43,000 to 240,000; in chemicals, from 59,000 to 231,000; and in rubber, from 42,000 to 71,000.

Women advanced from 8.5 percent of the wage earners producing durable goods in the spring of 1941 to 22 percent in June 1943, from 3 to 27 percent of those making firearms, from 1 to 13 percent of those in machine-tool plants, from 47 to 57 percent of the wage earners making boots and shoes, from 14 to 42 percent of those making professional and scientific instruments.

In the Detroit area a large group of war plants employing 35,800 women a year ago [fall of 1942], had 120,000 women last spring [1943].

In Illinois, over the 3-year period since 1940, there was an increase of 81 percent in numbers of women wage earners employed in all manufacturing establishments reported—170 percent in metals and machinery; men's employment also had increased considerably.

In California, during the past year's time the proportion of women rose from 6 to 23 percent of the wage earners in plants making durable goods, from 4 to 18 percent in iron and steel plants, and from 27 to 45 percent in rubber plants.

In New York, women in machinery and electrical plants comprised 14 percent of the wage-earner force in 1942 and 28 percent in 1943.

Recruitment of Women

Naturally with the addition of some 5 million women to the labor force since 1940, their recruitment has engaged much of the attention of the War Manpower Commission, where the duty to supply workers centers. This agency created a Women's Advisory Committee, which recommended that employers analyze occupations and promote the use of women, and that management and labor remove all barriers to their employment.

The whole-hearted response of women to the demand for their work, and the fact that already many have been laid off, both point to the wise decision that, at least up to the present, no compulsory registration of women has been either necessary or desirable. In taking this position, the War Manpower Commission has defined the areas of acute labor shortage. In such areas, if efforts toward individual recruitment of women have been tried and found insufficient voluntary enrollments of women are permitted, provided that employers have agreed that they can at once employ many women, it

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is shown that workers are being effectively used and that the shortage therefore is a real one, there is evidence of a local supply of woman labor with control of outside migration, and the work standards that are later referred to are observed.

A large number of communities with bona fide labor shortages have taken advantage of these voluntary enrollments. Although lay-offs in a number of communities were experienced in recent months [late summer, 1943], the need for an enrollment of women on a national scale is not evident at present. Nor will it be necessary, so long as we still have some unemployed women, or until we have the assurance—now often lacking—that women workers are being effectively used on the job.

**Keeping Up Work Standards**

Many of the labor commissioners present recall only too vividly that first sudden impact of the demand for a break-down of State laws affecting women, and the beginnings of their own valiant labors to uphold, so far as they were able, the work standards known as best to assure human welfare and efficiency on the job. These efforts of State commissioners were vigorously supported by Federal agencies, seven of which joined in recommendations restating the outlines of such standards, which are so important that they again should be summarized here for our record:

A maximum work period of not more than 8 hours a day and 48 hours a week with 1 day’s rest in seven; adequate meal and rest periods; proper safeguards for health and safety; and the same wage rates for women as for men.

Agencies recommending these principles were the War, Navy, and Labor Departments, Maritime Commission, War Manpower Commission, War Production Board, and Office of Defense Transportation; the Public Health Service and the Commerce Department also concurred in the recommendations on hours of work.

In general terms it may be stated that in most of the States legislation regulating hours and providing adequate conditions of work for women enables exceptions to be made for emergency conditions; in some other States, such exceptions have been allowed by responsible authorities. Since the outbreak of war a considerable number of States have passed emergency acts specifically authorizing the Governor or director of labor to permit relaxation of labor laws.

In many of these cases, strong efforts have been made to assure that the exceptions will be temporary, by providing rigid permit requirements and prior investigations of each case, issuing permits for limited periods, and applying the exemptions to bona fide war workers only, or to extreme emergencies due to shortages of personnel, or to special need for particular skills requiring considerable training periods and the like. In many cases, too, discussions with employers have convinced them that their demands were inconsistent with their own longer-time requirements for efficient production, and their requests were withdrawn. Nevertheless, a recent New York report showed that such dispensations, over an 18-month period, applied to over 229,000 women in nearly 2,200 war plants, usually permitting night work or hours beyond 48 a week. Similarly, in California, laws have been relaxed for 1,100 firms, roughly two-thirds of them during 1943.
Even more serious are the relaxations effected during 1943 by legislation setting aside or raising the maximum on hours of work in some 16 States, most of them major industrial States, and practically all having important war plants. In seven of these States the 1943 wartime acts (in one case a proclamation) provide no maximum limit to daily or weekly hours.

Some of these legal changes nullify gains hard-won through long years. In short, rigid adherence to the best work standards has been relaxed in many instances, and there must be a speedy return to them immediately after the war. The post-war economy will require a rapid shortening of hours, which will restore the more normal leisure time necessary for workers’ health and well-being. For many months past, there has been considerable evidence that the burden of over-long hours is taking a heavy toll of the energy and health of women workers. Frequent reports by agents of the Women’s Bureau from various sections of the country indicate that in many war plants women workers are becoming fatigued much beyond the efficiency point; some are so exhausted they are quitting the job entirely.

Over-long hours also cause an increased absence rate. A recent New York report showed the rate of absence definitely higher with a 6-day rather than a 5- or 5%-day week; the rate was also higher when lunch and rest periods were inadequate. Similar situations are found wherever absence causes are investigated.

It is especially important in wartime, when peak production is required, that conditions of work forestall excessive fatigue, and that the workers are given sufficient time for the necessary business connected with living. Women workers particularly require this, because they usually have very definite household responsibilities in addition to those of their paid employment—responsibilities that wartime conditions make unusually difficult and time-consuming.

**Equal Pay**

Maintenance of wage standards is a major problem in a labor force that is being rapidly expanded with women workers. Important at all times, equal pay on the job without regard to the worker’s sex becomes all the more pressing in such a period as this. It little furthers our cause if men return from the armed forces to find the standards of their wage broken down, or if women find themselves unable to obtain a living wage even though they are exerting their fullest effort to serve their country on the production line.

This is no new problem. Unions have recognized the equal-pay principle as a safeguard to wage standards, and many of their agreements now include clauses providing for it. Government policy for equal pay has been expressed repeatedly by various agencies over a long period of years. The War Labor Board of World War I applied this principle in more than 50 cases. The present War Labor Board went much farther in the General Motors case, defining equal pay to exclude the reduction of women’s pay standards by slight alterations that make job organization more efficient.

The level of women’s wages this year is above that of last year, but still less than 60 percent of that for men; women’s wages are not as near to those for men as they were after the old NRA had raised the wage levels of women.
Owing to many technicalities, and to peculiar circumstances in many cases, the ideal thus is not yet attained, but real progress has been made, both in definition of the problem and in attitude toward it. The War Labor Board's directives seeking to hold wages against an inflationary spiral, still make allowance for adjustments where women's wages are below the rate for the job.

The progress in public understanding of the importance of equal pay is attested to by the fact that Illinois and Washington added their names to that of Michigan as States with laws providing for equal pay. A notable decision of the Michigan Supreme Court upheld the law in that State, and afforded the required back pay to women.

[See Minimum-Wage Legislation in the United States, page 78, for a more detailed discussion of pay questions.]

The Future

Our great primary purpose in America at the present time is to win the war. Every bit as important as the flying of a Fortress, the taking of an enemy entrenchment, or the sinking of a battleship is the work of those women, as well as the men, who measure the accurate instruments or carefully grind or inspect the small metal parts for that Fortress, who heat-treat the metal or test the guns for our soldiers, or who pack the cartridges for their belts. To win the objectives of this war we must bring the Four Freedoms to these workers. We must enable the needy woman worker as well as the man worker and the soldier, first to tide over the period of transition, and second to obtain work in the rebuilt peace economy.

As previously stated, 5 million women are now employed besides those formerly in the labor market. Many of these will be glad to return to their homes after the war. Others cannot do so, but must remain permanently in the labor market. They have helped enormously in the vast war production program, carrying along month after month the tedious factory routine and essential civilian services. Even before this time, large proportions of employed women supported dependents. The war casualties already have increased these burdens on women workers. Their needs, like those of other workers, must be met in the post-war transition period.

Where cut-downs in force of workers become necessary, equitable plans must be worked out so that the effects do not fall more heavily on women than on other workers.

Technicalities in unemployment compensation, in no way related to the performance or needs of the worker, must not be permitted to cut women off from just benefits.

Seniority provisions must not be allowed to militate unduly against women.

These are but a few of the policies that must be prepared for by present action. Workers—women as well as men—must be tided over the transition period and helped to find future jobs. Thus only can we establish the victory within our own economic system.

Women in Canadian Industries

The Wartime Information Board in Ottawa reports that women have played an important part in making Canada the fourth largest
producer of war supplies among the United Nations. Women constitute more than 80 percent of the workers in Canadian instrument factories, more than 60 percent of those in 8 major small-arms plants, more than 27 percent of those in aircraft plants. Women are building ships on both the East and West Coasts, and a number of steel mills have employed them for the first time.

The Women's Bureau in the United States Department of Labor visited Canadian gun plants and found that in January 1942 women constituted 65 percent of all factory employees in rifle manufacture, over 40 percent of those on machine guns, and 25 percent of those on anti-aircraft guns.

Permits for the employment of women in and about a mine have been granted in special cases by the Governments of Ontario and Manitoba.

The National War Labor Board, which administers the wartime wage policy has in effect recognized the principle of equal pay, since it has required payment of the established rates for the job to employees hired after November 1941. Nevertheless, many women who have not yet acquired certain skills are affected by the various grades established for the payment of inexperienced employees. Under the fair wage policy of the Dominion Government, minimum rates to be paid employees of contractors or subcontractors furnishing Government supplies or equipment are set for persons 18 and over at 35 cents for men and at 25 cents for women.

Provincial requirements may be higher, and the report of the Ontario Department of Labor shows three-fourths of the women workers in three major war industries receiving weekly earnings of $16 or more and 14 percent of $25 or more. Hourly earnings of 42 cents or over were received by 26 percent of the women clothing workers in Ontario and by 13 percent of those in food plants. In 1942, the department had collected back wages due for 345 employees.

In British Columbia, more than two-thirds of the women 18 years old and over reported in manufacturing industries and laundries had received $16 or more a week, nearly a fifth of them $25 or more. In this Province, women's average weekly wages in 1942 had increased more than 11 percent from 1938, though hours showed a slight decrease.

The report of the British Columbia Labor Department shows a situation typical as to women's work in war-industry centers. It states:

Practically every line of industrial work sees women and girls engaged in occupations that a few years ago were considered to be men's work. Machines of all sizes turning out minute or large parts, assembling intricate equipment, and mechanical operations of all kinds will no longer hold mysteries for these nimble-fingered workers.

They drive taxis and delivery trucks, and as the gasoline and rubber shortage becomes more apparent, horses are coming back to draw vehicles of various types, girls are handling reins as well as steering wheels.

The report indicates the particular war needs for women's work in laundries and dry-cleaning establishments, especially where His Majesty's forces are located in large numbers; in hotels and restaurants the mercantile industry, and as office help in His Majesty's services, and in vital war industries. The report also notes the attention being paid by the Board of Industrial Relations to the needs of married
women workers who are entering industry in increased numbers. It further states:

Each year the benefits of the labor laws administered by the Board come to be regarded in a more beneficial light by those who are directly affected by the orders and regulations made under the acts. The inspection staff have acted as intermediaries between employers and employees, educating both groups to the advantages of voluntary compliance with the regulations, upon which much time and careful planning have been spent by the Board in adapting them to rapidly changing conditions.

The factory inspector in British Columbia stresses the need for women to wear safe clothing, comfortable low-heeled shoes, and protective head covering. Investigation of a firm, starting to give out clothing to be made in homes, revealed that insufficient wages were received, and that there was danger from communicable disease. The company was instructed to discontinue this practice, and machinery was installed for factory performance of the work.

Orders and regulations issued in this Province during the year, or reported to be in effect in 1943, fix minimum rates for women on the same scale as for men in the shingle industry, in specified occupations in the preparation of fish, and as bus drivers and janitresses. Other regulations applying to women are as follows:

- **Fruit and vegetable canning.**—Overtime fixed at one and one-half times the regular rate, instead of a fixed sum as formerly.
- **Manufacturing.**—Period for paying learners’ rates shortened.
- **Mercantile establishments.**—Rates fixed for temporary employees at Christmas.
- **Hotels and catering.**—Work permitted for 9 to 54 hours, but time-and-a-half pay required for work over 48 hours a week.

**DISCUSSION**

Mr. Lubin (Washington, D. C.). I would like to ask Miss Anderson whether she thinks we are going to get enough women to meet our labor requirements.

Miss Anderson (Washington, D. C.). I think we can get them, if we really put our mind to it. I feel that there are plenty of women that the labor force has not even tapped. I will say—and I am saying this advisedly, and in criticism also—that the War Manpower Commission in calling for women, always “plays down” the women; then, when they go and look for the job, they are told, “We haven’t anything for you.” Until that stops we are not going to get as many women as possible out to work.

Mr. Olander (Illinois). It has just been brought to my attention within the last 24 hours that a very important industry here, engaged in vital war production, employing from 60 to 70 percent of women, is finding itself unable to hire women fast enough to fill the places of those who leave. Whatever the cause may be, in specific terms this is true in general: something is very unsatisfactory to the women. We should trouble ourselves to find out what that is, because we are going to need more women and we cannot afford to have them going out faster than they come in.

Mr. Dean (Michigan). I was interested in what Miss Anderson had to say about the War Manpower Commission. You know Michigan is quite a tight State respecting labor supply, and the department of
labor, in the employment of women, has utilized to the full the services of the War Manpower Commission. Miss Anderson seemed to imply that employers were not using War Manpower Commission services for the employment of women as much as they could be used. I want to say again that Michigan has a rather tight labor situation, and women are being inducted into industry in large numbers. The cooperation mentioned supplements our limited staff; we recognize that we have poor labor laws with respect to the controlling of the conditions under which women may work, particularly as to hours. Women, in Michigan, may be worked 54 hours per week and not to exceed 10 hours in any 1 day. I think you will agree those hours are too long for a woman who maintains household duties in addition to industrial work. We utilize the War Manpower Commission, for instance, as we did in the past few weeks, when an employer put in a demand for 800 women. We requested that the War Manpower Commission go into that plant, make a survey to see whether the plant was fully utilizing its present labor force; if it was found to be so doing, then the inspection staff of the department of labor and the War Manpower Commission would make a job study to discover those jobs on which women might be employed without detriment to their health and so on. Out of that came a recommendation—a joint recommendation from the inspection staff of the department of labor and the War Manpower Commission—to the labor commissioner to approve the employment of women on the jobs found suitable for women. So we have a rather definite plan to prevent women from being employed on jobs which are detrimental to their health and so forth. I regret to say that we do not have the short hours that I think are necessary for the employment of women on a long-term program. I think we are short-sighted when we exceed the 48-hour week—when we forego the 1 day's rest in 7. In fact, I would prefer to see a 5-hour day for women who have household responsibilities. I think only those women who have no family duties should be employed full time.

Mr. McCain (Arkansas). I would like to drop this information to the gentleman from Michigan in regard to long hours. The son of my safety engineer just returned from Detroit where he had been working in the Briggs plant for about 2 years. A fine young fellow, physically fit when he went up there; eager to serve his country. He had a wife and three children, and wanted to take care of them. He thought that it was a patriotic thing to work all the hours they asked, and when they called upon him to work on Sundays he worked Sundays. Before he realized what he was doing, he cracked up completely—came back home a physical wreck. He came back to report to the Draft Board. He probably will be deferred; and then he will not be able to go back and hold his job with the Briggs Co. So, it seems to me while you are shortening your hours for women that you ought also to say that 48 hours is enough for a man on year-round production.

Mr. Dean. I agree with you on that.

Mr. Shuford (North Carolina). Too many men have worked too long hours during the past year and a half and usually it does not increase production if it is for a long period of time. It is not good for anyone.
Industrial Homework

Industrial Homework

Report of Committee on Industrial Homework by Kate Papert (New York, Department of Labor), Chairman

This wartime meeting of the I. A. G. L. O. gives us an opportunity to take stock of progress in the control of an age-old problem—industrial homework. On the whole the picture is good—both State and Federal Governments have demonstrated that prohibition is practicable. Great strides have been made under prohibitory orders in cutting down the number of homeworkers; both industry and workers have benefited. On the other hand, the war has brought an insistent demand for workers, and some employers are turning to homework as the answer to the labor-supply problem. We as administrators of industrial homework laws, cannot sit back and think our job is done. We must make further progress, and we must be prepared to deal with the new problems that are arising to hold the gains we have made.

Since the last report to the I. A. G. L. O. conference, in September 1941, four States have made progress in the control and abolition of industrial homework. New Jersey, which had long been a center of homework, passed a comprehensive industrial homework law, embodying the main provisions of the suggested draft for State legislation prepared by the Committee on Industrial Homework appointed by the Secretary of Labor. This represents the outstanding achievement of recent years in State control of homework. Rules and regulations, issued under the law, outline procedure and strengthen enforcement.

New York passed two laws to prevent an employer's distribution of industrial homework through a contractor. Also, in New York, under its administrative authority, the department of labor issued the amended homework order No. 4, prohibiting industrial homework in the glove industry, except to workers who cannot adjust to factory employment. This order covers an industry which is largely concentrated in New York State, and it has furnished an excellent demonstration in adjustment of both employers and homeworkers to factory production.

In Pennsylvania, under its administrative authority, the industrial board issued a ruling which prohibits the processing of and exposure to the sorting of animal hair or bristles by homeworkers.

A Massachusetts law raises the license fee for the employer sufficiently at least to discourage the employment of large numbers of homeworkers.

More extensive than State progress has been the progress under Federal laws. The first Federal control of industrial homework came under the NRA. Out of a total of 556 codes, 118 contained homework provisions, either prohibiting homework or subjecting it to regulations for factory work. With no teeth in enforcement, compliance varied. It was good in highly unionized groups and among enlightened employers, and poor in other groups. The NRA experiment was
short-lived; but it was important, because it demonstrated that both worker and employer can adjust to the elimination of industrial homework.

Other Federal controls have developed since the demise of the NRA. Under the Public Contracts (Walsh-Healey) Act of 1936, homework is prohibited in all Government contracts of more than $10,000. With the increasing proportion of war production, this provision has become more and more effective in the abolition of homework; but with the return to the production of more civilian goods its effect will decrease.

The most effective Federal control of homework has been brought about under the Fair Labor Standards Act. The first interpretative bulletin issued under this act held that homeworkers as well as factory workers were entitled to its benefits. Under authority granted to him by the act, the Administrator of the Wage and Hour and Public Contracts Divisions has issued orders prohibiting homework in seven industries: Jewelry, gloves, knitted outerwear, women's apparel, buttons and buckles, handkerchiefs, and embroidery. All of these industries had long been recognized as concentration points of the inefficient, wasteful, and inhuman system of homework production.

All of the prohibitive orders provide for the granting of special homework certificates, authorizing industrial homework by the worker who is—

1. Unable to adjust to factory work because of age or physical or mental disability; or is unable to leave home because his presence is required to care for an invalid in the home; and

2. Was engaged in industrial homework in the specified industry prior to a fixed date (except that this requirement shall not be applied in cases of unusual hardship to the individual); or is under the supervision of a State vocational rehabilitation agency or sheltered workshop.

The effect of the prohibitory orders can be measured by a comparison of the numbers of homeworkers in each industry before and after the orders. The estimate of the number of homeworkers in each industry at peak season during a period of approximately 2 years prior to the order is based on the distribution of the Wage and Hour "handbooks" required under the Fair Labor Standards Act. This estimate is not too good as it almost certainly errs on the conservative side, but it is the best available. The estimate of the number of homeworkers since the orders became effective is based on the number of outstanding certificates in the industries on July 1, 1943. In the case of the glove industry the number of certificates includes those issued by the State of New York, as well as those issued by the Wage and Hour and Public Contracts Divisions in other areas, inasmuch as New York State certificates in this industry are accepted as Federal certificates. All the orders except those for handkerchiefs and embroidery have been in effect 10 months or more, and the number of certificates includes those issued during at least one peak period.

When the order for the jewelry industry became effective in December 1941, there were 3,400 homeworkers; in July 1943 certificates had been issued to 534 homeworkers in this industry—15 percent of the number formerly employed. War production is taking metals that

1 Each homeworker is required to have one of these "handbooks" in which is kept a detailed record of all work performed.
formerly went into costume jewelry, but this is not the whole story, because we know that various substitute materials are being used.

The women's apparel industry now employs only 809 homeworkers, 13 percent of the 6,400 employed before the prohibitory order. The knitted outerwear industry presents an even more striking drop, with 298 certificated homeworkers, or 3 percent of the group formerly employed.

In the glove industry, fewer than one-third of the 5,400 homeworkers of 2 years ago are doing this work in homes today. About a fourth of the manufacturers in this industry have opened community workshops, and day nurseries have been established for the care of young children. One small glove manufacturer reported recently that 10 factory workers are now putting out more work than was formerly done by 6 factory workers and 7 homeworkers.

The handkerchief homework order became effective only in May 1943. Certificates had been issued to 10 homeworkers as of July 1, as compared with the former 1,570 homeworkers. Part of the explanation lies in the enactment of the homework law in New Jersey—the center of the handkerchief industry—which restricts the number of homeworkers to one-third the number of factory workers. Further explanation lies in the substitution of the machine hem in place of the hand-rolled hem that came as a result of the order.

At the time the wage order for the button and buckle industry went into effect, no separate estimate was made of the number of homeworkers; but only 14 certificates have been issued in this industry. Administrators in the homework field say that carding of buttons in homes has been greatly reduced under the order.

The embroidery order is the most recent and goes into effect next month. This order is important because of the large number of workers affected (an estimated 11,900) and because administrators think homework in embroidery is increasing—ornamentation of clothing is coming in with scantier cutting and limited dyes. The effectiveness of the embroidery order remains to be seen.

All the Federal prohibitory orders have come within the last 2 years, a period of almost unbelievable progress in eliminating industrial homework.

This is the heartening side of the story. Industrial homework can be controlled. Administration of State and Federal laws clearly demonstrates that homework can be taken into the factory, and that homeworkers and employers can make the necessary adjustment.

In industries where there are no homework prohibitions, homework tells a different story. Administrators in State and Federal labor offices express the opinion that great increases in industrial homework have come in the last few months, as labor shortages have developed. They see flagrant violations of homework regulations. Advertisements in newspapers and over the radio give a patriotic front to homework, as one answer to the manpower shortage. Certain new industries that lend themselves to homework (such as zipper reconditioning) have developed. Factory wages are relatively high and there are always employers who seek cheap labor.

New York State reports that homeworkers’ certificates in all industries are being issued this year at the rate of about 70 percent more than last year. In Massachusetts almost exactly as many homeworkers’ certificates were granted in the first half of 1943 as
were granted in the entire year 1942. Rhode Island issued approximately the same number of certificates in the first half of 1943 as in the entire calendar year 1942.

The hosiery industry is turning to homework as an easy way to meet the labor shortage. "Handbooks" for homeworkers have been issued to nine hosiery firms by the Philadelphia Regional Office of the Wage and Hour and Public Contracts Divisions this year; only one such firm was known to be distributing homework last year. One hundred and thirty-five hosiery firms from North Carolina alone, and 20 firms from Tennessee, have acknowledged receipt of Wage and Hour "handbooks" this year. Half of these firms expected to employ more homeworkers than in previous years.

More adequate State legislation, strict enforcement by State and Federal agencies, and close cooperation between State and Federal offices in the administration of existing laws are needed to meet the threat of the return of homework. Homework legislation correcting an evil in one State makes a neighboring State more vulnerable to the same evil. Employers of homeworkers move in where possibilities of exploitation are greatest. No State wants to invite exploitation of its women and children, the traditional homeworkers. The pattern for effective control of homework has been set by the Federal Government and several States. The time is right for further vigorous action in the field of legislation and enforcement.

In States where there is State as well as Federal regulation of homework, effective enforcement will be greatly aided by Federal-State cooperation. Without this, employers with every intention of compliance may be confused as to the regulations, and the "chiselers" may play one set of regulations against the other.

Exchange of information, as needed, regarding issuance of certificates and permits is one basis of cooperation. Inspection material of each office should be made available to the other. This is an essential part of preparation of cases for legal action; and prosecution in good cases of flagrant violation is necessary to a healthy respect of the law. Inspectors of State and Federal offices should inform employers and homeworkers of the requirements under both laws. Specific plans should be worked out in each region for an effective Federal-State enforcement program.

We cannot afford to underestimate the size or the difficulty of enforcement. Employers and homeworkers are scattered over wide areas. The turnover among employers and workers is considerable. Continuous policing of factories and homes, combined with periodic inspections of pay-roll and production records, is necessary to achieve strict control and regulation of homework. It is significant that the number of violations found is usually in direct proportion to the size of the enforcement staff. Federal-State cooperation in enforcement is therefore extremely important. As administrators know, after the laws and orders are issued it is enforcement that makes the controls against homework a reality for workers and employers.

War agencies have strengthened the stand of labor departments against homework. The War Manpower Commission in a memorandum to its regional directors has given the best answer to proposals that homeworkers be used to meet labor shortages. It condemns recruitment of workers in violation of Federal and State laws. It states there is no evidence that utilization of manpower would be
assisted by the encouragement of homework, and recommends the development of community workshops, day nurseries, shopping services, and part-time work schemes as better methods of drawing labor reserves into the work force. This statement was followed up by a press release declaring that the War Manpower Commission is not looking for industrial homeworkers, even in labor-shortage areas. It recognizes that minimum labor standards cannot be maintained in homework.

The war relocation centers suggested a fertile field for exploitation to a few employers who sought certificates for Japanese women for homework on handkerchiefs and other fine sewing. This was a short-lived threat to break down standards. The War Relocation Authority issued an order prohibiting evacuees from engaging in private employment while residing within relocation centers.

With the enlightened and emphatic statement of the War Manpower Commission and with the Federal and State prohibitions, it is unlikely that homework, either legal or illegal, is adding to the production of war goods. Homework is going into the kind of production that is in no way essential in the present emergency—embroidery and other kinds of ornamentation, hand finishing on clothing, ribbons and bows, etc., most of which we could do without entirely, especially in wartime. Other countries have given up production of this kind of civilian goods. Not only is it nonessential, but the sale of such goods adds to the inflation we are all trying to avoid. The inefficient use of labor and materials in homework is an old story.

The war does not make a case for modification or relaxation of the fight against homework. Rather, it demands the most efficient production of essential goods and thereby furnishes another effective argument for the abolition of industrial homework.

**DISCUSSION**

Miss Papert (New York). The progress that has been made since the last meeting of the Association, I think, is pretty encouraging, both as to the States and the Federal Department of Labor.

As a State enforcement officer, I am a very strong believer in the need for the enforcement of homework regulations. Of course, the first big step is to get the regulations and the laws enacted, but it is the enforcement of those laws and regulations that makes them real, that brings the benefits to the workers and to the employers in these industries.

As the chief of our Homework Bureau says: “Homework is a problem that is here today and not gone tomorrow, but back tomorrow unless it is enforced and vigorously enforced.” In the enforcement of these laws, too, there is need for activity on the realization of the problem, not only by the State but also by the Federal agencies.

Unfortunately, certain old problems that existed before the war, still confront us in this war period. Someone this afternoon questioned whether anybody was getting subminimum wages in this day of relatively high wages. I had a report the day before yesterday of a woman who was earning at the rate of 5 cents an hour, closing the ends of knitted gloves. An inspector had timed her. We have any number of reports of homeworkers getting 10 and 15 cents an hour. A woman wrote a letter which appeared in one of our New York
papers, asking what could be done for her mother who was earning 15 cents an hour, sewing women's dresses; she was referred to the Federal Wage and Hour Division.

To illustrate further the fact that the old problems are still with us, let me tell you about a flower manufacturer. We have, in New York, an order restricting homework in the flower industry, and we try to enforce it. We learned, through various sources, of a flower manufacturer whose factory workers were not working a full workweek, and who had only a few homeworkers. Our inspector examined the pay-roll books which showed that one woman was earning an unusual amount of money. He tracked it down and found that she was earning the unusual amount, but not by making flowers herself. She was distributing the work to another woman, who, having more than she could do, was in turn distributing it to still another group. One homeworker was earning only $1.25 cents an hour, and when she complained she was raised to 16 cents an hour. We found that this same manufacturer, by redistribution of homework, had a large group of 12- and 13-year old children working during the summer months, who were being paid at the rate of 10 cents an hour. We are finding more child-labor violations. Child labor, especially among the younger children (the older ones can go out and get better jobs), and low wages—these are the old problems of homework.

There are, it seems to me, certain new problems that those of us who have been administering homework laws have found. One is that the manufacturers are now urging relaxation of homework regulations or are employing additional homeworkers because they claim labor shortage.

Actually, so far as we can find out, and so far as the experience of other States shows, most of the work done at home—in fact, practically all of the work done at home—is in our normal consumer-goods industries—flowers, gloves, all the things that we as civilians enjoy and want to have.

I suspect we shall see further pressure to relax homework regulations, but I think we can all take great comfort in the stand that the Federal agencies—and the war agencies—have taken in supporting the labor departments and the restriction of homework. Real progress, I think, is represented in the recognition that homework is not an efficient method of manufacture and that it does mean substandard working conditions.

Mr. Shuford (North Carolina). Homework is an insidious thing, as Miss Papert has pointed out. You decrease it at one point and it comes up somewhere else.

Mr. Gamble (South Carolina). Has there been any attempt to set basic minimum rates of pay on work going out to the homeworkers by the time-study method made on work done in the plants? It seems to me that through such a method there would be an opportunity to eliminate the unethical practices; for instance, in cases in which the work put out to a worker is accomplished by the assistance of young children. That seems to me to be an appropriate method of control for this type of homework, and without such a control I cannot conceive of proper safeguards for the homeworker.

Miss Papert. You are quite right. Without some strong and clear-cut method of control, you certainly cannot safeguard homework.
There have been a number of attempts made to set piece rates. I will illustrate, if I may, from gloves, because it is a relatively standardized article. The glove unions in Fulton County, which is the big glove center in New York State and one of the big glove centers in the country, have a schedule that goes on for pages and pages, detailing each one of the piece rates; and they revise that schedule every year. Because of slight changes in style, a glove will be three buttons instead of four, that is just a little bit longer, and the leather may be a little stiff, harder to work, therefore it takes longer. The problem in homework and in setting the minimum standards by means of piece rates is that you must have a terrific force of inspectors to keep up with the styles that each manufacturer has and, therefore, that the whole industry has, because the styles change from one season to another, and the styles that one manufacturer has are different from the styles that another has.

On flowers, there is one manufacturer in New York who regularly puts out a thousand styles each spring. It is almost impossible to set basic piece rates, because of the factors of styles and materials.

Mr. Gamble. I am working on a law for South Carolina that I hope to have passed next year, in this connection. One of the phases I hope to have incorporated in this law is a requirement that before homework can be sent out to the homeworkers the rates of pay and the amount of work must be approved by the State department of labor. I just wondered if there were any other States represented that had such a provision.

Miss Swett (Wisconsin). Before 1920, we had the old type of homework law which related only to the place where the work was done. The original homework law did not give any attention to the rates that were paid or the hours that were worked, but was concerned chiefly with the harm to the public of using goods produced under unsanitary conditions. We knew that this did not attack the big evils of homework, as Miss Papert has said, child labor, long hours, and low pay. Our law was amended in 1920 to provide that there should be, first, a permit granted to the employer to give out homework, not just a permit or a license granting that the work be done in the particular place, or given to a particular person to do the homework. This permit was conditional upon the wages being paid, sufficient to yield to the workers the rates that were required under our minimum-wage law, and also conditional upon compliance with the women's hours law and child-labor law in the plant wishing to send out homework.

It is difficult, of course, to set rates in the making of things like artificial flowers, but when the artificial-flower industry attempted to come in our State, and we told them that rates would have to be set for the different styles of flowers and so forth, they decided they did not want to make artificial flowers in Wisconsin. It was the same with hooked rugs. Our homework situation in Wisconsin is the kind it is now, I think, because we have done this over all these years. We do not have many establishments engaged in homework in the State—very few in fact—and few workers in those establishments. In Milwaukee, there are only one or two that employ as many as a dozen women, largely because of the fact that they have to secure a permit to engage in homework which is conditional upon the rates to be paid. It seems to me that that is one of the necessary things, if you are going
to have a homework law at all, if you are going to permit homework at all; you must see that, if it does exist, you do not grant a permit unless the wage rate is such that it will yield to the workers the minimum rate set for other employees.

Miss Papert. I want to say in answer to the gentleman from South Carolina, that we do have the problem of equal rates. In our New York homework order we have a provision that the homeworkers shall be paid the same rate as the factory worker for comparable work, but that is possible to enforce only because we have restricted so greatly the number of homeworkers. Miss Swett pointed out that that is the way homework is restricted in Wisconsin—but on a wide scale.

Mr. Lubin (Washington, D. C.). Miss Papert, are any parts for war materials being made in the United States in any quantity in homes?

Miss Papert. That is a very hard question for me to answer, because that involves an understanding of the operations of the Federal law. If the contract is under $10,000, it is not governed by the provisions of the Walsh-Healey Act. However, we know of manufacturers who will take several small contracts of $9,000 and do homework on them. Then there is some slight loophole or provision in the Walsh-Healey Act, with which I am not thoroughly familiar, which under certain conditions may permit homework; but it is a minor problem, if I understand it correctly.

Mrs. Beyer (Washington, D. C.). I would like to ask Mr. Lubin a question on that. There is a definite concerted drive to get homework back. The hosiery industry for one, now has a small test case to get relaxation of the Federal law to permit homework on hosiery; that is, to allow the looping to go back into the homes. They make the beautiful plea, of course, that loopers are highly skilled, that they are hard to get, and that wages are frozen so that they cannot pay more to induce them to work in the plants; therefore, it is necessary to recruit the women in their homes and keep them there at these lower wages that are permitted. In other words, they say they will need a relaxation of the provision of the Walsh-Healey Act. Their representation has been made to the United States Department of Labor, requesting such relaxation, and the Department is now investigating the case. If relaxation is granted in that one instance, then the hosiery industry is ready to say: “You have permitted homework in one locality. The entire hosiery industry needs loopers, why not relax the whole industry?” We have been fooled many times by these homework employers. This reasoning should not fool us again.

Miss Papert. There is one thing we should keep in mind when we hear about the shortage of labor and the argument that homework is used to supply that shortage—that is, the articles that are manufactured by these homeworkers are those of the traditional homework industries, and they are not the things that are absolutely essential for civilian needs. Furthermore, many homeworkers who have to make the choice between working in the home or working in the factory naturally will prefer the home because, at first glance, it seems easier. The way in which homework drains off available labor supply from where it can be used more effectively is the thing that we all need to keep in mind, as well as the evils of homework, even today.
Modern war, which involves every aspect of civilian life, has affected our social-security programs in several ways. The more immediate effects are visible to all; the long-term impact is not easy to identify.

In the foreground are the substantial gains in employment and wages, which have reduced unemployment-benefit payments to the lowest point since the inauguration of such payments on a national scale in 1938, have induced large numbers of eligible aged persons to defer their retirement under old-age and survivors insurance, have made it possible to liquidate the Work Projects Administration, and have raised the assets of the Old-Age and Survivors Insurance and Unemployment Trust Funds to record levels. Despite the continued growth in the number of old-age and survivors-insurance beneficiaries, the aggregate number of persons in receipt of benefits under social security and related programs has probably declined in the past 2 years at the same time that the accumulation of reserves for payments to future beneficiaries has been markedly accelerated.

With production and national income at their highest point in history, social-insurance and relief payments, as a percentage of all income payments to individuals, dropped from 6.4 percent in 1939 to 3.0 percent in 1942.

The changes brought about by the war have emphasized both the strengths and the weaknesses of the present social-security program. The transition to wartime production was made easier by the availability of unemployment benefits for temporarily displaced workers. A growing number of aged persons too old or for other reasons unable to work are receiving a minimum retirement income. At the same time, many of the older workers who are remaining on the job during the war are accumulating rights which will qualify them for old-age benefits when the war is over. A large proportion of the persons in civilian employment will come to the period of transition from war to a peacetime economy with some rights to unemployment benefits while they are seeking work.

On the other hand, the unemployment benefits payable vary greatly from State to State both in the size of the weekly benefit amount and the maximum duration of benefit payments. Many States have begun to question the adequacy of their present benefit provisions to meet post-war needs. There are also great differences among the States in the position of their reserve funds and their ability to finance the probable post-war unemployment load.

While employment covered by old-age and survivors insurance, workmen's compensation, and State and railroad unemployment-
compensation programs is now at a peak, many of these workers have come from noncovered employment—primarily agriculture or self-employment—and may be expected to return to such employment at the close of the war. For these workers, present coverage under social insurance may prove of limited value unless the systems are extended to cover their usual occupations.

The several million workers who have shifted from private industry to shipyards, arsenals, and other Government establishments, have lost or are fast losing all unemployment-compensation rights and face a permanent impairment of rights under the old-age and survivors insurance program. They are compensated only to a limited degree by the building up of credits under the Federal civil-service retirement system. For the great majority of such workers—those with less than 5 years in Government service—potential rights under the civil-service program will lapse with the termination of the war.

During this period an increasing number of workers have crossed State lines to take war jobs away from home. Such migration has no effect upon old-age and survivors insurance rights if the worker remains in covered employment, but may impair unemployment-benefit rights because of the existence of 51 State unemployment-compensation systems.

Nearly all State legislatures have acted to preserve the unemployment-benefit rights of persons leaving covered industry for the armed forces. Perhaps half or more of the individuals in the armed forces, however, will have had no previous employment covered by a State unemployment-compensation system or will have insufficient covered employment to have established rights to benefits at the time of induction. The weekly amounts payable and the number of weeks payable will differ substantially among individuals in the same State and in different States. In the absence of congressional action, current insurance protection under old-age and survivors insurance has lapsed for many servicemen and will lapse for still others in the coming year. Veterans' benefits are available for those who die or are disabled in service and for their dependents; but no compensating protection is provided for those who will return to civilian life with unimpaired working capacity. The amendment of the Railroad Retirement Act granting credit for war service to certain classes of railroad employees has benefited a relatively small proportion of those under arms today.

In occupations covered and risks insured, the Federal and State insurance programs have remained substantially unaltered during the 2 years under review. New programs have been confined to special risks growing directly out of our participation in the war. These are principally (1) the civilian war-benefits program, administered by the Bureau of Old-Age and Survivors Insurance of the Social Security Board and the paying of benefits to civilians in the United States injured as a result of enemy action or of action to meet such attack or the danger of attack, and to the survivors of such persons; and (2) the program transferred in December 1942 from the Social Security Board to the U. S. Employees Compensation Commission, paying benefits to employees of the Federal Government or of contractors with the Government who are killed, injured, or interned as a result of enemy action beyond the continental limits of the United States, and to their survivors.
II. Employment Security Developments

A. Labor Market Changes

In July 1941, 50.9 million workers were engaged in civilian employment; in July 1943, the number had climbed to 54.3 million despite the withdrawal of more than 7 million men for service in the armed forces. Part of the increase came from the unemployed, who numbered 5.7 million in July 1941 but only 1.2 million 2 years later. Older workers who might ordinarily have retired remained on the job while others who had retired returned to work. The usual number of young people finishing school and entering the labor market was augmented by those who, attracted by high wages, did not wait to finish their education. A very substantial number of new workers were women, many of whom had not previously held jobs.

The over-all employment figures fail to disclose the shifts into different industries and into different geographic areas. While employment was expanding in manufacturing, government, and agriculture, it was declining in trade and service. Within manufacturing, workers shifted from the production of nonessential civilian goods to the production of essential war materials; many moved to other States, attracted by expanding employment opportunities in centers of war production, particularly aircraft and shipbuilding. Notably large gains were made by the Pacific Coast States.

To a large extent these adjustments in the labor market were made possible by the existence of unemployed workers and unutilized labor reserves and by the mobility of American labor. At the beginning of the period, the United States Employment Service acted primarily to aid in the recruiting of workers. As labor shortages developed and the need for centralized controls became greater, it moved into new fields of service, acting as a clearing house for information and, in cooperation with labor-management committees, working out plans for the recruitment, training, and effective utilization of labor. The number of nonagricultural placements made by the Employment Service is some indication of the increasing activity in the labor market. In the calendar year 1939, before the defense program was under way, nonagricultural placements numbered 4.2 million; in 1940 they numbered 3.7 million; in 1941, 5.4 million; and in 1942, 6.9 million.

Administration of the Employment Service was transferred from the States to the Federal Government in January 1942 “in order that there may be complete responsiveness to the demands of national defense and speedy, uniform, effective action to meet rapidly changing needs.” It operated under the Social Security Board until December 1942 when it became part of the War Manpower Commission.

Information collected regularly through its 1,500 full-time local offices has proved of great value to the United States Employment Service. At the inception of the defense program, plans were made for reports to cover not only the amount and kind of labor available in a given community but also the amount and kind needed currently and some months in advance. Labor requirements by occupation, industry, and locality were thus determined and shortages and surpluses readily located. These reports have also been available as guides in the allocation of war contracts, the location of housing projects, the
establishment of training programs, and the development of transportation and other community facilities.

Before the declaration of war, the allocation of materials to defense requirements had compelled the curtailment of production in some industries and the conversion of other industries, but the situation was accentuated when the war was declared. In the main, adjustments were made smoothly, but in particular industries and localities short periods of unemployment accompanied the conversion to war production. Displaced workers moved to jobs in war industries, and by means of its occupational analyses the United States Employment Service was able to advise the employer and the workers concerning the type of war production which could best use their skills. In many instances, however, training was needed, and special courses were established in the plants or in vocational schools and other private institutions. Shortages of skilled workers were met not only by training programs but also by the upgrading of workers of lower skills and by job dilution, which involves the breaking down of an intricate process into several less complicated parts that can be performed by inexperienced workers under the supervision of a skilled person.

As the unemployed workers were drawn back into employment, women, older workers, youths, and handicapped persons became the main source of labor supply. In some instances Negroes and aliens also constituted a labor reserve which had not been fully utilized. High wages and the opportunity to assist directly in the war effort served as incentives for large numbers of new workers. Many employers were slow to adapt their production to the types of labor available, but their inertia gave way before persistent shortages. Local employment offices were instructed to use their facilities first, and when necessary exclusively, to serve employers whose activities were essential to the war effort.

Movement of workers to industries and localities where they were most needed and recruitment of new workers alone failed to solve the manpower problem, however, and attention was directed to more effective utilization of the workers already employed.

The problem of occupational deferments has become increasingly serious. To retain skilled workers in industrial jobs, lists of essential occupations were released to local draft boards to guide them in granting or refusing requests for occupational deferment. In November 1942, the Selective Service Director forbade enlistments of essential aircraft and shipbuilding workers in the armed forces, and in December all such enlistments in the armed forces were discontinued.

Shortages of skilled workers in particular areas or industries received special attention. To prevent the pirating of labor, the War Manpower Commission in September 1942 pronounced the area comprising the States of Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Texas, Utah, Washington, and Wyoming a "critical labor area" and declared all nonferrous-metal mining, milling, smelting, and refining, and all logging and lumbering industries and activities within the area to be "essential war production activities." Plans were developed for a worker in an essential activity to obtain a certificate of separation from his employer or a designated representative of the United States Employment Service before seeking other employment. In October the War Production Board ordered closing of gold mines to free miners for the production
of copper, zinc, and other war materials. The situation in the copper mines was so acute that miners in the Army were furloughed for work in that industry.

The Farm Placement Service of the United States Employment Service was reorganized in December 1941 to meet the needs of agriculture and to mobilize manpower for work on farms. Placement offices were established in migratory farm labor camps set up by the Farm Security Administration. The shortage of workers on dairy, livestock, and poultry farms led to a stabilization order by the War Manpower Commission, effective in November 1942, requesting local selective service boards to grant occupational deferment to all necessary men on such farms for whom replacements were not available. Older persons were urged to work at agricultural labor; and Congress provided that during the emergency a State shall not be penalized under the Social Security Act because in determining the need of an old-age assistance recipient it disregards income or resources arising from agricultural work, provided the assistance payment is not higher than that for July 1943. In April 1943, responsibility for placement of agricultural workers was given to the Administration of Food Production and Distribution.

For the guidance of the War Production Board and Government procurement agencies in allocating contracts, the War Manpower Commission has periodically classified important labor-market areas into four groups. Group I includes areas of acute shortage in which current labor demands can be met only by release of workers employed in production for which facilities exist elsewhere, substantial in-migration, or large-scale recruitment programs to draw upon reserves of women and other individuals not customarily in the labor market. Group II includes areas of labor stringency in which known requirements for the next 6 months will necessitate substantial in-migration or large-scale recruitment programs. Group III includes areas in which a general labor shortage may be anticipated after 6 months; Group IV includes areas of labor adequacy or abundance. In June 1943, there were 46 labor-market areas in group I, 101 in group II, 70 in group III, and 74 in group IV.

To assist in determining policies for the recruitment and training of women, a Women's Policy Committee was created by the War Manpower Commission in September 1942. A Nation-wide day-care program was authorized for children of mothers engaged in war industries, but in general women with young children were not encouraged to take jobs. The age limit for girls in war industries was lowered from 18 to 16 years by the Department of Labor at the request of the War and Navy Departments and the Maritime Commission. The response of women to the call for their services is indicated by the increase in the number employed: 12.0 million had jobs in July 1941, and 17.1 million were employed in July 1943.

Some new workers were also obtained through immigration. In September 1942, the Attorney General authorized the Immigration and Naturalization Service to permit Mexican agricultural workers to enter the country temporarily whenever the United States Employment Service certified a need for them; the Farm Security Administration was responsible for their transportation to the place of employment and back to the area of recruitment. Harvest workers
soon began to sign contracts for service in California. In the spring of 1943, the shortage of railroad track workers in the Southwest again turned attention to Mexico, and an agreement was made with the Mexican Government whereby workers could be made available for industrial needs in the United States for the duration. Only well-qualified workers may be brought in, and all transportation expenses are paid.

Channeling of Work Projects Administration workers to essential war production jobs was facilitated by placing WPA representatives in employment service offices. Project operations under WPA were ordered closed by February 1, 1943, or as soon thereafter as possible and they ceased altogether June 30.

As one means of increasing the effectiveness of employed workers, employment stabilization plans, developed under the leadership of the local labor-management committees and the area manpower directors, were set up in areas of critical labor shortage. Efforts were made to get workers into jobs where they were most needed and to keep them there. Workers not employed at their highest skill or at their fullest capacity were to be permitted to change employment, but in general an effort was made to keep the worker on the job in order to prevent wastes involved in excessive turnover and labor piracy.

Extension of the workweek was another means of increasing the production of employed workers. In February 1943, a 48-hour week was established for areas of acute labor shortage and also for the entire lumber and nonferrous-metals industries; the order was later extended to the steel industry. Some exceptions were, of course, necessary.

Plant studies made by the United States Employment Service with the cooperation of the employer have revealed areas in which manpower was not being fully utilized and in many cases enabled employers to correct the situation. Manning tables, which indicate for each kind of job in the plant the number of workers required and the sex, age, dependents, and selective service status of the workers employed, have been widely used. Occupational analysis has helped to disclose workers employed below their highest skills and to indicate the jobs which might be filled by women and handicapped workers. Labor hoarding and failure to make full use of minority groups have constituted problems in some instances. Increasing attention has been given to the extent and causes of labor turnover, absenteeism, and industrial accidents and methods of their reduction.

B. Unemployment-Compensation Trends

1. Legislation

Most of the 51 State unemployment-compensation laws were amended in some respect in the last 2 years. Experience rating and benefit rights of workers in military service received considerable attention. Several States liberalized their benefit provisions. Massachusetts extended coverage to employers of one or more workers.

By June 30, 1943, all States except three (Alaska, Louisiana, and New Mexico) had incorporated into their laws some method of preserving the benefit rights of covered workers who entered military service. Experience rating had been adopted in 43 States. Provision for the study of experience rating has been written into the laws of
the remaining 8 States. Increased contributions from employers whose pay rolls expanded during the war have been provided for in 10 States.

Kentucky's repeal of employee contributions leaves only 4 States—Alabama, California, New Jersey, and Rhode Island—which require contributions from workers. Although Rhode Island reduced the rate from 1.5 to 0.5 percent, employees pay a total tax of 1.5 percent, since they are subject to the 1-percent tax under the cash sickness-compensation law.

Thirteen States have increased the maximum duration of benefits, while three (New York, New Hampshire, and Vermont) have provided for uniform potential duration for all eligible claimants.

The waiting period has been reduced to 1 week within the benefit year in 11 States and to 2 weeks in New York, Ohio, and Pennsylvania, making a total of 30 States with provisions for a 1-week waiting period, 18 with a 2-week period, and 3 with more rigid provisions.

Legislation raising the minimum weekly benefit amount was enacted in 12 States. Today 4 States make provision for a $10 minimum, 2 for $8, 8 for $7, 7 for $6, 19 for $5, 3 for $4, 5 for $3, and 1 for $2. Iowa has retained a minimum of $5, or the full-time weekly wage, whichever is less.

Maximum weekly benefit amounts have been increased in 19 States making the provisions for the maximum $22 in 1 State, $20 in 10, $18 in 14, $16 in 4, and $15 in 22.

Disqualification provisions were amended in 24 States. Although 2 States (Wisconsin and District of Columbia) liberalized these provisions somewhat, a restrictive trend was evident in the other 20 States which modified their provisions in 1943. New disqualifications were added, the length of the disqualification period was increased, or provisions for the reduction of benefit rights were included. Changes adopted by Kentucky, Michigan, Pennsylvania, and Virginia in 1942 tended on the whole to mitigate the severity of disqualifications.

Cash benefits under the first State system for the compensation of unemployment resulting from illness became payable in Rhode Island, April 1, 1943. In New York, a day-base plan was adopted, with unemployment measured in days rather than weeks.

2. Benefits and Beneficiaries

The trend in unemployment benefits in 1941-43 reflected in large measure the labor-market changes described earlier.

Although material shortages caused some lay-offs in July-November 1941, they were mostly of short duration and many unemployed

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1 Alaska, Louisiana, Mississippi, Montana, New York, Rhode Island, Utah, and Washington.
2 Alabama, Florida, Illinois, Iowa, Maryland, Minnesota, Missouri, Ohio, Oklahoma, and Wisconsin.
4 Connecticut, District of Columbia, Kentucky, Massachusetts, Michigan, Missouri, New Hampshire, New Mexico, South Dakota, Virginia, and Washington.
5 Indiana, Kentucky, Michigan, New Mexico, New York, Pennsylvania, Rhode Island, Virginia, Vermont, West Virginia, Wisconsin, and Wyoming.
workers were absorbed in defense plants. Unemployment benefits declined in the latter part of the year, falling to the lowest levels since the program went into full operation. In December, however, priorities unemployment in a few highly industrialized States combined with seasonal reductions of employment in others caused a sharp rise in payments which continued through the first quarter of 1942. In Michigan, Indiana, New Jersey, and Wisconsin, unemployment was particularly heavy, and the benefits under unemployment-compensation programs served in no small measure to maintain workers and their dependents while existing plants were converted to produce goods for military use. Benefit payments in Michigan during the first quarter of 1942 (19.1 million dollars) were higher than they had been in the 5 quarters preceding (18.3 million dollars).

Beginning in April 1942, unemployment-compensation payments declined almost steadily through June 1943, when they reached a level of 5.9 million dollars, only 19.5 percent of the 30.6 million dollars paid in June 1941. Beneficiaries averaged about 100,000 a week compared to 654,000 in June 1941. Benefit payments during 1939–40 were 483 million dollars; during 1940–41, 432 million; during 1941–42, 370 million; and during 1942–43, 176 million dollars. Beneficiaries in those years numbered, respectively, about 5.2 million, 4.0 million, 3.3 million, and 1.3 million.

The general trend obscures highly varying situations among the States. The ratio of benefit payments in June 1943 to those in June 1941 ranged from 1.0 percent in Wyoming to 72.4 percent in Indiana. In 15 States, of which 13 (including Alaska) were west of the Mississippi River, payments in June 1943 were less than 10 percent of their total in June 1941; in but 3 States—Indiana, Delaware, and Kansas—was the percentage above 50. Most State unemployment-compensation agencies were able to reduce staff and to lend workers to the United States Employment Service.

Persons drawing unemployment compensation in a period of labor stringency are not likely to be representative of the labor force as a whole. Women, older men, and physically handicapped persons comprised relatively large proportions of the claimants in the early part of 1943. Only a few were in critical occupations.

The average weekly payment for total unemployment increased gradually as a result both of liberalization of some State laws and of higher base-period earnings. For the four successive semiannual periods in 1941 and 1942, the averages were $10.94, $11.22, $12.56, and $12.85. In 1940, 43.7 percent of all weekly payments for total unemployment were in amounts under $10; in 1942, only 26.5 percent were in this class.

Although the number of beneficiaries under the program was at a record low by June 1943, the number of potential beneficiaries was higher than ever before. In 1939, 1940, and 1941, workers with wage credits numbered 30.1 million, 31.9 million, and 37.2 million, respectively. In 1942, 40.6 million persons had wages in employments covered by the system, and in addition several million men in the armed forces had benefit rights which had been preserved from previous years. In a period of full employment and high wage rates, the proportion of these workers who would be eligible for benefits on becoming unemployed is higher than in normal times.
Although tax collections under old-age and survivors insurance were 64 percent higher in the fiscal year 1942-43 than in 1940-41, the 1.2 billion dollars collected under State unemployment-compensation laws in 1942-43 was only 37 percent above collections in 1940-41. Experience-rating provisions modified the employer tax rates in many States with the result that the yield was below the standard 2.7 percent rate. Covered pay rolls rose sharply over the 2-year period, however, so that despite the effects of experience rating, collections increased from 888 million dollars in the fiscal year 1940-41 to 1,094 million dollars in 1941-42 and 1,215 million dollars in 1942-43.

With the increase in collections and the decline in benefits, the ratio of benefits to collections decreased from 48.7 percent in 1940-41 to 33.8 percent in 1941-42 and to 14.5 percent in 1942-43. Ratios in the States in 1942-43 ranged from 1.6 percent in Washington to 32.1 in Missouri. Eleven States (all, including Alaska and Hawaii, west of the Mississippi River) paid in benefits less than 5 percent of collections, and 29 States paid less than 10 percent.

Funds available for benefits amounted to 4 billion dollars on June 30, 1943—an average of about $99 for each worker who had taxable wages in 1942. The amount available per covered worker varied from $32 in Mississippi to $151 in New Jersey; 5 States (Arkansas, Florida, Mississippi, New Mexico, and Virginia) had less than $50 per worker while 10 (Alaska, California, Connecticut, District of Columbia, Illinois, Kentucky, New Jersey, Ohio, Rhode Island, and Wisconsin) had more than $100.

III. Old-Age and Survivors Insurance Developments

Old-age and survivors insurance payments went to well over a million persons in the 2 years ended in June 1943 to compensate them for wage loss suffered through the death of a wage earner or through retirement from covered employment because of age. Millions of additional persons were protected by this insurance through wage credits established by themselves or by persons on whom they were dependent as the continued expansion in war industries increased opportunities for covered employment. Several hundred thousand older workers, who were eligible for primary benefits, chose to postpone retirement and to remain in covered employment with the result that the number of beneficiaries and the amount of benefits were smaller than they would have been had labor shortages not developed.

The number of workers in covered employment has, with the exception of 1938, increased each year since the inception of the program. In 1937, 32.7 million persons received taxable wages of 29.4 billion dollars; in 1942, it is estimated that 45 million workers received 53.2 billion dollars. In the first quarter of 1941, pay rolls covered by old-age and survivors insurance were 74 percent of all wages and salaries in the United States; but increases in the Federal Government pay roll, including military pay, were greater than those in covered employment so that in the first quarter of 1943 covered pay rolls represented only 69 percent of total wages and salaries.

Applications for account numbers, which identify in the Federal records the wages earned by each person in covered employment, have increased as young persons, women, and others without previously
covered employment have sought jobs. By the end of March 1943, a cumulative total of 69.8 million accounts had been established. Of this group, 65 million, it is estimated, were held by living persons comprising 79 percent of the male and 45 percent of the female population aged 14 years and over.

Some of the account-number holders have earned no taxable wages whatever while others have not earned enough to acquire insured status. Each year, from 1937 through 1941, between 21 and 25 percent of the workers with taxable wages during the year had less than $200 of such wages credited to their accounts. These persons were mainly workers employed only part time in covered industry; more than 50 percent of them had wages in only one quarter of the year, and more than 80 percent in not more than two quarters. Many probably worked during the remainder of the year in noncovered employment.

Work histories for the years 1937–40, studied on a sample basis, reveal that 53.4 percent of all workers with taxable wages credited to their accounts were fully insured, 1.4 percent were currently insured only, and 45.2 percent had no insured status as of January 1941. Over three-quarters of the workers without insured status had failed not only to earn the required $50 in taxable wages but also to have any covered employment in a sufficient number of quarters to become insured. Some of the uninsured were married women who had protection on the basis of their husband’s wage records; others were young adults who had not been in the labor market long enough to acquire insured status but under ordinary circumstances would eventually do so; but another group, whose earnings during the period were mainly in noncovered employment, will probably derive no benefits from the program unless its coverage is extended.

Most of the 372,000 persons on the monthly benefit rolls June 30, 1941, received benefits in the 2 years following. During this period 524,000 persons were added to those rolls, more than 100,000 were dropped, and 278,000 received lump-sum death payments. Monthly benefits during this period totaled 241 million dollars and lump-sum death payments 31 million dollars. On June 30, 1943, 796,000 persons were entitled to monthly benefits amounting to 14.5 million dollars per month.

In June 1941, 63.4 percent of the benefits certified were for retired workers, their wives, and children, and 36.6 percent were for survivors of deceased workers. Increasing industrial activity in the next 2 years not only drew many of the retired workers back into covered employment, but it also kept on the job aged persons who were eligible for retirement benefits. On June 30, 1943, 349,000 older workers had filed claims for and were entitled to primary benefits, but more than 60,000 of them had returned to covered employment; another 600,000 aged workers, it is estimated, were eligible for benefits but continued to work. The number of benefits to retired workers and their families was, consequently, a smaller proportion of those certified in June 1943 (55.9 percent) than in June 1941 (64.1 percent).

Of the 796,000 monthly benefits in force June 30, 1943, only 676,000 were in current-payment status. Most of the other 120,000 were suspended because the beneficiary himself or the primary beneficiary was employed; in some cases, a child’s benefits were suspended because
of failure to attend school regularly, and in some a widow's current benefits were suspended because she did not have an entitled child in her care. Proportions of all benefits in force which were in current-payment status varied with work opportunities available to the different groups. The percentage was lowest for young widows receiving widow's current benefits (76.4 percent). Nearly 99 percent of widow’s and parent’s benefits, both payable to persons over 65 years of age, were in current-payment status. For each type of benefit, the proportion in current-payment status was lower on June 30, 1943, than on June 30, 1941; 90.5 percent of the widow’s current benefits and 86.9 percent of primary benefits were in current-payment status at the earlier date.

The number of benefits of different types increased unevenly over the 2-year period. Benefits to aged widows were nearly four times as numerous on June 30, 1943, as on June 30, 1941, while primary benefits had not quite doubled. Wife’s, child’s, and widow’s current benefits were about twice the number in force 2 years earlier, and parent’s benefits were about 2½ times as numerous.

Average payments for all types of benefits except widow’s increased slightly. Since the 1939 amendments to the Social Security Act shifted the emphasis of the program from the protection of the individual to family protection, total payments to a family give a more realistic measure of the protection afforded. The average monthly payment for a retired worker and his wife in the benefits awarded in 1942 was $37.39; for a widow and one child, $34.38; for a widow and two children, $46.38; and for a widow and three or more children $50.52.

Old-age and survivors insurance: Monthly benefits in force and in current-payment status,¹ by type of benefit, June 30, 1941, and June 30, 1943

<table>
<thead>
<tr>
<th>Type of benefit</th>
<th>Monthly benefits, June 30, 1943—</th>
<th>Monthly benefits, June 30, 1941—</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>In force (number)</td>
<td>In current-payment status</td>
</tr>
<tr>
<td>All types</td>
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<td>676,302</td>
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<td>Primary</td>
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<td>284,063</td>
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<td>Wife’s</td>
<td>99,516</td>
<td>84,398</td>
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<tr>
<td>Child’s</td>
<td>220,547</td>
<td>201,954</td>
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<tr>
<td>Widow’s</td>
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<td>37,680</td>
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<tr>
<td>Widow’s current</td>
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<td>84,398</td>
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<tr>
<td>Parent’s</td>
<td>3,549</td>
<td>3,496</td>
</tr>
</tbody>
</table>

¹ Benefit in current-payment status is subject to no deduction from current month’s benefit, or only to deduction of fixed amount which is less than current month’s benefit.

IV. Social-Security Prospects

Public discussion of the war aims of the United Nations has directed attention anew to the shortcomings as well as to the potentials of our social-security programs. Awareness of some of the inadequacies— principally limitations in occupations and risks covered and lack of coordination among systems—has been strengthened by the demonstrably undesirable effect upon benefit rights of large-scale
shifts in and out of covered employment. The need for a broader, more flexible social-security program is underscored every day in the continuing debate on what to do for servicemen in the critical transition period between demobilization and reemployment. There is growing concern about the ability of our State unemployment-compensation systems to meet the full impact of post-war unemployment. Provision for disability benefits and medical-care needs are increasingly recognized as essential parts of a comprehensive and adequate social-insurance program.

Addressing Congress in January 1942, the President called for extension of coverage to approximately 15 to 20 million workers now outside the old-age and survivors insurance system, provision for disability payments and hospitalization, and expansion of unemployment compensation in a uniform national system. Similar recommendations are contained in the report of the National Resources Planning Board on security, work, and relief policies transmitted by the President to Congress in March 1943, and in the Seventh Annual Report of the Social Security Board, submitted to Congress in the same month. In June, Senators Wagner and Murray and Representative Dingell, with the support of the two major labor groups in the country, introduced companion bills in the Senate and House embodying these recommendations and other proposals for changes in the present act. Specific steps to ease the demobilization problem for veterans at the end of the war were offered by the President in a broadcast July 28.

Public debate over the merits of these suggestions is likely to center around the Wagner-Murray-Dingell bill. The bill would establish a unified national social-insurance system affording protection against income loss due to permanent and temporary disability as well as to old age, unemployment, and the death of the breadwinner. The social-insurance system would also provide medical and hospital service benefits for the worker and his family, with freedom of choice of physicians and hospital guaranteed the worker. Coverage for all the benefits would be extended to agricultural and domestic workers and to employees of nonprofit agencies as well as to employments now covered by old-age and survivors insurance. Coverage for old-age, survivors, permanent-disability, and medical-care benefits would be extended to the self-employed and to employees of State and local governments, the latter on a voluntary contract basis. The earnings of persons in military service would be credited in the same manner as other wages for old-age, permanent and temporary disability, survivors, and medical-care benefits; and demobilized servicemen would be eligible, under special provisions, for unemployment allowances ranging from $12 to $30 a week. The old-age and survivors benefits payable would be somewhat more liberal than under the present Social Security Act. Unemployment benefits would be larger for workers with families than for single persons, with a maximum family benefit of $30 a week; the potential duration of unemployment benefits for all eligible workers would be 26 weeks, or 52 weeks if funds are available, in a particular year. A worker who was receiving benefits after 26 weeks might be required to attend a training course. Administration of benefits and maintenance of wage records would be unified under the Social Security Board, which would also be responsible for the operation of a permanent Federal
employment service. To finance the enlarged system the pay-roll tax would be raised to 12 percent, divided equally between employer and employee, and a Government contribution is authorized.

Present comment on the bill reveals some difference of opinion on the desirability of amending the act while the war is on. Many observers believe, however, that the time to plan for post-war adjustment is now and that deferment of necessary changes until victory is won would unnecessarily aggravate the serious character of the problems which peace will bring in its wake.

DISCUSSION

Mr. Lubin (Washington, D. C.). I suggest that you give considerable attention to this report. It is very carefully done and presents the problem that is facing us in the field of unemployment compensation and old-age pensions in a very comprehensive way. I should like to summarize one or two facts which have been presented in the report.

First, there are approximately 41 million people who are now under the unemployment-compensation systems in the various States. Secondly, the average payment per week in unemployment compensation is around $13. The funds that are now available for unemployment-compensation purposes amount to a little more than 4 billions of dollars. Off-hand that seems like a lot of money; but, when you bear in mind that the amount available for workers covered under the unemployment-compensation systems varies from $32 in Mississippi to $151 in New Jersey, you realize that very little money is available to take care of the needs of unemployed workers in the event that there should be a sudden cessation of the war and the unemployment problem became acute. Indeed, 5 of the States have less than $50 per insured worker in their fund, while 10 States have more than $100 per worker.

I think these facts bring to light the necessity of something being done, and done quickly, to reinforce our unemployment-compensation laws so that we can make decent provision for those people who may find themselves unemployed should the war end suddenly. As Mr. Clague pointed out in his report: "The need for a broader, more flexible social-security program is underscored every day in the continuing debate on what to do for servicemen in the critical transition period between demobilization and reemployment. There is growing concern about the ability of our State unemployment-compensation systems to meet the full impact of post-war unemployment. Provision for disability benefits and medical-care needs are increasingly recognized as essential parts of a comprehensive and adequate social-insurance program."

In view of the fact that the discussion tomorrow is on the question of State versus Federal legislation and administration of labor laws, I think it worth while to call attention to the latter part of the report which gives some picture of the recommendations the President has made to the Congress and which we hope will be brought up for discussion in the not distant future. As you know, the President recommended to Congress that every man in the service be given full credit in the unemployment-compensation fund for the period he served in the armed forces—in other words, to be treated just as if he had been working at his regular job, and to be credited with con-
tributions equal to those he would have made had he remained in his old employment.

Mr. Wrabetz (Wisconsin). I suppose one might question very seriously the advisability of using unemployment-compensation reserves for the payment of aid to soldiers upon discharge. I do not think anyone in this Nation questions that soldiers upon completion of the war should be treated generously—we expect that soldiers should be so treated. But how is the cost to be met? I believe it should be a part of the war expense. It ought to be provided for by Federal appropriations and treated as dismissal pay from the service; it should not be complicated with the administration of unemployment-compensation funds, because it has no place there. Of course, State unemployment-compensation organizations could and should be used to disburse whatever benefits are provided.

Mr. Lubin. Mr. Wrabetz, I think there are two problems as far as the soldier is concerned.

There are soldiers who were in industry and built up reserves against unemployment and who would have been entitled to payment for unemployment had they remained in industry. For those soldiers, I think the most easily adjustable and administerable method of taking care of dismissal from the Army is to use the existing system of unemployment compensation, and let the Federal Government pay into the various funds the premiums that otherwise would have been paid into those funds had the soldier remained at work. On the other hand, there will be millions of other service men, particularly those in the 18- and 19-year-old group, who have never worked. For them, I think it might be advisable to have a different system of compensation.

The thing that we ought to provide for, I think, is protection against the future. By that I mean protection against the development of certain vested interests which would most easily grow out of treating the soldier as a separate individual from everybody else in the community. If his relationship to the community—as far as compensation when dismissed from the Army is concerned—is handled like that of everybody else who happens to be unemployed, then I think he would be better off if his compensation is handled through the existing State unemployment-compensation machinery.

Mr. Wrabetz. Practically every State, Mr. Lubin, has already frozen the benefits of servicemen who have been drafted from industry or who have enlisted, and I am sure those benefits are practically the maximum that one would receive. The serviceman returning will receive the unemployment-compensation benefits from the reserve that has been built up for him, so that is taken care of. But the bonus or whatever we call it—that servicemen should always receive at the conclusion of a war, because of what they have sacrificed for us, should be a recognition of a distinct service, and should not be mixed up with anything else. The soldiers will be well taken care of, I am sure.

Mr. Bernstein (Illinois). The returning war veteran has occupied the attention of the States for some time. This problem received additional impetus at the time that the President made his speech over the radio in which he proposed a 3-month furlough, pay for the first 3 months after demobilization, and then payment of unemployment compensation for a specified period of weeks following the 3-month furlough. He also added the requirement that those individuals,
during that period for which unemployment compensation would be payable, register at an "employment service" office. The President said, "United States Employment Service." We of the States feel that the term there was merely descriptive of the offices, rather than indicative of the agency, which will be administering the employment services after the war is over. We feel, and Congress has so expressed itself, that the employment service will be returned to the States after the war.

In the President's program nothing was said about the mechanics of payment nor of the agency which would finance the program. The Executive Committee of the Interstate Conference of the Security Agencies meeting in Washington last month [September 1943] spent a good deal of its time on this question, and it was pretty well agreed (1) that the program should be completely financed by the Federal Government; and (2) that if the States were called upon for recommendations, they would recommend (a) that the State agencies administer the program with Federal funds, (b) that it would be administratively expensive—and unnecessarily so—to create a new administrative agency to dispense these funds, and (c) that the State agencies having the employment services at the time would be the agencies best able to administer an unemployment-compensation program, since the employment service facilities would be made available co-extensive with and coordinate with the unemployment-compensation programs.

Mr. Lubin touched on the method of Federal financing—whether on a premium basis or in a lump-sum amount to cover the actual costs of the insurance program for veterans—and on the method of payment to veterans—whether the payment is to be a Nation-wide uniform flat allowance or whether, in terms of weekly benefit, the amount of payment will have the same variations that now exist among the various unemployment-compensation laws. This subject has received considerable attention of State administrators. It has been suggested that the best type of program would be one which would get the discharged veterans group into the civilian program as quickly as possible. That, of course, would mean that the veterans would be put into the State program without any distinction offered to them because they had been in the service. In other words, in the State of Illinois they would get $18 a week; in Wisconsin, I think, it would be about the same; but in most other States it would probably be $15 or $16 a week, depending on what that State law provides. Despite the fact that we felt that this might be a desirable thing to do from the viewpoint of the over-all welfare of the Nation, the State administrators felt, pretty generally, that politically the likelihood is that Congressmen would feel that a serviceman from Mississippi is exactly like one from Illinois and so could not see why, out of Federal funds, a different amount should be paid a serviceman from Illinois than to one from Mississippi; therefore, the likelihood is—and our guess is—that a flat, uniform weekly benefit will be paid to the men mustered out of service, an amount that will be payable during a period of some 26 weeks while they are unemployed.

Mention was made of the fact that State laws now provide for freezing of wage credits of men who have gone into the armed services. Of course, those wage credits will not mean much if we do have a Federal program of the type that I have just described. The reason
for this is that those wage credits become available as of the date of mustering out and will die by lapse of time before they can be put to much use. If those wage credits are to be made available to these soldiers, it will have to be done by amendment or revision of the State laws to provide that these credits become available after the funds from the Federal Government have been exhausted, and that the period of time during which they shall become available shall be from the last date Federal funds are available. Some suggestions have been made that State freezing provisions may not be necessary at all. However, I think it would be unwise for any of us to go back to our home States and suggest that we repeal those provisions until we see what the Federal Government makes available.
Factory Inspection and Safety

Committee Report on Factory Inspection

By John J. Toohey, Jr., New Jersey Department of Labor

[Read by Isador Lubin]

The last 2 years of war have brought many demands upon the factory-inspection services of the States. New industries, expanded industries, round-the-clock operation, increased construction activities, pressure to complete orders for the armed forces, requests for relaxation of hours laws—all of these circumstances of war have brought problems and responsibilities to factory inspectors charged with maintaining safe and healthful workplaces and with securing compliance with regulations concerning hours, wages, and child labor.

Unfortunately, comparable statistical data on inspection activities in the States are not available. This report will of necessity be limited to general information on some of the significant developments in the inspection field since the last I. A. G. L. O. conference in 1941.

War Demands on Inspection Services

The impact of the war upon the work of State labor departments was immediate. The defense program had already increased the need for inspection of safety conditions in workplaces and for organizing accident-prevention programs. These problems were intensified by war, as all available production facilities were pressed into use, large numbers of inexperienced workers were added to the labor force, and delivery of war supplies was speeded up. In all States war plants have had primary demand on the time of safety inspectors. Many States have had to meet the situation as best they could, without the addition of personnel to take care of the increased work load. In other States, appropriations have been increased. In California, the bureau of accident prevention reported that, by the end of August 1943, 107 safety inspectors would be at work in the State, giving full time to shipyards. This is three times the number of safety inspectors employed in October 1940, when there were about 35 on the Bureau's staff. There has also been a marked increase in the volume of work to be done in California. Manufacturing employment in California is 39 percent more than a year ago and 230 percent above June 1939.

Indiana, Rhode Island, and Michigan have also enlarged their safety staffs in the last 2 years—from 9 to 14 inspectors in Indiana, from 4 to 10 in Rhode Island, and from 10 to 15 in Michigan. In Massachusetts, emergency appropriations were made available this year to add 3 factory inspectors, making a total of 36 in that State. Other States may also have increased the number of safety inspectors on their staffs; information on this point has not been secured from all States. Even with these increases the safety-inspection staffs of most States are inadequate. For instance, the Commissioner of
Labor of West Virginia estimates that 42 inspectors are needed in his State—he has 16.

In New Jersey a research and testing laboratory is being equipped in the northern section of the State to assist the department of labor in its work in providing safe working conditions for industrial workers. Such things as dust counts; chemical analysis of substances; inflammability indexes; testing of soils; testing of electrical, fire-alarm, and fire-extinguishing equipment; and similar work, will be functions of this branch of the bureau of structural inspection.

Employment of Women and Minors

War production has brought many problems connected with the greatly increased employment of women and minors. Where women had not been employed previously it has been necessary to provide sanitary facilities and rest rooms, to give consideration to their safety, clothing, and equipment, and in some instances to make certain changes in machines, such as lowering the height or providing lifting devices. Factory inspectors have assisted management in working out ways of changing plant facilities to meet the needs of women workers. Additional problems have arisen in adapting hours of work and shift schedules to women workers, who usually have home responsibilities. Inspectors in the bureaus of women and children in State labor departments have been of great assistance in helping to solve many of these problems.

Multiple-Shift Operation

Multiple-shift operation has been introduced for the first time in many plants during the war period. Factory inspectors must see that workers on all shifts have protection with respect to safety—including lighting, first-aid facilities, protective equipment, etc.—and that employees under certain ages are not employed during the prohibited hours. Every State that prohibited the employment of women at night has made emergency provision for such employment during the war.

Modification of Hours Laws for War Production

In addition to modifying night-work laws for war production, State labor departments have authorized variations from the laws regulating daily and weekly hours of work, 1-day of rest in 7, and prohibited occupations.

The inspections staffs have been used to investigate requests for modification. In many cases they have been able to work out, with the management, safety provisions or a schedule of hours within the legal limits. In other cases arrangements were made which involved less strain upon the workers or less accident hazard than those for which authorization was requested. The regular inspection personnel have handled this work along with their other activities in most States. In New York, where investigations are handled through the division of inspection, the staff has been increased to take care, in part, of the additional work. In some cases requirements of safety codes have had to be adapted to the materials obtainable, and heavy
demands have been made upon the time of labor commissioners in securing rulings and interpretations from the War Production Board on the availability of critical materials for safety devices.

Selection and Training of Inspection Personnel

The report on factory inspection submitted to the 1941 conference of the I. A. G. L. O. emphasized the progress made in training factory inspectors. In the period since 1941, interest in securing qualified personnel and in training factory inspectors has continued. There have been difficulties in securing qualified persons—particularly safety engineers—due in part to the demand for their services and in part to the low salaries paid to State inspectors. There has also been loss of trained personnel to the armed forces, private industry, and other government agencies. In spite of these handicaps, most labor departments have employed inspection staffs to the limit of their appropriations. Training courses have been conducted for safety inspectors, in cooperation with the Division of Labor Standards of the U. S. Department of Labor, in seven States during the last 2 years.

In New Jersey an innovation has been a 30-day training course for the new inspectors, providing an intensive schedule in the work which they are called upon to perform.

Coordination of Federal and State Inspection Services

Progress has been made in coordinating the inspection services of the United States Department of Labor and State labor departments, particularly in the safety field. Under cooperative agreements between the Wage and Hour and Public Contracts Divisions, the Committee on Conservation of Manpower in War Industries, and State labor departments, State safety and health inspectors in 20 States and the District of Columbia now inspect for compliance with the safety provisions of the Walsh-Healey Act at the time they inspect for State safety and health requirements. Under the Federal act, compliance with State safety and health regulations is prima facie evidence of compliance with the Federal requirement. The agreements also provide for cooperation between the State labor departments and the Committee on Conservation of Manpower in War Industries in the promotion of safety programs. While a certain measure of progress has been made in coordinating Federal and State activities in the enforcement of minimum-wage, homework, and child-labor regulations, the Committee recommends that consideration be given in developing further cooperative relationships and programs in these fields. This is important for the continuing peacetime administration of labor laws as well as for service during the war.

Need for an Adequate Post-War Inspection Service

The need for an adequate staff of well-trained factory inspectors will be as great after the war as at present. Plants will be reconverting to peacetime production; Federal war agencies that now have certain controls over production will be liquidating; State labor departments will continue to have responsibility for maintaining good working conditions in places of employment. Now is the time to plan for the work that will be required in that period.
Need for Comparable Data on Inspection Services

There is an inspection service of some kind in every State. In some States only a few persons are engaged in this work (in Mississippi only one); in other States the inspection services are well organized and relatively well staffed. Most State labor departments issue annual or biennial reports describing the work of the department and containing certain statistical information on inspection activities, such as the number of inspections made, violations found, orders issued, orders complied with, and prosecutions. Generally speaking, however, the information from one State cannot be compared with that from another. This is due, in part, to differences in the organization of the inspection services, the laws under which inspections are made, the amounts appropriated for enforcement of labor laws, and the nature and concentration of industry. For instance, in some States safety inspectors are also responsible for compliance with maximum-hour, night-work, and child-labor laws. In other States inspection for hours regulations are made by inspectors who inspect for compliance with all laws regulating the employment of women and minors. Even where organization of the work is similar the responsibilities of the inspectors may differ considerably. Safety inspectors in some States are responsible for the enforcement of detailed safety codes; in other States the safety regulations are far less exacting. Another difficulty in securing comparable data from annual reports comes from differences in definitions of terms, such as "inspection" and "reinspection."

Although some of these difficulties are inherent in our system of government, certain comparable material could be supplied in annual and biennial reports, which the committee believes would be of great assistance in improving inspection work in the States. For example, data on the amount appropriated per covered worker for inspection activities of various types and the estimated work load per inspector in terms of covered workers and covered establishments would aid in measuring the adequacy of appropriations and staff and in securing proper financing of these activities. Terms commonly used might be defined and certain standard items might be incorporated in reports of all State labor departments. This could be done without in any way curtailing the freedom of a State to set up the particular type of inspection organization suited to its needs. Such information would be of aid to the other labor commissioners in evaluating the adequacy and performance of the staff. It would also provide the United States Department of Labor with information on the facilities and the work of State labor departments, information frequently needed to answer inquiries and give service to those departments and to other Federal agencies.

Dependence should not be placed on these published reports alone as a source of information. There is delay in issuing such reports, and many State reports cover a 2-year period. A plan might be developed for sending data on appropriations, staff, and special inspection problems to the Division of Labor Standards periodically. This Division now secures information on the operation of State labor departments as staff members visit the various States. However, it is unable to answer fully some of the inquiries on this subject. During the last year this was true with respect to requests from labor
commissioners concerning increases in safety inspection staffs, salaries paid to various types of inspection personnel, and a summary of wartime activities of State inspectors. Congress asked the United States Department of Labor for comparable data on inspection in the various States—data which could not be supplied—and similar requests were received from the War Production Board and the War Manpower Commission.

The Committee on Factory Inspection therefore recommends that the I. A. G. L. O. appoint a committee of labor commissioners to consider the problem of securing comparable data on the inspection work of State labor departments. It further recommends that the United States Department of Labor be asked to assign a staff member to work with this committee.

DISCUSSION

Mr. Lubin (Washington, D. C.). I might say that some of the problems that have come to my attention in recent months in the field of war production are closely related to the problem of inspection, or at least to the enforcement of certain requirements in many plants. I am very much interested in what has been happening to aircraft production and what might be done to step it up. I had lunch one day with a couple of Army officers, and they referred to a plant in a given State, which had fallen down on the job of furnishing parts for a certain type of plane. In the course of the conversation they said, "Well, you can't expect much out of that plant because people won't stay there." Then one of them told me that he would not permit his wife or daughter to work in that plant because, as he said, "the rest-rooms and washrooms weren't fit for any decent woman to go into." He said, "We can't do anything about it because the State doesn't have the inspection staff to do the job." He told of other instances where, despite the existence of an inspection staff, the standards were not being met.

I think it all gets back to some of the other questions that have been raised, relative to the employment of women, and manpower in general. Mr. Olander raised the question as to why women were leaving a certain plant in this city [Chicago]. Well, there are all sorts of problems involved—marketing, shopping, taking care of families—but I personally have a feeling that if we had proper inspection staffs, and these inspectors saw that the requirements and standards were being met, many more women would stay on the job than at the present time. I do not think it is a secret to tell you folks that in southern California, during the first 6 months of this year, 114,000 new people were employed and in the process of employing the 114,000, actually employment was increased by about 22,000. In other words, they had to hire 92,000 people to replace quits and turnover and 22,000 on top of that to increase their staff. I cannot help but believe that the methods of inspection and the insistence upon maintaining certain standards have a lot to do with people not staying on the job today.
Built-In Machinery Safeguards

Report of the Committee on Machinery Safety Requirements, by FORREST H. SHUFORD
(North Carolina Department of Labor), Chairman

You have assigned to this committee the duty of "promoting to the maximum practicable degree the safeguarding of machinery and mechanical equipment by its manufacturers." In our report to the last annual meeting (1941), we pointed out that this problem should be attacked through three lines of effort:

(a) Contacting machinery manufacturers and aiding them to develop and incorporate detailed provisions for user safety in the specific products of each;
(b) The stimulation of consumer demand for the maximum in built-in machinery safety actively and systematically by their inspectional and promotional personnel; and
(c) Strengthening (where necessary) of requirements for the safeguarding of new or newly installed machinery and equipment.

It was further pointed out that this could best be done through regional subcommittees tentatively set up as follows:

(a) New England.
(b) New York, New Jersey, Pennsylvania, Maryland, Delaware.
(c) Virginia, West Virginia, North Carolina, South Carolina.
(d) Tennessee, Mississippi, Alabama, Georgia, Florida.
(e) Ohio, Kentucky, Michigan, Wisconsin, Illinois.
(f) Minnesota, Iowa, Missouri, North Dakota, South Dakota.
(g) Oklahoma, Arkansas, Louisiana, Texas.
(h) Rocky Mountain and Pacific Coast States.

Letters were sent to the respective officials asking their cooperation. The responses evidenced a general appreciation of the need and willingness to cooperate, but the increasing pressure of work imposed by the war effort has limited the accomplishment. Formal meetings have been held in regions (b) and (e). A copy of the report from Chairman Roach of region (b) is given below.

It is hardly possible to prosecute this work actively at present but it is of vital importance and should be pushed vigorously at the earliest opportunity. If the military situation continues to brighten, that time should not be too far away. It is my purpose to do so at the earliest moment that appears favorable. However, I ask specifically that this meeting take definite action on the report of Mr. Roach's committee, particularly items 3, 6, and 8, as each of these involves matters of policy that should receive the careful consideration of the members of this body.

Built-In Machinery Safeguarding

Minutes of the meeting held at the Department of Labor Office, Room 760, 1060 Broad Street, Newark, N. J., Thursday, September 17, 1942.


Present.—John Roach (New Jersey Department of Labor), chairman; Clement D. Conole (deputy industrial commissioner, New York Department of Labor); Mark E. Starr (engineer, Bureau of Industrial Standards, Department of Labor and Industry, Pennsylvania); and R. P. Blake (senior safety engineer, Division of Labor Standards, U. S. Department of Labor).
This meeting was held at the request of Forrest H. Shuford, commissioner of
the State of North Carolina Department of Labor and chairman of the Committee
on Machinery Safety Requirements of the International Association of Govern-
mental Labor Officials, and in conformity with a resolution that was passed Sep-
tember 3, 1941, at the meeting of the Association at St. Louis, Mo., on the desira-
bility of our several States adopting uniform requirements on machinery safe-
guarding, so that machine builders could safeguard machines adequately when
they were being constructed.

1. It was decided by the committee that there was need for uniformity in the
requirements and in their application by the several States, in order to accomplish
the purpose intended by the International Association of Governmental Labor
Officials.

2. We were informed that the Division of Labor Standards, United States De-
partment of Labor, would compare State requirements (statutory and administra-
tive) for differences in machine guarding procedure, in order that the full extent of
the problem might be revealed.

3. It was decided that this committee and other committees interested in this
project, should start campaigning to stimulate consumer demand for machines
adequately safeguarded at the time of their construction.

4. It was decided that we should prepare a list of machines that experience
would seem to show could be guarded at the time of construction.

5. The following machines were discussed and given consideration: All types of
woodworking machinery; metalworking machinery, especially presses; abrasive
wheels; laundry machinery; food machinery; textile machinery; elevators and
conveyors; exhaust systems (fundamentals involved in the design and construction
of exhaust systems).

6. It was tentatively agreed that the development of adequate specifications
for safeguarding machinery by designers of machines should be accomplished
through the American Standards Association procedure.

7. It was also agreed that suitable methods should be developed through
regional committee procedure to continue this project and accomplish its purpose.

8. There should be a formal agreement between the several States to proceed
with the proposal to work out conflicts in administrative procedure, in order
that uniform standards might be made possible.

9. It was agreed that this conference should close to reassemble again at the
call of the chairman.

JOHN ROACH, Chairman of the Regional Committee.

DISCUSSION

Mr. Blake (Washington, D. C.) I want to make some comments
on this report to try to bring out what Mr. Shuford's committee
feels are the important points.

First of all, as to the need of better guards and better attention
to the safety of machinery in the process of its manufacture. Much
has been done in this direction, but much more needs to be done.
There should be a much greater degree of built-in safety in the form
of safer design, safer construction, and better guarding. Each guard
should be an in-built part of the machine, as carefully designed, as
well made, and as beautifully finished as the most valuable part of
the machine; in fact, that is what it really is or should be. Anything,
on the proper functioning of which a worker's safety depends, should
be regarded as the most precious part of the machine, and its appear-
ance should so indicate. The importance of this lies in the fact that,
in spite of all you hear about machinery-caused accidents being
relatively few (10 or 15 percent or so) and that 85 or 90 percent of
accidents are due to men's carelessness, that sort of ratio simply
is not true; and I will be glad to give the facts to anybody in sufficient
detail to prove it. The point is that careful analysis of compensated
injuries from the manufacturing industries shows that from 25 to 30
percent are due to machinery. The trend of machinery injuries is
upward in many industries as a result of the increased use of mechanical equipment. This applies particularly in construction work and farming. We are using more and more machinery and having more of the serious injuries characteristic of machine operation. Much of the machinery is miserably designed from the standpoint of safety and few machines are adequately guarded for safety. Most of these injuries can be prevented by proper design and proper guarding. Of course, proper use is important, but it is not a substitute for safe design and safeguards. If you ask a machinery manufacturer to produce safe, fully guarded machines, he comes back at you with three very important points, which, in my opinion, are fully justified.

First, consumer demand. Manufacturers will give consumers what they ask for, but mighty few consumers ask for or are willing to pay for safety. They ask for price and performance in turning out the particular thing that the specific machine turns out, but few specify safety. Presumably, they figure on guarding afterwards if guarding is needed. Too often, this is only when the State inspector catches up with them. The big problem here is for the State inspection services and the State labor departments to promote consumer demands for fully safeguarded and properly designed machinery when it comes to them from the manufacturer. They must be induced to order more safety in their machinery when they buy it.

The second point is that when we asked some of the machinery manufacturers to include guards in standard models of their products, they cited the conflicts among State requirements whereby they can never be sure that a fully guarded standard model will be as salable in one State as another, and so they do not include guards.

The third point is that if you ask the average manufacturer to install a complete guard on a specific machine, such as a circular saw or punch press, he will ask: “But just how shall I do it? Give me the specifications.” Adequate specifications for such guards do not exist; they are yet to be developed.

The agencies that can push those three things more than all the rest put together, it seems to me, are the State labor departments with their inspectors. That is back of the program that Mr. Shuford’s committee has adopted: division of the country into the regions listed; and, through regional meetings and comparing codes, to work out the conflicts, develop programs for promoting consumer demands, and aid in the development of the specifications necessary.

Now, the plea I want to make—the plea the committee makes—is to take advantage of our opportunities. The committee has not been able to do much through these meetings during this emergency—it has not been able to get the necessary meetings. If we wait until the war is over, there will be so many things to do, we will not get the work done in time to take advantage of the opportunity reconversion will present. If we have the specifications ready, if we have the tools prepared, reconversion will present a glorious opportunity. We will be able to insist that that machinery, that reconverted machinery, and that new machinery needed for reconversion include the maximum in safety. That is our big opportunity. We hope that the labor departments will all realize that and be able to get under way with the program.
If we may assume that Germany goes down first and Japan perhaps a year or so later, we should at the very latest push this work hard when we see Germany fall, because reconversion will start immediately, you may be sure of that. Some of the plans are already being made for reconversion and we must get our plans ready soon if we want to take advantage of this opportunity.

Mr. Patton (New York). Legislative committees on interstate cooperation exist in all of the States and are affiliated with the Council of State Governments. The New York State Legislative Committee has considered the problem of a greater degree of cooperation between the States in the drafting, and enacting, of requirements as to safety, particularly as to the safeguarding of machinery and mechanical equipment by manufacturers. I have no authority to speak for that committee, although I was placed on their program recently and discussed the problem. I said to them, as I repeat here, that, with all the good will in the world, no manufacturer, say in Akron, Ohio, who builds a lathe or anything you please, can possibly build that machine so that it will comply with the safety requirements of the labor laws in the United States. It cannot be done, because the differences in State requirements are such as to render it impossible. That is why some boilers that are condemned in New York State cause no particular loss to the manufacturer. He takes that condemned boiler from New York State and sells it in another State. Now, the explosive power of steam, as far as I know, is not regulated by State boundaries. I do not know, as another illustration, what is the best requirement for guard rails on swinging scaffolds. So far as I know, every State law requires that there be provided at least one hand rail, so the worker will not, if he happens to lose his balance, topple over. I do not know why that hand rail in one State should be 33 inches, and in another 34 inches, unless you can point to a State where all the men are 4 feet tall and to another State where all men are 7 feet tall. However, this is a problem to which this Association can well give its attention. I can assure you that the respective legislative committees on State cooperation are sufficiently interested in this matter to the point of being willing to put it on their program. They are at the point of taking it up, in order to find out whether it would be possible to get sufficient harmony in the State labor laws to lay down some specific requirements as to building and safeguarding of machinery. That is certainly a real goal.

Mr. Shuford. Mr. Patton, if you are not on this committee, I think that you should be by all means. I take it that you think the committee should be more active, and I agree with you. I appreciate the assistance which you have given in connection with this group to which you refer.

Mr. Olander (Illinois). We started out in this war just as we did during the first months of the war in 1917, utterly reckless of consequences. We had the notion that the way to get good production was to drive everybody to the limit, hard and long, without any thought of the effect on the worker. Of course, we would not use a horse that way, with any idea of really getting anywhere over a long distance. Inspectors, to my knowledge, were actually advised to keep out of some of the plants.
As an illustration of what took place—what experience showed to us in this war, as it did in the previous war—I direct your attention to the subject of working hours. We worked long and hard, for 8 months, and then we discovered that it was not bringing maximum production. Then came the corrective recommendation of July 1942, by the Federal Departments dealing with working hours—8 months after we entered the war. Those recommendations were almost identical with General Order No. 13 of the Division of Ordnance of the United States Army, issued 7 months after war began in 1917, and after a helter-skelter rush in its early period. During the first 8 months in 1942 we repeated the error of the first 7 months of 1917.

We have been doing the same thing in the matter of safety. It is being disregarded today in a considerable degree. But there are indications of improvement in this area. In past months the Army has shown a very lively interest in the question of industrial safety. We are beginning to learn that the frightened scream of even a single girl may throw the production of an entire department out of gear.

Within the past few weeks the Chicago Federation of Labor, which is the city branch of the A. F. of L., has named a committee on safety. I brought that committee into contact with a similar committee from the National Safety Council, and got those two into conference with the representatives of the Safety Division of the Army. That was followed by a call from the commanding general's office on the question of plant production. The idea was to make some experiments to see how we could all cooperate on the subject of safety.

I agree with Mr. Blake on about everything that he does, and I have long been searching for a point of disagreement with him; now I find one in his suggestion that we might wait until we whip Germany and then start out with some of these safety campaigns while we are engaged in the job of licking Japan. Experience is beginning to show that if we want to do a quick job of licking anybody, we had better get to that task of developing greater safety in our plants everywhere, without delay, as a means of attaining a higher degree of production.

We preach glibly during times of peace about the proven fact that the shorter workday is the more productive day. The shortest regular workday we have known thus far has proven to be a more productive day than any of the longer days that we have had in the past. Yet, in the excitement of war, we forget our previous experiences. We deal with the question of industrial safety in much the same way and thus make the mistake of agreeing to the continuance of a condition that very seriously retards production.

Let me say that we have a good record on the avoidance of strikes in this area, about the best record in the country; that is also true of labor turnover and of absenteeism. The reason we have been so successful is because we have faced the issues. We have not forgotten the past; we have taken advantage of our experience and have told about it. Immediately after the President declared the emergency, long before Pearl Harbor, we began directing attention to General Order No. 13 of the first World War. To our utter astonishment, we found that nobody in Washington seemed to know anything about it. In the course of our repeated urging, they discovered it. On the question of the relaxation of our laws regarding women, in Illinois we have been saying we must cut the hours of women if we want to get
maximum production from them. We have to think of them as they are—not quite the same as men in many respects. We must adjust work to suit their needs in order to get the full use of their powers.

Now, it seems to me, in an organization of this kind—I will have to apologize if I am a little too blunt, but this is my first attendance at a meeting of this Association and I am not sure of my status—you are directors of the labor laws of your several States, and your duties have changed very materially in recent years. Time was when your main functions were to give consideration to matters of routine factory inspection, involving the enforcement of very limited safety regulations, and to the laws relating to the labor of women and children, and to the workmen's compensation acts. Only in an incidental way were you connected directly with the live labor problems of your States.

But what is the situation now? Under the unemployment-compensation acts, you have to sit in judgment as to whether a worker has quit his job properly or not and if he ought to be helped because he had done a reasonable thing, or whether he ought to be punished by refusal of compensation because he had done something that was unreasonable. Your functions of conciliation, mediation, and arbitration are expanding. There now are so-called work-or-fight laws in several of the States. In a news clipping from the State of Texas—Thomas, of the C.I.O. automobile workers, is threatened with jail for advising workers to join the union. He forgot to get a Texas license before talking to them.

All this comes close to you, as administrators of State labor laws. It seems to me that it might be well in meetings of this kind, at least in the future, to get down to some of those fundamentals. State labor departments were brought into existence for the same reason that the United States Department of Labor was created. You all have read the organic law, I suppose. The purpose is to promote and protect the welfare of the wage earners. That is almost the exact language of the Federal law—it is the language of the Illinois law. It is the purpose of every State labor department.

Right now the whole status of the American worker is under challenge. The question is whether or not he is going to continue as a free man to the degree that he has in the past, and that is a question to which I think our State labor departments ought to be giving mighty serious attention. Yet very little is being said about it.

I am quite free to admit that our labor movement is hesitant about that, too. We do not really know this great America in which we live. The United States is the only nation in all history that has placed in a written constitution a declaration of full and complete freedom for the individual in the field of labor, which cannot be legally diminished in any degree, either by legislative power or by executive power. We now ignore that great fundamental law of America to the extent that in one State a man is thrown in jail for telling another man to join a union, and in another State a man is brought up for trial because he objected to work for a given employer who withheld his wages for something his father owed the employer.

We may say: "Oh, that is only for the duration of the war. It is all going to end when the war ceases." Well, that may be. Who knows? None of us will say that the Constitution can be set aside. We
simply interpret it to suit our fancied needs at the moment, blissfully unaware that while the practice we speak of may stop with the duration, the interpretation we made will remain to trouble us in the future.

Mr. Hall (Virginia). I agree with a great deal that the speaker has said. Mr. Olander stated, however, that this was his first meeting with this Association. This is the first meeting I have attended in 4 years; but I want to correct an impression which he apparently has—that this Association has not been fighting labor battles for 20 years. To my knowledge, members of this Association—labor commissioners and officials of State and Federal departments of labor—have been responsible for more labor legislation on the statute books of the various States than any other one agency or combination of agencies throughout the country.
Federal Aid to State Labor Departments

Federal Aid to State Labor Departments—Round-Table Discussion

Mr. Lubin (Washington, D. C.). The executive board of the Association at its last meeting suggested that the question of Federal Aid to State Labor Departments be made part of the agenda of this convention. Several requests from member States have been received by the president and the secretary to the same effect. Consequently, it was decided to devote this session to an informal round-table discussion of the problem so that the pros and cons, the advantages and disadvantages, of Federal aid to State labor departments might be fully thrashed out.

We have asked Mrs. Beyer to present the bill to you, as it was presented to Congress, so that you will all know the details of the bill. Mr. Shuford will follow Mrs. Beyer, and then the whole matter will be thrown open for full discussion.

Mrs. Beyer (Washington, D. C.). You are all probably familiar with this bill (H. R. 2800) that was introduced by Mrs. Norton at the request of the American Federation of Labor. Martin Durkin, whom you knew as Commissioner of Labor of Illinois, was the sponsor of this bill within the American Federation of Labor. The purpose of the legislation is to provide for cooperation with State agencies administering labor laws in establishing safe and healthful working conditions. It would enable the United States Department of Labor to give to the States the sum of 5 million dollars, annually, to help administer their labor laws.

The basis of determining how much each State should get would depend, according to this bill, on the population, the number of wage earners, the specific safety and health problems in industry, the number of workers afforded protection by the State law, the cost of proper and efficient administration of such laws, and the financial needs of the respective States. The regular provisions that you find in any of the State-aid laws are included in this bill; and the Secretary of Labor is to tell the United States Treasurer how much money shall be allotted in each period. However, this bill varies in that the rules and regulations under which this money is to be appropriated will be determined in advance by the Secretary in cooperation with the International Association of Governmental Labor Officials.

There is another provision that is common to these bills. The money so paid to any State shall be expended solely in carrying out the purposes of the legislation. In addition, this bill provides for the setting up of an Advisory Industrial Safety Commission of three members—one representative each of the public (to act as chairman), of labor, and of management. This Commission will recommend to the Secretary reasonable standards, methods, and procedures for establishing safe working conditions in industry, with a view to encouraging more effective control of hazardous conditions by the several
States. This Commission would not have any power to set up or to put such standards into effect, but merely to try to stimulate the States to more effective control of their hazards.

Then there are the usual provisions for appointment of staff and for appropriations, the latter including the 5 million dollars to be allotted to the cooperating States, and $250,000 for the Industrial Safety Commission and for other administrative expenses connected with carrying on the program.

While the Department of Labor was asked for its view on this bill, and said that it saw no objection to it, I wish to say that this is not a Department of Labor bill. It is not an Administration measure, and I think that any discussion here should be on the merits of the bill, not on the fact that it would, through its terms, be administered by the Department of Labor.

Mr. Wrabetz (Wisconsin). There is no doubt in anyone's mind that this bill was proposed under the sponsorship of Mr. Durkin and the American Federation of Labor, with perfectly good intent. The idea of helping anybody is always a worthy purpose. The word "help" alone is suggestive of kindliness and goodwill; nevertheless, I think the whole situation is one that should be weighed in the light of the trends of the time and the likelihood of what is to happen in the future.

If this bill should pass with the present Administration in charge of the Department of Labor, the situation might not be so bad. I think that we have all had contact and experience with the United States Department of Labor personnel—we have found them cordial and helpful—we have gained from their experience and their study, and many of us have followed their advice. To that extent, I think, the Department of Labor has done a splendid job; but there it ought to stop. This kind of controversy goes back a long way, and I think we ought to study and think about some of the fundamentals involved. Hamilton and Jefferson debated this question. Jefferson maintained that to have effective administration—a democratic disposition of matters—we must have localities and we must have the States self-governing. Hamilton, of course, definitely advocated the centralization of all power in the National Government. Our fathers who drafted the Constitution and who organized our Government rather followed the advice of Jefferson. Our Government was organized on the basis of very limited powers in the National Government, leaving to the States every possible opportunity for self-government and particularly for the participation of citizens in government.

Since that time there has been a rather steady grant of power to the National Government by Congress and probably some relinquishment of some governmental functions by the States. It was very slow, however, until the depression following the economic crash in 1929. When the depression came, the States, because of their limited power to borrow money, found themselves in a position where they could not give their citizens the aid which they needed; and, as you recall, the need for aid was tremendous at the time. The only source of aid was from the Federal Government which had unlimited powers of borrowing; and so, from borrowed money, we received all sorts of aid—money to the States to grant direct relief, AAA, Reconstruction Finance, WPA, and CWA. You recall all those various agencies.
Following this, the system of old-age and survivors insurance, and the cooperative system of unemployment compensation between the Federal and State governments were developed. Because of these aids that the Federal Government has given, it has, of course, acquired a tremendous prestige and we have been taught to look to the Federal Government for aid and for comfort, even to the extent of letting them tell us what kind of aid we need.

Then you recall that a few years ago the Supreme Court, in its interpretation of the right of taxation and of the control of interstate commerce, practically threw open for Congressional action every field in which a State might formerly have been. Congress can now legislate with respect to any of the functions that originally were thought should be administered by the States. When Congress enters into a field you all know the principle: Congress preempts the field and the States lose any power within it.

We can conceive that by congressional action practically all fields might be entered into and our States reduced to insignificance. Then the question arises as to whether or not we have reached the time when State and local governments might practically be abolished because they have no more important work to do.

You might say: "What's that got to do with this bill?" This bill is but an entering wedge toward the centralization, the nationalization, of legislation and administration in the field of safety and ultimately in the entire field of labor laws. True, the preamble speaks of cooperation with aid to the States, but the fourth criteria says the money is going to the States upon the basis of "proper and efficient" administration. I ask you, who in the States, or in Washington, or anywhere else, can definitely prescribe "proper and efficient" administration. It cannot be done, because proper and efficient administration depends upon so many elements that are peculiar to a particular State. Its size, its industries, its historical development, its economic status, its educational development—everything enters into the picture; and so a form of administration that might be deemed proper and efficient for New York is absolutely out when you think of Nevada.

The same thing is true in comparing the two States: you will find geographical differences and all kinds of other differences which make for different administration. So there is no one wise enough to tell you what is proper and efficient administration.

I think some of you have had experience in this field. The Social Security Board tried to tell us what was proper and efficient administration, held up our administrative funds three times for 3 months at a time. Fortunately, we had funds of our own so we could operate, and the Board finally made the grant of money without a change in our set-up. Then strangely enough, some years later, when another situation arose, it was discovered by the same people who advocated a change in our set-up that after all it was a very good one and complimented us for the one we had, so that we could meet the emergency when our employment service was taken over by the Federal Government. This position was taken largely by the regional office, but of course, had to be sustained by the Social Security Board, at least temporarily.

I believe that States have a definite place in this picture. You have administration, you have legislation, on the level of the people. I think legislation and administration are at their best when they are
responsive to the will of the people. You cannot develop standards of safety and of administration until your people have been brought up by educational processes to accept those standards and more particularly to accept the responsibilities that go with the establishment of standards, and that means compliance. Standards must be developed by the educational process of employer and employee meeting together, around the conference table, and developing the standards that they are ready to accept. It is only then that you are going to have ready compliance. If your people are not yet ready to meet certain standards, all the power, all the money of the Pharaohs and the kings of ancient Egypt would not establish and maintain good standards.

It is the attitude of people that counts. I think our experience with prohibition is definite proof of what I am trying to say. Our people were not ready for prohibition, and therefore, prohibition could not be enforced. As a result, we are many decades behind where we might have been if we had not had prohibition.

States should be let alone. They will make progress. Sure, some of us sometimes become impatient. We feel that progress is too slow, that States are not acting fast enough, that their standards are too low. How do we know? How do I in Wisconsin know what Louisiana should do? I am in no position to tell them. They know their conditions better than I do, and they should be left alone to solve their own problems, and develop their own standards on a basis that is going to be stable and of a kind that will be met. Let us not become impatient if progress is slow.

There will be some States that will forge ahead rapidly and well beyond anything that might be done by centralized control in Washington. States have not been afraid to experiment and to pioneer in the field of labor legislation, or in the field of social legislation, for that matter. I am not given to boasting, as I think you all know, and yet I am proud to say that Wisconsin passed an unemployment-compensation law long before Congress or anyone in Federal authority thought about the subject. I venture to say that, but for the law passed in Wisconsin, the Federal-State cooperative system would not have been adopted quite so soon.

Yes, States should be permitted to experiment and to pioneer—lead the way—because it is upon the basis of experience in our various States that we learn how to meet our problems. If we centralize control in Washington we would simply overload Congress, overload the President and all the administrative agencies. They are not superhuman—they cannot meet all the problems that face our people—they recognize it themselves.

The War Manpower Commission took over the Employment Service in order to centralize authority with the idea of coordinating the effort. What happened? They found the job too large, so they decentralized and appointed State directors with almost complete authority to act in all matters relating to their States—a definite decentralization, which had to come in order to provide efficient administration. Men are just not big enough to understand all these problems and to solve them properly and efficiently. If they undertake them, what is the step that they must take? They must have a general law passed and then delegate authority to a bureau—and from the very nature of the situation the bureau becomes bureaucratic.
It cannot be helped—the thing is so big that people cannot reach it; it is not responsive to the people.

In order to be effective they must enact rules and regulations behind closed doors, not as it is done by a representative legislative body. Of necessity there must be red tape, rule of thumb—it cannot be any other way when it is so big; therefore, I do not blame the bureaucrats. It is the result of the job that is given them, but it is bureaucratic just the same—the people have no opportunity to participate in that form of legislation or administration. It is too far away and it is influenced only by expensive and intensive organization, by powerful full blocs of one kind or another. As a result we do not have the legislation and administration that comes to us by the democratic process.

There have been quite a number of real authorities on government who have expressed themselves on this subject. I think it was in 1912 that Woodrow Wilson said: "The history of liberty is a history of the limitation of governmental power, not the increase of it. When we resist, therefore, the concentration of power, we are resisting the processes of death, because concentration of power is what always precedes the destruction of human liberty." I agree with that statement. Our tendency today ought not to be to give additional powers to the Federal Government, but rather the reverse. Every time a question of legislation and of administration comes up, any doubt should be resolved in favor of sending that function right back to the States, or even farther back, if possible, so that the people will govern themselves. If people, and if localities and States, do not govern themselves, they will die from the very nature of it because we know that nonuse results in atrophy. Use develops strength; therefore, active participation in governmental processes and in governmental administration is essential, even in the very smallest of our localities if we are to have a democratic government.

I feel very strongly on this question, and believe it is one of vital importance. I think that further concentration of power (and I am not critical of the Department of Labor either), is not conducive to good government, and we should stay away from it as much as possible because in this case, even though we might have the utmost faith in the good officers of the Department of Labor, Mrs. Beyer is not going to be there always. We might have a real bureaucrat there in her place, and then things would not be so good. Our relationships have been good; but if you give them the power to disburse money on the basis of their judgment with respect to proper and efficient administration, the friendships which we have built up over these years will be shed—we will be at swordspoints, we will not be friends. It would be just too bad if that eventually should result.

In conclusion, I want to read a few paragraphs of an article which appeared in Reader's Digest. The author is Hatton W. Sumners, Congressman from Texas. He, I believe, is chairman of the judiciary committee and a man who is listened to with a good deal of respect when he speaks. He speaks of bureaucrats and centralization of authority in Washington:

This is precisely the bureaucratic control we will have if we persist in making Washington the guide, philosopher, big brother, supervisor and master of every activity within our borders. The remedy—and the only remedy—is to send all these non-Federal functions back where they belong: to the States and the local...
communities, where they can be handled upon a scale within the comprehension of the limited mind of man.

Strangely, those in Washington who fight for this new beuraucratic central control call themselves progressives and those who oppose them are branded as reactionaries. Such is the power of labels. We are grasping at ancient evils, and call them progress.

This disease has been most devastating in Germany. In Imperial Germany men already talked of the "tyranny of bureaucracy." The republican government which succeeded the Kaiser greatly expanded it. It reached its full flower under Hitler. Indeed, National Socialism may be described as government by bureaucracy. If we think Hitler's system is better than ours we should have the honesty to say so instead of copying while we denounce it.

The States must resume the status of responsible sovereign agencies of general government or democracy cannot live in America.

Mr. Shuford (North Carolina). When I saw the program for today, it appeared a little bit as if I was being placed in the position of an adversary to Mr. Wrabetz, my very good friend from Wisconsin. I would not have it appear so. After hearing him talk for a little while, I assure you that I agree with the philosophy which he has outlined. I think he is entirely right; but I cannot concur in his conclusions.

I have a great admiration for the State of Wisconsin, for the work which it has done, and for Mr. Wrabetz personally. When we tried to establish the Department of Labor in North Carolina about 10 or 11 years ago we drew very freely upon the experience and the work which had been done by the great State of Wisconsin, particularly with respect to establishing an inspection division. Wisconsin's experiences in the matter of procedures and in a great many other respects were extremely helpful to us. Of course we could not do what they did because we were not equipped to do it, but we were able to adapt a great many things to the facilities which we had available at that time, and the facilities were, I assure you, very, very limited.

This bill, H. R. 2800, and the principle upon which it is based seem to have raised a rather strong feeling about the matter of States' rights. Well, that is another point on which I am in thorough accord with Mr. Wrabetz, or with any of you who feel that States' rights have frequently been infringed upon, that some of the powers probably should be rolled backward, and that States should, in some instances at least, be given back some of the rights and privileges that have been taken away from them. Certainly any further encroachment upon States' rights should not be permitted, if at all possible.

I know we feel pretty strongly where I come from about States' rights. We had a little fight about it one time, and we still feel pretty much the same way. We still think we have a lot of States' rights, even though we were forced to alter our opinions on some things a good many years ago; and I do not always agree with the bureaucrats. I think that they, as Mr. Wrabetz said, have these things thrust upon them, and we, the people back in the States, do it. We have demanded it—demanded that centralization.

I think the desire of Federal officials, or the persons sometimes referred to as bureaucrats, to do a good job is just as sincere in most instances as the desire which you or I have. But, as Mr. Wrabetz so well explained, the thing gets so big and covers such a wide area that I don't think they always do the job that should be done. Some-
times the things which they do amaze me and stir me very deeply with a feeling of resentment.

I received, by chance this summer, a publication of an outline of an industrial-hygiene program. I read it over carefully and was amazed at what one Federal agency proposed. I had no idea that an industrial hygiene program embodied the things that were contained in this outline—this program envisages the keeping of tools in their assigned place, keeping work benches orderly, keeping floors free of trash and waste, all stairways free of obstructions, lights cleaned and bulbs renewed promptly, safety equipment in the proper place and repaired, guards on machines, and machines properly guarded. I thought, "Well, they're talking about the Department of Labor. That is a splendid program. I'm in thorough accord with it." I read on to the last paragraph which says, "Use the services of your State Industrial Hygiene Bureau, the Division of Industrial Hygiene. The National Bureau has already asked your State Industrial Hygiene Director to advise and visit you. For further information and consultation, do not hesitate to call upon him or upon the Public Health Service."

Industrial hygiene units, as you know, are maintained largely by Federal funds. In North Carolina, the State contributes very little financially to the maintenance of the Division of Industrial Hygiene. The only way a program of this kind could be put into effect—and I assume that there is in the mind of someone an idea to try to put it into effect or this would never have been written—is through the use of Federal funds. If it is put into effect in those States which do not have strong departments of labor—and I believe that in this respect the majority of States are unfortunately in the same position that North Carolina is (we do not have sufficient funds for a strong department of labor)—we will never be able to get our legislatures to provide additional funds for us to duplicate this work. At least, we cannot do this in North Carolina.

After giving much study to this entire matter I came to the conclusion that if H. R. 2800 were enacted into law, State departments of labor would be given sufficient financial assistance to develop within their own departments splendid safety and health inspection divisions, and would thus forestall the need for the development of such programs in the division of industrial hygiene under the auspices of the United States Public Health Service. This was not an entirely new idea with me, as I had been of the opinion for several years that Federal aid was essential if we were to develop an acceptable safety and health inspection service within our own departments. I had observed the development of such State-Federal programs within the confines of the respective State agencies in the fields of public health, agriculture, highway construction, and vocational education.

Forty years ago, each local unit of government in North Carolina built and maintained its own roads. I was reared in a section of the State where the terrain is rugged and the soil is mostly red clay, and many of the roads were almost impassable during the winter months, but when the automobile came along, it brought about such a change in transportation that improved highways became a necessity. Local governmental units in many instances were not able to build and maintain the type of highway which the changing times had made necessary. As a result, the State had to render assistance to these local units of government in order for us to have good highways in all
sections of North Carolina. In the third decade of this century, our State spent more than 100 million dollars in the construction of highways. The rights and prerogatives of the local governmental units were not taken away, but by receiving State aid, each local community was provided with much better roads than they could ever have built by relying upon their own resources. In later years the resources of many of the individual States were inadequate to construct the type of highway that modern times demanded, so the Federal Government began to give aid to the individual States. With the use of Federal funds our highway systems have been further improved and, insofar as I can see, the sovereignty of the State highway commissions has not been seriously affected.

The Department of Agriculture of North Carolina likewise receives and spends much Federal money, which is allotted to it by the United States Department of Agriculture, in the administration of its duties. Without this assistance the State department of agriculture would not be able to serve the farmers effectively, as the financial resources of the State are inadequate to provide sufficient funds for all of the needs of that department.

In recent years there has been a great demand for vocational education in North Carolina, and the division of vocational education of the State department of public instruction received appropriations at the last one or two sessions of the General Assembly more freely, I believe, than any other department. But, most of the money which is used by that division of our State department of public instruction is obtained through Federal grants and is Federal money.

In the program of rehabilitating handicapped people, persons who have suffered injuries, had their arms cut off, lost a leg, lost an eye, and maybe are handicapped physically for one reason or another, through accident or otherwise—a great portion of that money comes from Federal funds. Yet, upon inquiring into the administration of that, I have not found that the right of the States to administer their laws and to use that money in the administration of those laws has been seriously affected or impaired.

Now, I think that where States' rights are infringed upon more seriously is where a Federal act is passed, which provides that there shall be Federal administration of a Federal law, which could be done much better on a local than on a national basis. The thing I want to see is every State labor department developed to such a high degree of efficiency that there will be no reason for Federal action or Federal laws to supplant or supplement State laws. I want a State department of labor strong enough in North Carolina so that there will be no need for anyone to say, "Well, your safety conditions are so bad * * *" I do not want labor to be able to say that the hazards existing in industry are so serious that someone should do something about it and—"if you can't do anything about it, then we're going to use our influence to try to see that someone else does something."

You will recall that about 2 or 3 years ago a bill was introduced into Congress to authorize the Bureau of Mines to make inspections of all coal mines. There was a great fight; a fight of States' rights against Federal encroachment upon those rights. What was the principal argument used for the enactment of that Federal statute? That some of the States—not all of them, but some of the States in which coal mines are located—were not doing a proper job of safety
inspection; the miners were losing their lives unnecessarily and the Federal Government should intercede. As a result, there was something of a compromise, as is true in most legislation. The Bureau of Mines was given the right of entry and the right to make recommendations; the power of enforcement was withheld at that time, I think, perhaps to give the States a chance to improve their own programs.

Now, it is hard to build a State department of labor—I believe most of you would agree with me—because of the fact that we are not considered as essential as some of the other departments. That is particularly true in the States which are still predominantly agricultural and where most of the representatives in the State legislatures are representing agricultural interests. It is very difficult for the department that is not so highly regarded—is not deemed so highly essential—to get money in sufficient amounts to serve the worker as he is supposed to be served.

This past year the Department of Labor of North Carolina was rather fortunate in getting a goodly increase in its appropriation. Next to the vocational education division we got a much larger percentage of increase than any other department. I think there were two or three reasons for that. One reason was that the department had grown in stature, largely through our associations and cooperative agreements with Federal agencies. The appropriation for our statistical division was greatly increased. Much credit for this increase is due to our cooperative agreement with the Bureau of Labor Statistics. The limited amount of aid received from this Federal agency has enabled us to do a job well enough to bring about recognition of its value. Both labor and industry demanded increased appropriations for the further expansion of this valuable program.

We have had an agreement with the Wage and Hour and Public Contracts Divisions in North Carolina for 3 years, under which we administer the Wage and Hour Law. People came to think of the State Department of Labor as being the agency in the State where all activities with respect to industrial labor were centralized; and thinking along that line had trained the spotlight upon us to the extent that the legislature was willing to give us a considerable increase in appropriation for our inspectional activities. We now have a fairly good force of inspectors. We do not have some of the technical experts that we need, but we are better equipped than ever before. This is largely due to the fact that we have come to be thought of throughout the State as the agency which deals with labor problems more or less exclusively. And it was through Federal assistance that we came to be regarded in that light.

As we all know, Federal agencies have not been kept out of the field of industrial safety and health. It was invaded by the Division of Industrial Hygiene through the Social Security Board's activities under a provision of the Social Security Act. The Public Contracts Act provides that the Federal Government shall make safety and health inspections in those places that have Government contracts, unless they accept State inspections. Through agreement with some 25 or 30 States, the Administrator of the Public Contracts Act has agreed to accept the inspections of the State departments of labor, but that leaves some 20 or 25 States where no such agreements have been reached. So we cannot shut our eyes and say that we are going
to keep the Federal Government out of this or that field, because it cannot be done.

It would not have been possible for any local unit of government in North Carolina to resist the State in rendering financial assistance to localities in the building and maintenance of improved highways. The revolutionary change in modes of transportation made such State action inevitable. Likewise, we cannot keep the Federal Government out of State activities. We should coordinate our activities in these rapidly changing times and work on a cooperative basis. In North Carolina we have a fine working arrangement with Dr. Steelman, Director of the United States Conciliation Service. The Federal conciliators work with our men as they do in other States that have conciliation services, but we cannot keep them out, and would not want to, even if we could. We cannot keep Federal agencies out of the field of safety and health inspections unless we do the job, and I believe that many of you will agree with me that most of the States are not doing the job on safety and health inspection work that is required of them. Furthermore, I do not believe that many State departments will be able to secure sufficient State funds to do an adequate job for a long, long time to come. I think it will be harder after this war to get that money than it is now, and for this reason: Federal taxes are going to be high for many years. Congress does not react to the plea for the reduction of taxes as quickly as our legislatures, because our State legislatures are closer to the people. So there is going to be great pressure placed on our legislatures to reduce taxes as the national income begins to decline. As that income begins to decline, the revenues that are going to shrink most appreciably are going to be State revenues. The pressure to reduce taxes most strongly will be on State legislatures and not on Congress. State legislatures will react to that pressure and appropriations will be cut rather than increased.

That is the reason why I am interested in some bill of this character. H. R. 2800 may have some objections, but I think the principle is sound, and I do not think it means giving up States' rights. The acceptance of Federal aid has not meant giving up States’ rights by our highway commission, our health department, our department of agriculture, or our vocational education and rehabilitation agencies.

The one place where I know the most difficulty has been experienced in the way of Federal aids and grants is with the Social Security Board. Why, I do not know. But in the case of these other departments, the United States Bureau of Roads seems not to have a great deal of trouble with State highway departments; the United States Department of Agriculture does not seem to have a great deal of conflict with the State departments of agriculture; nor does the Office of Education seem to have much difficulty in dealing with our State education department. My experience is that when the United States Department of Labor is dealing with a State department of labor, very little trouble is experienced. Our difficulties begin when agencies outside the Labor Department—agencies who do not know us, do not know us individually and personally, who do not know our problems—invoke our field of activities and try to push us out and take over our work. That has been my observation and experience. Yours may have been different.
In conclusion, is it the collective opinion of this body that it is all right for other State departments to accept Federal funds for the building of roads, for public health, education, and agriculture, but that so far as labor is concerned we want none of it? That I believe, is really the thing we should think about very seriously.

Mr. Lubin. You have heard two members of the organization present the pros and cons of this problem. The discussion will now be open from the floor.

Mr. Dean (Michigan). Labor is very much interested in minimum standards with respect to sanitation and health in industry. We are, however, concerned with how that is brought about. We are somewhat inclined to believe with Mr. Wrabetz of Wisconsin that the standards attained will be attained through education.

Coming back to this question of Federal aid, the labor movement in Michigan has been quite concerned with how it affected our educational program, particularly our vocational education program. Mr. Shuford has mentioned how well the program functions in North Carolina. We have given this a great deal of thought in Michigan, and we were quite fortunate in having the aid and advice of that sturdy fellow from Wisconsin, Henry Ohl, who was on the Federal Board for Vocational Education. The Smith-Hughes Law, as you all probably recall, and the George-Deen Act was intended to aid the establishment of local vocational education programs, particularly in the trade industrial field, in agriculture, and in home economics. When the bill was written, the Smith-Hughes Law provided for a Federal board with policy-making power. This was subsequently changed to an advisory board or advisory committee which now obtains. The State plans for vocational education originally were submitted to this Board which had policy-making authority and, if accepted, Federal funds were expended on the basis of compliance with the State plans for vocational education. The Smith-Hughes Law provided that the State must establish a board for vocational education, a separate board to expend these funds.

Now, we have that board in Michigan; we have a State board of control for vocational education, and do not forget the control, but it has not resulted in the type of vocational program that is beneficial to the industrial workers of Michigan. We of the labor movement have attempted to correct that but have been unable to do so.

The bill under discussion this morning which provides for a Federal advisory committee through the Secretary of Labor, makes no mention of any such advice on a State level, and the questions I am raising are: Just how would this function? Just what authority would be left to the State to determine the type of program that best meets the needs of the State? Who would make that determination? It is not a question of States' rights to me. It is a question of determining the State's responsibility and how best to develop in that State the necessary facilities and personnel to carry out those responsibilities.

I am definitely of the opinion that minimum national standards should obtain. Certainly there are too many valleys in this matter of factory inspection and working conditions in the factories of this country. The few peaks that obtain—such as Wisconsin, California, New York, and probably Pennsylvania—are the exceptions rather than the rule. The valleys of the depressions are all too prevalent.
We in Michigan have a long way to go before we will get anything like the condition that should obtain in industry, but we are not sure that this is the way to do it. If it is going to work out like our vocational education program, I do not think Federal aid will be very beneficial to Michigan. In other words, we are quite concerned with how this thing would function, to what extent we would be permitted to determine what we need and to develop the facilities and the personnel to deal with the needs.

Mr. Polhaus (Maryland). It may surprise some people—being an ardent States'-righter and coming from a State that never voted for prohibition because we did not believe in forcing our will upon the will of other people—that I cannot see where this bill enters into any partisan thought at all. Whether Mr. Roosevelt, as President, or whether the Labor Department administers it, in my judgment, has no part in the bill. The democratic form of government is to permit the States to decide for themselves whether they will accept this measure of aid. I see nothing in the bill that makes it compulsory for any State to accept the aid offered by the bill. However, those States who desire that aid, I feel that, in a democratic Government, they should not be denied the privileges of accepting it if they see fit to do so.

I want to say that, if the bill should become law—and I know that what I say has very little to do with whether it does or not—and if there is one iota of interference with the right of my department to be administered by me and me alone while I am the commissioner, I would oppose with all the power that I could bring to bear the acceptance of the State of Maryland of aid given by the Government. On the other hand, I would vote for the bill, because I feel that it is a democratic way to give the 48 States the right to decide whether or not they want to swap their marbles for candy, facetiously speaking, and I have no right to say to Mr. Shuford of North Carolina, “If your State believes it’s a good thing, you shall not have that opportunity.” No more would Mr. Shuford have the right to say to my State, “I think it’s good, and you have to take it.” I think that the whole thing is based upon the right of the State to accept or reject. If there is anything in the bill that makes it compulsory for the State to accept it, then I would be bitterly opposed to it. But as I understand the bill, it provides a more or less free-will offering, and it is up to the State whether or not to accept it. I hope that before Maryland accepts any free-will offer from the Government, it makes sure that nothing in that act interferes with the right of the State to operate and function under its own sovereign rights.

Mr. Royle (Utah). There are several phases of this question that the State of Utah feels very keenly about. I will try to bring them to your attention quickly.

In 1924 the Honorable James M. Beck, solicitor in the Attorney General’s office under the Harding Administration, and later representative from the great State of Pennsylvania, wrote a book discussing the Constitution of the United States, our republican form of Government, and the future of the United States under it. He discussed the proposition of whether or not our Federal machinery was at that time unwieldy and unrepresentative of the citizenry of the Nation, and whether or not the republican type of Government which is guaranteed the States of the Nation under our Constitution was in fact republican.
in nature and in practice. He even was so bold as to segregate the United States into three separate divisions, by grouping the States into the three divisions, thereby avoiding the concentration in Washington which at that time was very evident. By subdividing the Nation, the control of Government would be brought nearer the people. Since that time, as we all know, the concentration in Washington of new powers, of new responsibilities for the Nation as a whole, has been phenomenal.

In 1862 the Department of Agriculture was created. That is a long way back. Since that time, and even before that time, the Federal Government has been mushrooming with increased tempo. We are currently aware of what happened between the years 1924 and 1932. Several new bureaus were added to the Washington set-up. Since 1932 they have increased in number considerably. Now, while we take exception to and are startled by the suggestions and the direction that this bill contemplates, we look at it probably from a personal standpoint and from a State standpoint. There is a far deeper significance attached to it than just a petty quarrel. Every time the Federal Government or a Federal agency in Washington takes on a new duty that should rest upon State administration it removes from the State certain direct responsibilities to its citizens and removes from its citizens the direct control of local government. What we are doing is continually stepping on the treadmill and handing down our authority and our responsibility for the management of our own local government to some bureau or person in Washington to assume and discharge vicariously for us.

If there is anything in the democratic theory of government it is "individual responsibility"—the right to think and to say and to act on one's own behalf, and at the same time to shoulder the burden of administering and controlling civil affairs. If one needs help it is highly proper to petition for assistance to those who are in a position to help, providing, one does not pay too heavy a price or irrevocable premium for it. The individual, the local government unit, may be somewhat limited in mind and in financial or economic capacity. During a period of emergency the Federal Government, acting as a reservoir might be called upon for temporary sustenance. It should be temporary, however; we should estimate the costs and the gains to be had before we repose upon other shoulders those things we might be able to do for ourselves though under distressful and burdensome conditions. We would think several times about it in the State of Utah before we petitioned Washington and gave them the run of our State for such help. Federal hand-outs have a tendency to sterilize local vigor and dignity.

Reference has been made to the United States Department of Agriculture and its operations throughout the Nation by previous speakers. Agriculture as an industry and vocation is of such a nature that it transcends and crosses State lines. It is a national problem. It is interstate in its marketing, purchasing, processing, etc. To meet its demands a central administration headquarters in Washington might be necessary. The agricultural question is beside the point. The problem of road building has also been brought before us. This is another interstate question. The roads in North Carolina and the roads in Nevada are of interest to me and of concern to me because
of the interstate nature of communication, travel, and business over
the roads. Roads are almost "natural" things.

Now, the interstate character might be applied to several other
Federal bureaus such as the Interstate Commerce Commission. They
operate in an interstate field. We don't need to stop here and
enumerate all these interstate works. Let us get into the field of
education for a minute, inasmuch as it has been previously referred to.
Education comes directly between the child and the parent—your
local school board and the child. There is nothing interstate about it,
it is localized. But when you come into other fields, especially that one
to which House Bill 2800 refers, relating to industry-safety standards
and inspection, you have entered the State. You have come down to
the individual employer and the conditions under which he works his
employees within the State. The industrial operation is definitely
located and so is the employee who works therein. They are fixed,
they are intrastate. The inspection of such establishments for safety
factors and standards is directly under State supervision and should be.
It is a problem as close to the individual as anything could be. It has
no relationship to what New York; or Florida or Oregon, is doing by
way of safety inspection and under widely dissimilar conditions in all
probability. It is a problem that lies and rests entirely within the
State and we need no Federal assistance, control, direction, or funds to
monopolize the field. There is still some responsibility, initiative,
sense of propriety, and brain power left in the 48 States and legislatures
and the 3,000 counties that comprise the Nation.

There is another angle I would like to bring to your attention.
In 1935 the State of Utah adopted what is known as the "Little
Wagner Act." This is a sidelight, but it shows how Federal Depart­
ments can keep their noses out of State business. Utah is one of the
four or five States in the Nation with a "Little Wagner Act." As you
know it is similar to the National Labor Relations Act. We have
had some help at times from the National Labor Relations Board and
from the United States Department of Labor Conciliation Service.
We liked them. We got along well with them—very fine people.
There is no criticism to be levied upon them at this time; but, en­
couraging local government to throw responsibility for the settlement
and handling of local problems is wrong. The Federal Departments
should avoid rather than encourage this tendency. We have had this
situation arise in Utah. The Utah Labor Relations Board went out
to settle a dispute which involved 10,000 employees and their em­
ployers. This was strictly interstate business in the construction
field. The parties adversely affected by the Utah Board's decision
appealed to the National War Labor Board. It set aside the State
action and took over complete jurisdiction of the dispute. This is
wartime. We took no particular exception to the War Labor Board's
action though we felt it was unnecessary. It is a trend to be noted
before the war, and of course completely in the ascendancy at the mo­
ment. Federal conciliators from the Department of Labor come in
and check up on problems and go about their business without too
much ado.

I want to bring another item or two to your attention; one is a card­
dinal thing in regard to this bill before us. It seems Mr. Durkin of
the American Federation of Labor has some organized labor support.
Let us look at the labor picture a moment: We have the greatest number of organized labor the Nation has ever seen. About 10 million in the A. F. of L. and C. I. O., and adding the railroad brotherhood to it you have in the neighborhood of 12 or 13 million.

These people are organized in the cities, counties, and States to exert tremendous pressure on legislators at home. They may well get through the State legislature the objective sought in House Bill 2800, if they would busy themselves in government at home instead of relaying it by remote control through the Congressmen in Washington. Federal Congressmen are not so susceptible to the direct pressure at home in appropriations and finance matters as are the legislators. The Federal treasury appears like a Santa Claus savings bank open to the public. The legislators are at home, and they are under close personal observation. Raising taxes at home out of the individual's pocketbook while he is watching is a risky business. Your Congressmen are farther removed from the electorate in such matters. Appropriating funds out of the nebulous Federal source of supply is one thing, appropriating funds out of the rank and file citizen's pockets at home while he is watching, is another. Even so, we ought not to do the unmoral thing, and supply the citizen with a service out of other people's money or supply him with a service he would not directly provide for himself.

Labor organizations are solvent and well financed. They are in a position to deliver effective argument to legislatures. In our State their position is made prominent, and adequate appropriations are generally made for the needs of the working people. We have little trouble getting adequate funds in the State of Utah. Organized labor is strong enough, if they apply themselves intelligently, to defeat every legislator in the State who would deprive them of adequate protection in the industrial field.

Why in the world organized labor wants to concentrate so much power and authority in Washington and federalize things is unknown to me. Of course it is clear that the A. F. of L. and C. I. O. are organized for lobbying purposes in Washington. These organizations are powerful and many Congressmen respect them. Getting one appropriation would do away with appealing to 48 separate legislatures and funds. However, democracy and local determination is broken down. This is a trend organized labor should resist rather than encourage. Organized labor may not have considered the full implication of the direction in which they are traveling, as they might have done.

Just before I came to Chicago I talked to the heads of the A. F. of L. and C. I. O. in my State, with respect to State and Federal relations. They both favored State jurisdiction in these matters because we are closer to them than the Federal people are or could be. Washington is too far removed.

Today organized labor is in a position to petition, and they pretty much take care of themselves. They are no longer dependent, weak, and inarticulate. I repeat it is a shame, and folly, to deliver any more grants of authority to Washington and remove from the individual citizen the care and responsibility for his own local government. It is undignified and debilitating to plead with Washington for these services and appropriations that should rest upon the individual legislatures, local industry, local labor, and local society.
Conducting one's own affairs makes for individualism in character. Integrity in the citizen and in local government is fundamental to a democracy. Paupers' pleas to Washington promote dictatorship.

Mr. Gamble (South Carolina). I would not feel that I had properly upheld the grand old State of South Carolina in this matter of State and Federal rights arising here, did I not have a word to say regarding the subject. You know that we were the first to leave the Union, and my stand on the matter will probably surprise you, in view of the words spoken here by the representatives of other States.

I think the words, "Federal aid," used here this morning, is a misnomer. To me, it is the spending of money in the State by the Federal Government that it properly should spend in conjunction with the State departments to do a service that they both have in the States. It is not a matter of the Federal Department's coming in and encroaching upon the States and taking over the State departments. The Federal Government has a job to do in the States because the Constitution many years ago contemplated the passage of goods and flow of materials across State lines.

Some years ago we had the same fight among the counties of South Carolina that is coming up here now among the States of the Nation. It was a question of whether or not a central road-building program should be put on, and whether or not Anderson County in the Piedmont should go along with Lee County or whether Charleston County on the coast should go along with Spartanburg County in the northern part of the State. We were, for some time, almost drawn apart in two camps; yet we worked it out and Spartanburg and Charleston and Anderson and Lee Counties cooperated and built the finest system of roads in the United States. We did that, working together. Now the speed at which the world is traveling has brought the States in the Union in almost as close proximity as the counties in South Carolina were 25 or 30 years ago. To me, this is just another step not only in the program of my State and the United States, but in the progress of the world. Twenty-five or thirty years from now you are going to have the same fight—it is already beginning—as to whether the United States and England and the other countries will get together on a world program.

Now, the question is whether or not we are going to be as some of the counties in South Carolina were—whether or not we are going to be obstructionists to progress. We cannot keep the Federal Government out of the States because it has a right, and it must exercise that right; it has a duty to perform, and it must perform that duty. The only question to me is whether you will have two agencies, a Federal and a State agency, performing a service within your State, or whether you will have the Federal Government and the State government working together in cooperation to perform that service. The State is doing the Federal job with Federal money that the Federal Government properly should give to the States, not as an aid, but to perform a proper Federal function that the Federal Government is required to perform by our Constitution. Whether you want the Federal Government to come into your State to inspect interstate commerce and the flow of goods does not matter because it is constitutional. Therefore, I would much rather perform my State duties and perform the Federal duties in cooperation with the Federal Government than to have the
Federal Government come in and make a duplicate investigation or perform a duplicate set of duties.

As a firm and fundamental States'-rights man, representing the State that I do, I am bitterly opposed to and I shall fight with every ounce of energy at my command any Federal Government agency that attempts to come into my State and set itself up independently of my department or of any State department. I don't care whether it directly affects the department of labor or not. It is with me, a matter of whether it affects any part of South Carolina. Federal agencies have come into my State and have not cooperated with me, and I shall continue to, we'll say, disagree with these Federal agencies until such time as they recognize that I belong in South Carolina and that they only belong there by reason of the fact that our goods flow across State lines. That, to me, is fundamental and sound States' rights.

I realize that the Federal Government is in a better position, and it should be in a better position, to plan for the United States, to plan how to fit South Carolina into the conglomeration of States that make up this great Nation, and I hope that we can overcome this difficulty that we are facing now as we overcame our county situation. We had some poor counties; we had some rich counties. The rich counties said: "You poor county boys get elected every time. We boys from the rich counties get beat every time. Why? Because you poor county boys get together and take the taxes that we pay and spend it for roads in your poor counties. You spend our tax dollars in your counties." There was some merit in the argument of the boys from the rich counties, and such was the case, but, in the course of years, the wisdom of that procedure has shown us something, and South Carolina, instead of being divided up into one, two, or three sections—Piedmont fighting Charleston, the tobacco farms against the cotton farms, textile men against the farmers—we are beginning to come together in harmonious relationship by reason of our backlog of experience.

I want to go on record here, this morning, for the same type of cooperation. I know that the assistance and aid from the Federal Government in cooperation with my department is assistance that the Federal Government owes to South Carolina. It is a service that the Federal Government owes to all the States; it is work and research that the Federal Government properly should have done and that it should be ready to grant the States. Therefore, I am not only in favor of this bill, but I am going to work with my Congressman to obtain, not particularly this bill, but some bill of this type.

Mr. Morrison (Kansas). I might say that I feel that our people in Kansas would want me to oppose this bill. On the basis of cooperation, we are always willing to cooperate and we appreciate the cooperation of the United States Department of Labor; so far it has been on the basis of cooperation. In our experience with other agencies—other State agencies, who have received grants despite oral and written assurances that it would be cooperative—we are sorry to find that cooperation is on a basis of 90 with the Federal Government and 10 with the State, or the reverse if you want to put it that way.

Our experience with unemployment compensation, with the State board of health, with vocational training, has been the same. Those
powers have been usurped by the Federal Government, and I feel quite positive that labor in Kansas would not wish that to be true with their labor department and will oppose the bill.

Mr. Patton (New York). I hesitate to speak because I am not the commissioner of our State. The commissioner had planned to come, but when he found he was unable to do so, he asked me as representative of the Industrial Commissioner of New York State to speak in opposition to this bill.

This morning's discussion reminds me of the Webster-Calhoun debate just prior to the Civil War. I had not heard this kind of talk for so long that I had almost forgotten it; and it is interesting to see what changes time brings, to see and hear the men from Maryland and South Carolina, and the men from Utah and Kansas, argue as they have. I suppose it is a good thing. It shows a shaking up of our complacency by beginning not to accept everything, but beginning to think for ourselves.

I was very much impressed with a statement which Mr. Griffiths made at the luncheon yesterday—one with which we are all familiar, but it comes to mind in this connection. He pointed out how there is one legislature in England—one Parliament for the whole country. There is no question of States' rights in England. Fortunately, or unfortunately, we are not in that position, and this whole system of grants-in-aid, as we call it, started in England long before it did here; it covered all sorts of matters and did not interfere with their system of government. It was in accord with it. Now, ever since we have in many fields begun this system of Federal grants-in-aid, it has altered the form of our Government. It has gradually made inroads upon our traditional system of having 48 State "parliaments" or legislatures, and we are increasingly coming to lean upon and rely upon the one central "parliament" for our legislation. That may be a good thing. We could debate about that endlessly, but it seems to me that this grant-in-aid is a fundamental change, although indirect, in our form of government, and if we are going to go over to that, I think we should do it openly. As to the terms of this bill, there are a great many specific things that can be criticized. But I do not want to talk long, because we all want to catch trains. I do feel it is my obligation, in accordance with the instructions of our industrial commissioner, to say that New York is opposed to the bill, and I am personally in accord with that view.

Mr. Wrabetz. I would like to make myself definitely clear on one or two points that I possibly did not touch on. We, of course, ought to be centering all our attention and energies on the one big job that we have—the winning of the war in order to preserve our liberties. It is unfortunate, I think, that this issue has come up at this time, but it is before us and we have to discuss it. This is an issue of a long-run policy, as to whether or not the Federal Government is going to control—not necessarily come into the State and compete on a duplicating basis, but control State administration. This bill gives power to pass on administration and therefore to control. This fundamental issue should be determined by the United States, by us. After all, we are the United States. The Federal Government is our government. At this time, when our attention must, of course, be focused on all-out war efforts, it is unfortunate this bill was introduced; it should not
have been. It should have been introduced at a time when our minds and our thinking could be free from the situation that we are now in. I want to make that clear.

There are certain functions, of course, of which the Federal Government should definitely have complete charge. One is the conduct of war. There are certain other functions usually in peacetime, such as police functions, which are definitely of State and local concern. True it is, that main trunk highways leading from California to New York, must have some Federal supervision and control. Likewise, highways that are principally for the State should be controlled by the State, and the counties and towns should have control of those which have nothing to do with the Federal or State systems.

Another thing is that we probably have not objected much to the aid that we received in highway construction and in vocational education, even though they are pretty well controlled by Washington, because the Federal Government does set up rather rigid standards and, therefore, it does control. This leads to two things: One, a very wasteful administration—lack of funds and granting of aid—when you spend somebody else’s money you are apt to be more free with it than if it is your own; and second, we have not objected very much because at the time most of these various aids developed, we still did not have the Supreme Court decision which said that the Federal Government could enter into these fields. Now, we have had experience with one of such activities which has developed since those Supreme Court decisions, and it has not been good. These other agencies will develop in power and in control and we are going to wake up one of these mornings to find that we have sold our birthright for a mess of pottage.

Mr. Reed (Texas). I don’t believe that there is any question as to how the people in my State feel about Federal control and some of the decrees and other things that have recently been issued from Washington. With respect to H. R. 2800, I did not intend to say anything—I want to study the bill quite a bit more. I will say from the study I have made of it, it was very cleverly written. I am glad the caption says “Mrs. Norton introduced the following bill.” I am sure that Mrs. Norton did not have anything to do with the writing of this bill. If you will, when you get the time, all of you, study it very carefully, you will find that in the beginning the bill states that it is for the purpose of enabling the United States Government, through the Department of Labor, to cooperate with State agencies administering labor laws, safe and healthful working conditions in industry, and that it shall be done, if this bill passes, in accordance with rules and regulations previously prescribed by the Secretary of Labor. That is in section 2; and in section 3 the money shall be expended solely in carrying out the purposes specified in accordance with rules and regulations prescribed by the Secretary. No one knows what these rules and regulations will be. They are subject to change at the whim of the Secretary, whoever it might be, and the people in my State feel that if we have departmental administration of laws of any kind, they should be clearly written in black and white so that everyone can understand what the terms of that law or the terms of any rule and regulation are. Therefore, I want to go on record as being opposed to this, and like the gentleman from South Carolina, I will...
appear before my Representatives in the next Congress and ask them to do everything they can to kill this bill.

Mr. Murphy (Illinois). I am the representative of the State that probably gets more criticism—that is, not the State, but our community here of States—of being isolationists, that's the term at which they point their finger from Washington. We have no quarrels, however, with any Department at Washington. We disagree with them many times. We do it openly and above board. They have a right to disagree with us; we extend them that right. However, I wonder if we are using our good senses here this morning in either condemning or okaying a bill. We have all had experiences with legislation. You would not recognize the bill that is introduced, after it gets through the category of committees and amendments and everything else. Here, we are asked the question: Are you in favor of this bill or are you against it? We are probably expected to present an opinion. Well, definitely our opinion in Illinois is against any Federal violation of State powers. However, I can appreciate that to some of these men, it would be of great benefit to have some type of a bill that might grant them some assistance where their State funds are inadequate to do a good job. Our State is anxious to see the Southern States, the Northern States, or any other States protect the lives of the workers. Our unions are very much concerned about it. We want to see them progress. We have good laws—they have been built up over a great number of years. Our department is a very strong one, and we can take care of our own problems. But in getting back to the fundamentals and the idea of expressing views, I cannot see any intelligent reason why we should, as I have said, condemn or okay this. You don’t know and I don’t know, and there is not one person in this room who knows in what form this bill will finally come up for a vote. It might pass one House, as most of the bills do, in one shape—it might be round and beautiful—but by the time it got over to the other House it would be as slim as any bill you have ever seen. We have no criticism about the Department of Labor’s authority, but there are agencies in Washington regarding which we have considerable criticism.

The Manpower Commission steps into Illinois and tells us that we are freezing jobs and so forth. We opposed it. We found no good reason for it. We cannot find one yet. We believed in Illinois labor and industry—that people should be allowed to move back and forth. An industry that never paid any attention to its workers—never gave them any rights, pay, or conditions—it should be the one that does not have the employees today. An industry that has taken good care of its employees has very little trouble losing them to the war plants, even though they might receive more pay. Unfortunately, I do not know the real reason for this being brought up. I think it is marvelous to have discussion regarding this bill, but I doubt the wisdom of this group—it is very small—to speak for 48 States and the international group. We go on record probably, today, for or against this bill. I think it is a mistake. I do not think that any State—my State, your State, or any other State—should speak as an association for the States that are not here and in a position to make their own decision.
Mr. Lubin. In order that there may be no misunderstanding, it was not intended that any resolution or any vote be taken on the issue. The purpose of the round table was to get the points of view of the various State representatives, so that the issues might be clearly defined.

Mr. Wrabetz. Not only the general issue, but H. R. 2800 is specifically mentioned, isn't it? And we are, of course, discussing it as it is written. We are not discussing it as it might be amended in the future.

Mr. Lubin. As I listened to the discussion, it seemed that the most significant aspect of the problem, at least as far as I am concerned, is a question of understanding one another. It is quite evident that the relationship between the Federal and the State governments, the relationship between the United States Department of Labor and the State labor departments, the question of the use of Federal funds for specific purposes—all of these matters are looked at from different points of view, dependent upon the background and the experiences that individuals have had with one agency or another. I think there is a need for clarification of words, ideas. I was very much interested to learn what this bill could do to this country. On the other hand, I was much interested to learn what this bill could not do to this country. It all gets back, I think, to what I originally said: It is a question of education, of sitting down and discussing the problem. I honestly believe that if we could have 2 or 3 hours, the lines of demarkation between the two groups would get very, very thin. I think we could agree on how far the State should go and how far the Federal Government should go. It all gets back, I think, to the effect of words upon people's minds.
Business Meetings—Reports and Resolutions

The following convention committees were appointed:

Auditing committee.—George W. Dean, of Michigan, chairman; Harry J. Burezyk, of Wisconsin; and J. O'Connell Maher, of Quebec.

Resolutions committee.—E. B. Patton, of New York, chairman; Wm. H. Chesnut, of Pennsylvania; E. M. Royle, of Utah; John Hopkins Hall, of Virginia; and John Morrison, of Kansas.

Nominating committee.—Walter E. Rountree, of Florida, chairman; J. R. Rockwell, of Indiana; Charles W. Harness, of Iowa; O. S. Traylor, of Missouri; and John D. Reed, of Texas.

Report of the Secretary-Treasurer

Since the St. Louis convention four new members have joined the Association, viz, the Louisiana Department of Labor, the Michigan Department of Labor and Industry, the Texas Bureau of Labor Statistics, and the Quebec Department of Labor; two States have discontinued their membership in the Association since that time, namely, the Oklahoma Department of Labor and the Connecticut Department of Labor and Factory Inspection. The membership is now as follows:

Active Members

United States Bureau of Mines.
United States Children's Bureau.
United States Employment Service.
United States Women's Bureau.
United States Division of Labor Standards.
United States Social Security Board.
National Labor Relations Board.
Alabama Department of Industrial Relations.
Alaska Department of Labor.
Arkansas Department of Labor.
California Department of Industrial Relations.
Florida Industrial Commission.
Illinois Department of Labor.
Indiana Division of Labor.
Iowa Bureau of Labor.
Kansas Department of Labor.
Louisiana Department of Labor.
Massachusetts Department of Labor and Industries.
Michigan Department of Labor and Industry.
Missouri Department of Labor and Industrial Inspection.
Montana Department of Agriculture, Labor and Industry.
New Jersey Department of Labor.
New York Department of Labor.
North Carolina Department of Labor.
Pennsylvania Department of Labor and Industry.
Philippine Islands Department of Labor.
Puerto Rico Department of Labor.
Rhode Island Department of Labor.
South Carolina Department of Labor.
Utah Industrial Commission.
Virginia Department of Labor and Industry.
West Virginia Department of Labor.
Wisconsin Industrial Commission.
Department of Labor of Canada.
British Columbia Department of Labor.
Manitoba Department of Labor.
New Brunswick Department of Labor.
Quebec Department of Labor.

Associate Members

Colorado Industrial Commission.
Delaware Labor Commission.
Maryland Commission of Labor and Statistics.
Nevada Department of Labor.
New Hampshire Bureau of Labor.
North Dakota Department of Agriculture and Labor.
Oregon Bureau of Labor.
Alberta Department of Trade and Industry.

The proceedings of the St. Louis convention have been printed as Bulletin No. 721 of the Bureau of Labor Statistics of the United States Department of Labor.

Due to the fact that many individuals who were members of the various committees of this Association are no longer connected with the labor departments of their respective States, I am listing below the names of the people who have prepared the reports which have been submitted to this convention:

Apprenticeship.—Walter Simon, Wisconsin Industrial Commission.
Child Labor.—Beatrice McConnell, U. S. Children's Bureau.
Factory Inspection.—John J. Toohey, Jr., New Jersey Department of Labor.
Industrial Homework.—Kate Papert, New York Department of Labor.
Machinery Safety Requirements.—Forrest H. Shuford, North Carolina Department of Labor.
Social Security.—Ewan Clague, U. S. Social Security Board.
Women in Industry.—Mary Anderson, U. S. Women's Bureau.

Financial Statement Covering Period Since St. Louis Convention

Receipts

1941

Sept. 1 Balance in bank ........................................... $3,186.43
  2 Wisconsin Industrial Commission, 1942 dues ........ 25.00
  5 Connecticut Department of Labor, 1942 dues .... 25.00
  5 Alabama Department of Industrial Relations, 1942
dues .......................................................... 25.00
  18 Puerto Rico Department of Labor, 1942 dues .... 25.00
  20 Philippine Islands Department of Labor, 1942 dues .. 25.00
  18 West Virginia, Department of Labor, 1942 dues .... 25.00

Oct. 1 Pennsylvania Department of Labor and Industry,
  1942 dues (first half) ........................................ 12.50
  2 Utah Industrial Commission, 1942 dues ........ 25.00
  10 New Jersey Department of Labor, 1942 dues .... 25.00
  28 Alabama Department of Labor, 1942 dues ...... 25.00

1942

Mar. 19 Pennsylvania Department of Labor and Industry,
  1942-43 dues ................................................. 25.00

June 25 Manitoba Department of Labor, 1943 dues .... 25.00
25 Virginia Department of Labor, 1943 dues ........ 25.00
26 North Carolina Department of Labor, 1943 dues .... 25.00

July 1 Nova Scotia Department of Labor, 1943 dues .... 25.00
  1 Florida Industrial Commission, 1943 dues ........ 25.00
  3 Arkansas Department of Labor, 1943 dues .......... 25.00
  3 South Carolina Department of Labor, 1943 dues .. 25.00
  6 Alberta Department of Trade and Industry, 1943
dues .......................................................... 10.00
  6 Colorado Industrial Commission, 1943 dues .... 10.00
  10 Wisconsin Industrial Commission, 1943 dues .... 25.00
  13 North Dakota Department of Agriculture and
  Labor, 1943 dues ............................................. 10.00
  18 Delaware Labor Commission, 1943 dues .......... 10.00
BUSINESS MEETINGS—REPORTS AND RESOLUTIONS

Receipts—Continued

1942

July 18 Massachusetts Department of Labor and Industries, 1943 dues____________________________ $25.00
20 British Columbia Department of Labor, 1943 dues________________________ 25.00
24 New Hampshire Bureau of Labor, 1943 dues________________________ 10.00
25 Kansas Department of Labor, 1943 dues________________________ 25.00
31 California Industrial Accident Commission, 1943 dues________________________ 25.00
31 Alaska Department of Labor, 1943 dues________________________ 25.00
31 Rhode Island Department of Labor, 1943 dues________________________ 25.00
Aug. 11 New York Department of Labor, 1943 dues________________________ 25.00
11 Illinois Department of Labor, 1943 dues________________________ 25.00
15 Missouri Department of Labor, 1943 dues________________________ 25.00
18 West Virginia Department of Labor, 1943 dues________________________ 25.00
Nov. 30 Iowa Bureau of Labor, 1943 dues________________________ 25.00
Dec. 2 Utah Bureau of Labor, 1943 dues________________________ 25.00
8 Puerto Rico Department of Labor, 1943 dues________________________ 25.00
8 Indiana Bureau of Labor, 1943 dues________________________ 25.00
9 Washington Department of Labor and Industries, 1943 dues________________________ 25.00

1943

Apr. 12 Maryland Department of Labor and Statistics, 1943 dues________________________ 10.00
15 Florida Industrial Commission, 1944 dues________________________ 25.00
May 15 North Carolina Department of Labor, 1944 dues________________________ 25.00
15 Arkansas Department of Labor, 1944 dues________________________ 25.00
20 Delaware Labor Commission, 1944 dues________________________ 10.00
29 Oregon Bureau of Labor, 1944 dues________________________ 10.00
June 1 North Dakota Department of Agriculture and Labor, 1944 dues________________________ 10.00
1 Pennsylvania Department of Labor and Industry, 1944-45 dues________________________ 25.00
7 Missouri Department of Labor and Industrial Inspection, 1944 dues________________________ 25.00
14 Colorado Industrial Commission, 1944 dues________________________ 10.00
14 West Virginia Department of Labor, 1944 dues________________________ 25.00
12 Nova Scotia Department of Labor, 1944 dues________________________ 25.00
16 Alberta Department of Trade and Industry, 1944 dues________________________ 10.00
19 Massachusetts Department of Labor and Industries, 1944 dues________________________ 25.00
23 Washington Department of Labor and Industries, 1944 dues________________________ 25.00
29 Iowa Bureau of Labor, 1944 dues________________________ 25.00
July 3 Illinois Department of Labor, 1944 dues________________________ 25.00
6 Rhode Island Department of Labor, 1944 dues________________________ 25.00
8 Virginia Department of Labor and Industry, 1944 dues________________________ 25.00
9 Indiana Division of Labor, 1944 dues________________________ 25.00
22 Manitoba Department of Labor, 1944 dues________________________ 25.00
31 New Hampshire Bureau of Labor, 1944 dues________________________ 10.00
Aug. 3 California Department of Industrial Relations, 1944 dues________________________ 25.00
9 Kansas Department of Labor, 1944 dues________________________ 25.00
Sept. 6 Nevada Department of Labor, 1944 dues________________________ 10.00
9 British Columbia Department of Labor, 1944 dues________________________ 25.00
17 South Carolina Department of Labor, 1944 dues________________________ 25.00
24 Quebec Department of Labor, 1944 dues________________________ 25.00
25 Utah Industrial Commission, 1944 dues________________________ 25.00
25 Michigan Department of Labor and Industry, 1944 dues________________________ 25.00
27 Texas Department of Labor, 1944 dues________________________ 25.00
Oct. 4 Montana Department of Agriculture and Labor, 1944 dues________________________ 25.00

Total receipts__________________________________________ 4,753.93

$1,567.50

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Federal Reserve Bank of St. Louis
**1941**

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<td>Mary Lou Magin (registration)</td>
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<td>Phyllis Bramlet (reporting convention)</td>
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<td></td>
<td>John B. Clark (secretary-treasurer bond)</td>
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<td></td>
<td>Mary Lou Magin (registration)</td>
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<td>Caslon Press (programs and envelopes)</td>
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<td>Nov.  10</td>
<td>Exchange on Alaska check</td>
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<td>Western Union</td>
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<td>Postal Telegraph</td>
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<td>Caslon Press (envelopes)</td>
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**1943**

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<td>Cash—Postage for secretary’s office</td>
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<td>Sept. 24</td>
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**Report of the Auditing Committee**

By George W. Dean, Chairman

The auditing committee has examined the accounts of the secretary-treasurer. The committee has found the books in good order. The committee understands that the Executive Board has authorized the purchase of additional United States War Bonds. The committee recommends that all surplus cash beyond that required to meet the operating expenses of the Association be invested in the future in United States Government Bonds.

[The report of the auditing committee was adopted as read.]
Resolutions Adopted by the Convention

1.—General

Whereas, the International Association of Governmental Labor Officials at its annual conventions always has had many able speakers dealing with those subjects that are of interest to us in our work, and the further fact that the subject matter of the speakers is of interest at the moment, and, in many cases, contains valuable and timely suggestions as to administrative procedure, which we should have in hand during the meeting or as soon as possible after adjournment in order to benefit by the many suggestions and recommendations offered by these able speakers, it is hereby

Resolved, That the Association make arrangements at the next meeting to have the speeches mimeographed immediately after delivery for distribution among the membership.

2.—Apprenticeship

Whereas, the skills of the people of any nation are its greatest asset and should be transmitted from generation to generation in a planned way, so that they may be implemented and improved, believing that the withdrawal of apprentices for military service will tend to dilute the skills of this Nation, be it

Resolved, That this convention expresses favor of a plan which would permit a minimum number of young men taken into the armed services of the United States under the Selective Service System to complete bona fide apprenticeships in occupations essential to the war effort, and, further, a committee be appointed by this convention to further explore this possibility and confer with the agencies concerned with the supply of manpower.

3.—Cooperation Between War Manpower Commission and State Labor Commissioners

Whereas, there appears to be a lack of cooperation on the part of Regional War Manpower directors of the War Manpower Commission with the State Labor Departments, now, therefore be it

Resolved, That it is the consensus of the International Association of Governmental Labor Officials that the problem of manpower could be more effectively solved by greater cooperation on the part of the regional directors of the War Manpower Commission with the State labor commissioners in their respective regions on matters ordinarily coming within the jurisdiction of the individual State labor departments; and be it further

Resolved, That it is the consensus of the International Association of Governmental Labor Officials that regional directors should be instructed to consult with said labor commissioners on such matters.

4.—Factory Inspection

Whereas, the Committee on Factory Inspection recommended that the International Association of Governmental Labor Officials appoint a committee of labor commissioners to consider the problem of securing comparable data on the inspection work of State labor departments, be it

Resolved, That in the event of the appointment of such a committee, one of its members be from the staff of the Division of Labor Standards and that the Secretary of Labor be requested to render such aid to the committee as it may need in performance of its function.

5.—Industrial Homework

Whereas, attempts are being made to revive the ancient evil of industrial homework under the guise of patriotism as an answer to war manpower shortages, and

Whereas, it is being urged not only in industries traditionally engaged in home production but also in newer war industries, and

Whereas, homework is not an answer to manpower shortages, but is just as inefficient, unproductive, and inhumane for women and children as it was during the last war and as it was during peacetime, now, therefore, be it
Resolved, That the International Association of Governmental Labor Officials meeting in Chicago, Ill., on October 10, 1943, re-affirm its opposition to industrial homework as an unfair trade practice, as wasteful of manpower, as an inefficient method of production and as deleterious to the health and welfare of the workers; and that it commend the War Manpower Commission and other war agencies for the position they have taken in opposing industrial homework; and that it commend the Administrator of the Wage and Hour Division for prohibiting industrial homework in seven industries under wage orders and urge that every effort now be bent toward effective enforcement; and that it urge those States having industrial-homework laws strengthen their enforcement and those States facing the introduction and growth of homework within their borders as a result of its prohibition in neighboring States, to enact prohibitory statutes.

6.—Minimum Wages

Whereas, great numbers of women in certain industries, especially the service industries, are even today receiving substandard wages, and

Whereas, there is the danger that the number of women receiving substandard wages may be greatly increased as the demand for workers by war production plants declines, and

Whereas, the elimination of substandard wages has been declared to be essential to the successful prosecution of the war, and

Whereas, the establishment of minimum wages would have a stabilizing effect on the war and post-war economy, be it

Resolved, That this Association, at its meeting on October 10, 1943, urges, (1) that those States and Provinces now without minimum-wage laws enact such legislation as soon as possible; (2) that where existing rates are too low to meet the rising cost of living such rates be increased; and (3) that the social and economic gains of these laws be extended by the fixing of minimum-wage rates for those industries and occupations for which minimum standards have not yet been established.

7.—Hours of Work for Women

Whereas, experience in this country since Pearl Harbor has amply demonstrated that maximum production cannot be attained when women workers are required to work unreasonably long hours without sufficient time to recuperate from the effects of fatigue, and

Whereas, Great Britain, where the available labor supply is practically exhausted, has found it necessary at the end of 4 years of war, to return to their peacetime hours standards for women workers in order to maintain production, Great Britain seldom employing women for more than 47 hours per week, and

Whereas, it is becoming increasingly difficult in this country to retain the womanpower now in war production and essential civilian industries, and to recruit the additional womanpower that our war economy requires, because women have found the combination of home responsibilities, long hours, and poor working conditions a severe drain on their health and energies, be it

Resolved, That this Association at its meeting on October 10, 1943, recommend that in the interests of maximum war production and the health and welfare of our women workers, the following standards for women be adhered to in public and private employment: namely, a maximum work period of not more than 8 hours a day and 48 hours a week, with 1 day's rest in 7 (except for short periods in emergencies), adequate meal and rest periods, and proper safeguards for health and safety.

8.—Child Labor

Whereas, the employment of children and youth in the United States has been increasing at an unprecedented rate during this war period, and wholesale employment of youth means the curtailment of schooling and education at a time when the country's need for trained minds and sound bodies is greater than ever before—for the military services, for war production, and for the coming days of post-war reconstruction—the International Association of Governmental Labor Officials, recognizing the vital importance of safeguarding the health, welfare, and educational opportunity of the youth of this country, be it

Resolved, That the International Association of Governmental Labor Officials commends the statement of policy on employment of youth under 18 and the statement of policy and standards governing the nonagricultural employment of in-school urban youth under 18 years of age issued by the War Manpower
Commission, and urges that every effort be made by labor commissioners and labor law administrators, be it further

Resolved, (1) That school-aged youth should not be drawn upon until all other sources of labor supply are exhausted; (2) that leadership and support be given to the development of sound intelligent part-time school and work programs for school-aged youth where their services are found to be necessary for war production or essential civilian services, and to the formulation of plans for completion of education, after the war, for these youths who have left school for war employment; (3) that, insofar as possible, existing protective legislation be maintained and, if war needs make temporary modification necessary, that such modifications be limited to establishments engaged in war production or to those supplying essential civilian goods or services and only after careful investigation; and (4) that plans be made for the extension of the labor standards that have been found essential for the protection and full development of children and youth to those areas where further protection is needed.

9.—Federal Aid to State Labor Departments

Resolved, That this convention go on record as unreservedly opposed to further consideration during the present war emergency of House Bill 2800, now before the Congress of the United States; and, further, that this convention is also equally opposed to any encroachment by the Federal Government in the field of workmen's compensation and to any and all extensions of Federal control in the field of labor legislation and administration.

10.—General

Resolved, That this convention extend its most sincere thanks to Mr. Francis B. Murphy and Mr. Frank Welch of the Illinois Department of Labor for the excellent hospitality accorded to the delegates during their stay in Chicago and the provisions they made to make the convention a success; and

Resolved, That we extend our thanks to Mr. M. P. Mathewson and other members of the staff of the Hotel LaSalle who have contributed to our pleasure and convenience while guests in this city.

DISCUSSION—RESOLUTIONS

[Resolution No. 1 as originally presented and the discussion thereon follow:]

WHEREAS the International Association of Government Labor Officials at its annual conventions always has had many able speakers dealing with those subjects that are of interest to us in our work, and the further fact that the subject matter of the speakers is of interest at the moment, and, in many cases, contains valuable and timely suggestions as to administrative procedure, which we should have in hand during the meeting or immediately upon adjournment, in order to benefit by the many suggestions and recommendations offered by these able speakers, it is hereby

Resolved, that the Association make arrangements at the next meeting to have the speeches mimeographed immediately after delivery for distribution among the membership.

Mr. Wraabetz. How do the finances stand? Could it be done?

Mr. Lubin. I think it probably can be arranged.

Mr. Wraabetz. Would it be very expensive?

Mr. Lubin. I do not think it would necessarily be.

Mr. Rountree. I think "Within a reasonable period of time after adjournment" would——

Mr. Patton. We will omit "during the meeting," but say "immediately or upon a reasonable time after adjournment."

Mr. Harness. What we had in mind was that we might have the minutes of the day's meeting transcribed during the evening and
have copies of them on the desks of the delegates the next morning—
provided it was logical. I do not know whether it can be done or not. It is done in the State federation of labor and they transact much more business—at least as much as we do.

Mr. Wrabetz. Sometimes the State federations of labor have more money than we do.

Mr. Patton. We will change “during the meeting or immediately upon adjournment” to read “during the meeting or as soon as possible after adjournment.”

[The convention voted to adopt the resolution, as amended by Mr. Patton. For text of resolution 1, see page 155.]

[Resolution No. 2 as originally presented and the discussion thereon follow:]

Whereas the skills of the people of any nation are its greatest asset and should be transmitted from generation to generation in a planned way, so that they may be implemented and improved, and believing that the withdrawal of apprentices for military service will tend to dilute the skills of this Nation, be it

Resolved, That this convention express favor of a plan which would defer a minimum number of young men in occupations essential to the war effort to complete bona fide apprenticeships, and, further, a committee be appointed by this convention to further explore this possibility and confer with the agencies concerned with the supply of manpower.

Mr. Lubin. I wonder whether this Association should go on record as recommending to the armed forces of the United States how they should use their manpower. Frankly, what I should like to see done is that, once these young men are in the armed services, they be sent back to plants perhaps to finish their apprenticeship just as they are sent to universities to learn particular trades. Although the trade may be one of radio telegraphy or coding or something of that sort, it is very little different from other types of trades of a manual type. I should suggest either that the Association do not adopt this resolution, or that if it does, it be amended to present the idea that apprentices who are taken in through the Selective Service be given an opportunity, wherever possible, to continue that apprenticeship while in the armed services. In other words, I do not think that we should distinguish between the armed and the non-armed services when it comes to these young folks.

Mrs. Beyer. I believe that is what Mr. Dean had in mind as I discussed it with him.

Mr. Wrabetz. We would have to amend the resolution to include the idea expressed by Mr. Lubin.

[Mr. Lubin made a motion that the resolution be not adopted.]

Mr. McCain. I believe it would be unwise for us to take the attitude of picking out one particular group and asking that they be especially deferred from serving the country in time of great danger. If it were possible for the Selective Service to give our wishes any consideration at all, then some other group, that thought that they were equally as important as the apprentices of skilled workers, would want deferment or they would feel they were discriminated against. Of course I believe very sincerely that no matter what action we would take, Selective Service would disregard it anyway. I think it would be foolish to pass a resolution of this kind.
Mr. Wrabetz. I think not. They have given consideration to suggestions before—from this very group, too.

Mr. McCain. I think we would be clannish and selfish to pick out any of our groups for special deferment, and I would oppose the resolution.

[Mr. Morrison made a motion to amend the resolution to include the suggestion made by Mr. Lubin.]

Mr. Lubin. The wording that I would suggest therefor would be: "Resolved, That this convention expresses favor of a plan which would permit a minimum number of young men taken into the armed services under the Selective Service System to complete bona fide apprenticeship in occupations essential to the war effort." In other words, we are not asking for deferment. All we are saying is that once they are in the Army a minimum number be given an opportunity to continue to learn their trade. That does not necessarily mean that they have to go back to the same plant where they were serving their apprenticeship.

Mr. Reed. You mean along with other training programs being conducted by the armed services?

Mr. Lubin. Yes.

[Mr. Pohlhaus seconded the amendment.]

Mr. Wrabetz. Would it not be well to make the suggestion in the alternative so that they would defer—they would defer if they wanted to anyway.

Mr. Harness. The only objection I see to that is, it says "apprentices." Personally I am not in favor of deferring an apprentice if he served 2 weeks. I served as apprentice myself, and believe in it, but I think there should be a limit on the apprenticeship. If he served 2 years, I think he should continue as an apprentice, but if he served only 2 weeks, I do not think that he should be deferred.

Mr. Pohlhaus. I did not second the amendment with any understanding that the word "deferment" be used. I am opposed to deferment of any type other than that deemed wisest by the armed forces.

Mr. Wrabetz. The first sentence in the resolution says "would defer." That would, of course, be changed now to "would permit a minimum number of persons"—that leaves it quite general, doesn't it?

Mr. Pohlhaus. I withdraw my second if the word "deferment" is used. I would second the amendment as suggested by Mr. Lubin, that the armed forces have absolute control and give consideration to sending back young men to finish their apprenticeship.

Mr. Wrabetz. Mr. Lubin's suggestion then would read something like this: "Resolved, That this convention expresses favor of a plan that would transfer——"

Mr. Lubin. "Which would permit."

Mr. Wrabetz. "Which would permit a minimum number of young men——"

Mr. Pohlhaus. I would second that amendment.

Mr. Maher (Quebec). I believe that the resolution should be modified in such a way as to apply only to the Government of the
United States. Of course, this is an international association; but I do not think that Canadian members would like to vote for a resolution of that sort. Our real feeling up there is that more members should attend this convention—more Canadian members, I mean, and I would like to feel more at home. I would feel more at home if this motion or this resolution was modified according to my suggestion.

Mr. Wrabetz. So that the suggestion would carry on to the Canadian Government as well as ours, is that the idea?

Mr. Maher. No; just apply to the United States, not to Canada.

Mr. Patton. The armed services of the United States.

[Mr. Pohlhaus seconded the amendment and the convention voted to adopt the resolution as amended. For text of resolution No. 2, see page 155.]

[Resolution No. 3 as originally presented and the discussion thereon follow:]

Whereas the International Association of Governmental Labor Officials, assembled at Chicago, Ill., October 8–10, 1943, directs the attention of the War Manpower Commission to what appears to be a lack of cooperation by the Regional War Manpower directors with the State Labor Departments, within their regions, now, therefore, be it

Resolved, That it is the consensus of the International Association of Governmental Labor Officials that a general directive should be issued by the War Manpower Commission to all regional directors, instructing them to consult and cooperate with State labor commissioners within their respective regions on matters ordinarily coming within the State's jurisdiction.

Mr. Lubin. I think the idea expressed in that resolution is a good one. As I understand it, the idea is to get the War Manpower Commission to realize that to get their job done effectively they ought to make use of State labor departments, wherever possible. I do not know whether the way to do so is to tell them to instruct their regional officials to do it. I would suggest that the resolution be worded in a way to bring to the attention of the War Manpower Commission the fact that it should cooperate with the State labor departments in carrying out the work of the Commission.

My objection is not to the intent of the resolution, but to the way it is worded. I think it is in a sense a directive that we are issuing rather than a statement of fact.

May I suggest that the resolution read like this: "Resolved, That it is the consensus of the International Association of Governmental Labor Officials that the manpower problems of the United States could be more effectively solved if the Manpower Commission cooperated with and availed themselves of the services of the State labor departments in matters ordinarily coming within the jurisdiction of the States."

[The convention, after some discussion, voted to adopt the amendment. For text of resolution No. 3, see page 155.]

[Resolution No. 4 as originally presented and the discussion thereon follow:]

Whereas, the Committee on Factory Inspection recommended that the International Association of Governmental Labor Officials appoint a committee of labor commissioners to consider the problem of securing comparable data on the inspection work of State labor departments, be it

Resolved, That the Secretary of Labor be requested to appoint a staff member of the Division of Labor Standards to work with this committee.
Mr. Patton. It was evidently assumed that that committee recommendation was going to be carried out, so this resolution was introduced, resolving that the Secretary of Labor be requested to appoint a staff member of the Division of Labor Standards to work for this committee. A little bit odd, if you will allow me to say so.

Mr. Lubin. I think it would be better if the resolution instructed the president of this Association to appoint a member of the Division of Labor Standards to serve on that committee. In that way the purpose is accomplished.

Mr. Patton. You see, there is no committee yet appointed.

Mr. Wrabetz. It is not only a matter of being a member of the committee but also of working with the committee, which means that that person would have to do some research and so forth as directed or as requested by the committee which might involve more time than the member has at his disposal.

Mr. Patton. But you must bear in mind, Mr. Wrabetz, that there is no committee of any sort existing. The committee on factory inspection presented a report to this body in which they recommended that a committee be appointed. Now, it has not been done—it has not been authorized—but this resolution requests the appointment of a staff member of Labor Standards to work with an as-yet-unappointed and an as-yet-uncreated committee.

Mr. Lubin. I move that the following amendment be made: The whereases to remain unchanged; "Resolved, That in the event of the appointment by the president of the I. A. G. L. O. of a committee such as suggested by the committee on factory inspection, one member of the staff of the Division of Labor Standards be appointed to such committee and that the Secretary of Labor be requested to render such aid to the committee as it may need in performance of its function."

Mr. Pohlhaus. Mr. Lubin, is there any resolution for authorizing the president to appoint this committee?

Mr. Lubin. No.

Mr. Pohlhaus. Don't you think we ought to put in a resolution first appointing this committee and then authorize them to do this other?

Mr. Patton. I am not saying you ought to, but I am trying to point out that there is no committee as yet created.

[On motion of Mr. Pohlhaus it was voted that the president be instructed to appoint a committee on factory inspection, after which the convention voted on the amendment to the resolution. Resolution No. 4 was adopted as amended; for text, see page 155.]

[Resolution No. 6 (see page 156) was adopted as originally presented, except that the words "and Provinces" were added following the word "States." The amendment was suggested by Mr. Maher, of Quebec, and required no formal motion.]

[Resolution No. 7 as originally presented and the discussion thereon follow:]
women, are required to work unreasonably long hours without sufficient time to recuperate from the effects of fatigue, and

Whereas, Great Britain and Germany, where the available labor supply is practically exhausted, have found it necessary at the end of 4 years of war, to return to their peacetime hours standards in order to maintain production, Great Britain seldom employing women for more than 47 hours per week, and

Whereas, it is becoming increasingly difficult in this country to retain the womanpower now in war production and essential civilian industries, and to recruit the additional womanpower that our war economy requires, because women have found the combination of home responsibilities, long hours, and poor working conditions a severe drain on their health and energies, be it

Resolved, that this Association at its meeting on October 10, 1943, recommend that in the interests of maximum war production and the health and welfare of our workers, the following standards be adhered to in public and private employment, a maximum work period of not more than 8 hours a day and 48 hours a week, with 1 day's rest in 7, except for short periods in emergencies, adequate meal and rest periods, proper safeguards for health and safety.

Mr. Lubin. I am surprised to learn that Great Britain and Germany have gone back to their peacetime standards for all employment. I imagine the resolution refers principally to women employees. I think that should be specified.

Mr. Wrabetz. Suppose instead of saying "their peacetime hours," we say "return to 40-hour standards."

Mr. Lubin. For women workers.

Mr. Wrabetz. It is suggested that the words "for women workers" be inserted after the words "to their peacetime hour standards in order to maintain production." Are there any objections to that amendment?

Mr. Lubin. I wonder if the same thing should not be inserted in the resolution itself, which reads that "this Association * * * recommend that in the interests of maximum war production, and the health and welfare of our workers, the following standards be adhered to in public and private employment."

Mr. Wrabetz. "For women workers."

Mr. Lubin. Yes.

Mr. Wrabetz. I think that we will all agree that is correct. Are there any remarks with respect to the resolution.

Voice. The recommendations that have gone out by the seven Federal agencies have not been confined to women workers, I believe.

Mr. Wrabetz. Of course; this resolution applies only to women workers.

Mr. Lubin. Does the Association want to go on record as saying that we should cut the hours of employment of men to 48? In this emergency that is just out of the question.

Mr. Reed. We talked to the armed forces, the Army and the Navy and the Maritime Commission, and brother, they don't care what kind of hours you work as long as you turn out the stuff. That is the only thing. The people that seem to know about this 7-point recommendation are the representatives of the Department of Labor.

Mrs. Beyer. That may be true in Texas; but in their manuals that the Army has sent to everyone of their agents over the United States, there is a recommendation on hours of work. It does not say that the maximum shall be 48 hours—that has proved over a period of time to be the best for most industries—but leaves it open
for adjustment. Seventy-two hundred thousand copies were sent out by the Army alone. They may not have reached Texas, but they certainly were distributed. The Maritime Commission has also sent them out, and is urging over and over again that these 10,000 plants go back to 8 hours, because they get more production at 8. Many times I have heard the Maritime Commission say that when certain plants operating on a 10-hour basis changed to 8 they produced more in the 8 hours than in 10.

Mr. McCain (Arkansas). I think, when you make this resolution apply to women only, that you are going to destroy the intent of the person who originally introduced the resolution. The reason for women being employed now in greater numbers than ever before is to replace manpower. If your plant is operating on a certain number of hours a week, and the men are taken out of that plant and women brought in, they must merge in and take the place of the men who were working; if the men are working on a 10-hour day, the women will have to work the same number of hours; and if they cannot work the same number of hours as the men who operated efficiently on a 10-hour basis, then you would shorten your production by just that many man-hours. Now, you don’t think that we want to go on record as trying to set up dual standards compelling industries to carry dual schedules—shorter hours for women. It seems to me, what was in the mind of the man, or the woman, who introduced the resolution was that a 48-hour workweek was the most productive workweek, whether for men or for women, and I believe that that has been proven—that that is approximately true.

Mr. Griffith stated that he had gotten to a 57-hour and a 54-hour week, and found that it was all that they could humanely attempt to do, even though they were just 20 miles from the battlefront. I think that, if we let this resolution make one standard for women and another standard for men, we are defeating the purpose that we are trying to accomplish, because it will not fit women workers into the war picture. We really need a shorter workweek for both men and women if we are to reach the maximum production that we should expect to have.

Mr. Wrabetz. I think, Mr. McCain, that whoever drafted or sponsored this resolution had women in mind entirely. Since it has become increasingly difficult in this country to retain the womani-power, it speaks mostly of womanpower.

Are there many States in which women are working more than 48 hours a week, except in unusual circumstances?

Miss Anderson. I have no special objection to including the minors under 18, but it seems to me that that takes away the force of the argument. Women cannot work more than 8 hours a day and 48 hours a week because of home responsibilities, because of all the things that the women are responsible for in their lives; and they should not work that long because they certainly cannot do the two jobs efficiently, in the home and in the factory both.

I feel very much with Mr. McCain of Arkansas, who spoke of the fact that men too cannot sustain production because of the long hours. I think that we would have much more production throughout the whole country if we stayed with the 8-hour day and the 48-hour week. There are emergencies that have to be taken care of; they have been taken care of, and they will be taken care of. But we
have these young fellows from the War Department who go through the States where the laws provide for the 48-hour week and the 8-hour day, asking for 60 and 70 hours a week for men and women in the factories. I have to take that question up with the Army and the Navy practically every day. The States write to me and ask if we will take it up here, because the young fellows that are going around and trying to get production have no experience in industry and no social vision. They do not know what it means to work long hours. They know that a 10-hour day is 2 hours longer than an 8-hour day, and so they think they are going to get that much more production. They do not realize that they cut down production capacity when they introduce overtime hours. We might add to the resolution and include the men. But I very much want it to go through for women. The resolution makes allowances for emergencies.

Mrs. Beyer. I do not see how you can make this apply to men without rewriting the whole resolution.

There is something to Mr. McCain’s argument that the plant hours for men determine the hours the women will have to work in many industries. If the plant is operating 54 hours for men, and some women are taken on, the women would be expected to work the 54 hours. I do not see how we could amend this particular resolution. I think it should go through on its merits as applying to women.

Mr. Wrabetz. This is a general recommendation for general standards, I suppose. That would not preclude action by any person here in an emergency to approve other hours, within the 48-hour week, or something like that.

Mr. McCain. To clarify my position, remember that I am very much interested in holding the hours of women to not to exceed 48 hours in the week, but I did want to call your attention to the fact that the problems that I face where permits are requested for longer hours for women in order to dovetail with men into industries that have, say a 9- or a 10-hour day. I have investigated a number of those plants which are requesting the longer hours. We will take the sawmill industry, for instance. They have been working from time immemorial on a 10- or 12-hour day in Arkansas. In investigating those plants, I find out that the labor—chiefly semiskilled labor—is drawn from the farms and the villages and starts out at a 10-hour day gait. They drag along for an hour or two, the whistle blows, and they stop and fool around. I cannot find out what they are trying to do. After a while they start up again and run a little while; there is another delay and they drag along. The day’s production is not nearly so much as I find on some other lines of production where there is a race on and they work at top speed for about 2½ hours, then have a 15-minute interval, then work until the 30-minute lunch period, start back and work until the middle of the afternoon, and after an interval for a coke continue work. I find that those people on power-line production or assembly lines are producing in 8 hours about twice the amount of work that those in the sawmills on a 10-hour day are doing. I do think that this organization ought definitely to go on record as saying that 8 hours is the maximum amount of work for a man to do, over the period of 365 days—8 hours a day and 48 hours a week—if we are going to
maintain the health of the men and women of this country. Forty-eight hours is enough. I am not opposing this resolution, in fact, I am in favor of the resolution; but I do think that we ought to endorse a 48-hour week for both men and women.

Mrs. Beyer. I brought along a few copies of Wartime Working Conditions—Minimum Standards for Maximum Production. This pamphlet was prepared by the Department of Labor, in cooperation with the War and Navy Departments, Maritime Commission, and the War Production Board. This pamphlet is just off the press. Some agencies are again reiterating their earlier recommendations on hours of work. The recommendations are embodied in this pamphlet that was the result of a meeting about a month ago, so they still feel that the 8-hour day for men as well as for women approximates the best working day in most cases.

Would it not be better to pass the proposed resolution on women, and somehow or other endorse this pamphlet which includes the recommendation on hours of work, that you people have already seen? In places where a State law sets a higher standard, of course, the State law prevails. The pamphlet contains the minimum standards that will bring efficient production in wartime. I think you will find it a great aid in maintaining standards.

Mr. Reed. The higher-ups in Washington know it, but put it out to the people that do the work!

Mrs. Beyer. The labor officials can do a good job calling attention to accepted standards as agreed at the top level.

[Resolution No. 7, amended so as to apply to women only, was adopted by the convention. For text of resolution, see page 156.]

[Resolution No. 9 as originally presented and the discussion thereon follow:]

Whereas, during the past several years the National Congress and the incumbent Administration has fostered a policy of concentrating control of business, industry, labor, and the individual citizen under Federal bureaus and agencies and,

Whereas, such centralization and control removes from the citizen and the State the democratic direction and local self-government so essential to the life of a democracy, and,

Whereas, the appropriation of Federal funds and assistance under the innocent guise of beneficence, ostensibly to render service to local State agencies, is a deceptive sedative, administered gracefully prior to absorption by bureaucratic extension from Washington, and which aim is ultimately to remove State jurisdiction and effectively emasculate State sovereignty, leaving the State the status of a glorified county, and,

Whereas, such programs, tactics and policy is now an imminent threat of total destruction, time only delaying, to local self-government and State rights, which leads directly to the creation of a highly powered hydra-headed dictatorship of totalitarianism within the Nation, not dissimilar to the autocracy we are fighting internationally. Now, therefore, be it

Resolved, that this convention go on record as unreservedly opposed to House Bill 2800 now before Congress with an appropriation of $5,000,000 to assist the various States in labor-law administration, and, further, that this convention is also equally opposed to any encroachment by the Federal Government in the field of workmen's compensation and to any and all other extensions of Federal bureaucratic penetration within the States in the labor-industry field, and that copies of this resolution be despatched to the Chairman of the Senate and House Committees on Labor.

Mr. Lubin. I do not know whether the originator of this resolution did it facetiously or was serious about it. I hope that he was face-
tious. In the first place, I think that some of the so-called facts stated are not facts but opinions of an individual, which have never been proven. Secondly, I think the wording is "political." I think one reason why this organization has been able to survive some 30 years has been due to the fact that it has never attempted to be "political."

Mrs. Beyer. Of all the delicate relationships today, there is none that requires more careful handling than that of the Federal-State relationship. You have heard various speakers before the convention ask for unity. If there ever was a time that unity was needed in the United States, it is now. It is not only needed in the United States, it is needed between nations. We cannot divide ourselves into little pockets and say, "This is what I do and this is what you do; you just keep out," because we must work together. You know from working with me over the past years that I have a very strong leaning toward States' rights. But I feel that I must urge you not to make the mistake of putting this resolution on record as adopted.

Mr. Reed. Mrs. Beyer, what you said is perfectly true. While this resolution is a little flowery in its language—I don't know who wrote it—the objection that we have (the resolution, I think, pertains to House Bill 2800), and the people in my State have, is to the method of the assistance given to injured workers—not the assistance, but the method.

Mr. Royle (Utah). Maybe someone wants to know who wrote that resolution. Well, I did; and I will tell you the reason why it was written. It was written to engender debate in this body. It is based on what is perfectly obvious. I have no objection to its being amended to please people here, if the central theme is not cut from it. I will not permit its emasculation or being rendered abortive. Now I can well sympathize with the Federal people's position that a good many States are not discharging what we might call an acceptable performance in the inspection field covering mines, smelters, factories, and the like. I do not think that, even under the Federal Government, we would get perfection. We would not contend that the States are operating near perfection in that field today. However, many States are about as near perfection as is practicable, irrespective.

We will admit that the Federal Government does help a lot by educating us and bringing to our attention statistical standards of practice that give us a guide and a light. They frequently suggest a practical program prepared from their investigations that is a real contribution to the State. The States, on the other hand, generally accept such suggestions, it seems. At least our State does. We do not object to having our attention invited to high ideals and high standards. If it ends here, that is fine and dandy. The State legislatures could well be invited by Congressional resolution to take advantage of certain Federal assistance. The legislatures would be in a position to equip the States with facilities to meet the standards and advancements suggested by the Federal people. I do not recall of this being done in this field. This approach, however, to the problem made by House Bill 2800 is not an appeal to the legislature or the State by the Federal departments, but a backdoor, roundabout subsidy program with control strings vested in the Federal Government to dictate largely the State's management of funds allocated by
the Department of Labor. This is Federal control, make no mistake about it.

Now, here is a good example of just how this Federal encroachment works. You have a National Labor Relations agency and a State labor relations agency. Any time there is a fuss in the State of Utah, it seems to be the fact that we have someone from Denver to come over to take jurisdiction before daylight. They hurry and almost break their necks to get there. Now, you have Idaho, Nevada, Arkansas, New Mexico, California—States around Utah—that have no Wagner Act at all, and yet you have the Federal boys sitting there like carrier pigeons ready to run out at a moment's notice and keep the State from handling what would normally be its business. You have that contest all the time—not only in that field, but in others too numerous for me to go into detail.

While the language in this particular resolution might be a little strong, might be a bit flowery, it might even be caustic in pronouncing what many of us think. Nevertheless, there is that trend and that movement in this Nation, which we must resist and defeat, or every time we want something we will have to go 3,000 miles to Washington and lobby with the Congress to get it. All Congresses and Administrations may not be so generous and responsive as the current one.

I can remember what happened following the last war, how in West Virginia, Pennsylvania, and the coal country, coal strikes occurred and employees were thrown out of company-owned houses when they went on strike. They lived like Indians in tents in the winter time. You remember the militia was sent in. Injunctions were granted. Trouble was widespread. Later on other things happened in this Nation that shocked us and that caused the political revolution of 1932. You will not always have liberal-minded people who are fundamentally sympathetic and solicitous for the man down under and looking to improve his general welfare. When you have this philosophy reversed you have a terribly difficult situation for the individual to face. I know how that goes. Anyone here would gamble that when we have a change of "sympathies" in Washington that it will not be any more liberal or considerate of the underprivileged. We will be really surprised if it approximates what we have at the present. That resolution was brought here to generate debate and express our feelings. I do not care a hoot whether you endorse any one of those excoriating statements or not. You may strike them all out, except those statements that are vital to the intent of the resolution. Just endorse that part of the resolution that states we are against further Federal encroachment in the fields referred to, and that we do not want any further penetration, and it is all right with me.

Mr. McCain (Arkansas). I would like to offer an amendment to that resolution, by striking out all the language down to the last paragraph, then say, "Resolved," and follow with the language of the last paragraph.

Mr. Wrabetz. "Therefore be it Resolved" would have to be changed, and the resolution would simply say: "Resolved, that this convention go on record as unreservedly opposed to House Bill 2800 now before Congress, with an appropriation of $5,000,000 to assist the various States in labor-law administration, and, further, that this convention is also equally opposed to any encroachment by the
Federal Government in the field of workmen's compensation and to any and all other extensions of Federal bureaucratic penetration within the States in the labor-industry field, and that copies of this resolution be despatched to the Chairmen of the Senate and House Committees on Labor.

Mr. Lubin. Is an amendment to that amendment in order? Since the sponsor states that he submitted the resolution in order to stir up a discussion, I would suggest that we delete everything in the resolution except these words: "Resolved, that this convention is opposed to any encroachment by the Federal Government in the field of workmen's compensation * * * "

Mr. Pohlhaus (Maryland). I think it would be ridiculous for 15 States, and I presume there are not more than 15 States represented here at this moment, to go on record as opposing a bill before the House. I think the resolution is out of order and I move that the whole resolution be tabled, and that a new resolution be introduced covering the statements set forth by Mr. Lubin and the other gentleman.

Mr. Lubin. I second the motion.

Mr. Wrabetz. I think this must be said: I agree quite fully with Mrs. Beyer, that we ought not to be thinking about anything that divides our attention and our efforts, but I want it to be absolutely clear, as far as I am concerned, that the States did not bring up this issue. It was brought up by the introduction of H. R. 2800, which should not have been introduced until after the war. Now, if those issues come up then, they must be faced, because otherwise we are told to keep our hands off, not to oppose, and under the guise of the war effort they pass.

Mr. Pohlhaus. Never let us get away from the fact that there are 48 States, and don't let 15 of us try to force something on the other States. The thought in my mind was that another resolution incorporating the words suggested by Mr. Lubin and Mr. McCain, could be introduced. That, however, is not part of my motion. My motion is to table.

[A roll-call vote was taken and the motion to table resolution No. 9 was lost.]

[During the roll call, Mr. Murphy of Illinois explained that, in view of previous action taken and the sponsor's willingness to substitute any changes agreed upon, he was voting against the motion to table with the right of the sponsor to make such changes, and then vote on the substitute resolution.]

Mr. Polhaus. I still would like to say that if the States were asked their opinion, then the States have a right to write to Washington or to express their opinion in any way, shape, or form that they see fit. They have a right to express their opinion in this body, but they do not—that is a minority of States do not—have a right to say that the I. A. G. L. O. is going on record opposing the bill when you have only 15 out of 48 States represented here today! I say that each State has a right to oppose. Probably my State may oppose it, but we do not have a right in this body to say that we are speaking for all the States. Let each State notify Washington whether they are for or against it. If you do put it to a vote, let me ask that it be
a roll-call vote, and that the vote of the States be registered, and that the results of the vote be sent to Washington showing how many States present opposed it and how many were for it.

Mr. McCain. We are floundering in the dark now. We are talking, when we do not have anything before the body.

Mr. Wrabetz. We still have the resolution before it.

Mr. McCain. The gentleman from Utah should make his resolution in the modified form. It is immaterial to me whether or not this body goes on record for or against H. R. 2800. I am not especially interested one way or another, as yet. I have not been able to see where it would be beneficial or detrimental to our State.

Mr. Reed. I would like to say that while the language used in the original resolution, as the author said, might have been caustic, for your information, Mr. Lubin, that is exactly the way a great many people feel.

Mr. Royle. I think I agreed to strike from the resolution the grandiloquent language to which some people object. I agree we are in a hurry, but I do not surrender to any man in this room on the principle involved in this thing. This strikes deep into the heart of State rights and State government. Maybe this body here is too wise in its mature years to consider things of this sort. On that I can only speculate. I do know this, that Governors in these United States have been meeting from California to the East. They have been discussing this very thing, and it has attracted the attention of Governors of many of the larger States. Now if we can discuss this as a principle of government, I do not see why that is beneath the dignity of this body. I therefore move that the resolution be amended where it says, "Therefore be it resolved this convention go on record as unreservedly opposed to House Bill 2800," and so on down to the words "bureaucratic penetrations." Strike the word "bureaucratic penetration," if you want to and just say, "Federal penetration within the State in the labor-industry field."

Now I just want to point out to you, while we are all friendly and still love each other, that Mr. Lubin here and the others with him from the Department of Labor feel keenly about our endorsing Bill 2800. They are working with the Federal Administration for the adoption of this bill. They are for it and want to shove it down the throats of the respective State governments. There is nothing being pulled over my eyes in this thing. I know what is up, and I am telling you I know it. I have had experience in this field for a number of years—since 1933. I have been in the State legislature and in the administrative departments. I think I have been abreast of matters in general. I have been meeting at these conventions and I know what is underneath and behind the move on Bill 2800 by the Department of Labor. In view of this I now move the adoption of that resolution as amended.

Mr. Rountree. I second the motion.

[After further discussion on the amended resolution, Mr. Pohlhaus of Maryland requested that the vote be taken by a roll call of States and that the authorities in Washington be notified of the result of the vote.]
Mr. Lubin. Before the vote is taken, may I ask that the actual resolution be read.

Mr. Wrabetz. "Resolved, That this convention go on record as unreservedly opposed to further consideration during the present war emergency of House Bill No. 2800, now before the Congress of the United States, and, further, that this convention is also equally opposed to any encroachment by the Federal Government in the field of workmen's compensation and to any and all extensions of Federal control in the field of labor legislation and administration." That is all.

[A roll-call vote by States was taken, with the following explanatory remarks from some of the members voting:]

Mr. Shuford (North Carolina). I am in favor of the latter part of the resolution, but not in favor of the first part; that puts me in a very difficult position about voting.

Mr. Wrabetz. Mr. Shuford, the first part simply eliminates discussion of this Federal bill until after the war.

Mr. Shuford. Until after the war. But I am very much opposed to encroachment upon States' rights by the Federal Government now or after the war. I take the position, however, that that is not an encroachment, so I will pass.

Mr. Carpenter. I know if Mr. Connelly were here, he would not vote against House Bill 2800, but I do think that he would vote against the latter part of that resolution as it stands; so if that is the attitude that I must take on it, then I would like to pass also.

Mr. Pohlhaus. If you don't mind, and for the record, I would like to explain a little. There is no one in this room more opposed to the encroachment of the Federal Government on States' rights than I, and I think everybody in the Federal Government knows it—that I am ready at all times to oppose it. I am opposed to the resolution because I do not consider it in order or in form. It was understood this morning that House Bill 2800 was not to be considered in the form of a resolution, that it was merely for discussion, and therefore I am forced to oppose even the whole resolution; yet I am opposed to Federal encroachment. I vote "No."

Mr. Lubin. I want to note for the purpose of the record that I have not asked, and perhaps in violation of all good procedure, for votes from those members of the Association that are affiliated with the Federal Government. I have done that purposely. I feel that their votes would have been misunderstood.

Miss Paptert (New York). I wonder, when listening to this controversy, why this Association has not recommended that a committee study inspection statistics. This Association has recommended a great many things regarding labor standards and labor administration. Whether we like it or not, we do have what has been termed here, "Federal encroachment." It is already here to a certain extent. The vote just taken is in opposition to further Federal encroachment. I wonder if it would not serve a constructive purpose, if the suggestion is in order, for this Association to have some kind of a committee to work out the problems of Federal-State relationships in the field of labor legislation. Mr. Lubin said that a lot of it is a matter of words.
A lot of it is undoubtedly a matter of relative degrees of experience in the field of labor-law administration. I have had some experience with that, and therefore I think it might serve a truly constructive purpose if a committee were appointed to examine the sources of the difficulties and to recommend to the next convention possible solutions to the difficulties in the areas where we already have Federal-State legislation and/or cooperation.

[The final roll-call vote was 13 to 1 to adopt the amendment to Resolution No. 9, as read by Mr. Wrabetz. Two State delegates did not vote.]

Mr. Lubin. I offer a motion, that the Chairman be instructed to appoint a committee of three members, who shall represent the individual States, to confer with the Federal Government to discuss the possibility of securing maximum cooperation between the Federal Government and the States in matters of State labor legislation and labor administration, and that such committee refer its recommendations to the next convention of this body.

Mr. Reed. I second that motion. I think that it is a very constructive suggestion because I know of several instances in my State in which the misunderstanding between the Federal agencies and our State agencies was brought about by the great distance between Washington and our State. I am sure that as far as labor matters are concerned, if a committee can be appointed to take these matters up and openly discuss them with the Federal agencies involved, it will bring to all of us a clearer understanding of the problem.

Mr. Hinrichs. I am using this motion as an opportunity to tie back for a moment into yesterday morning's discussion of labor and the post-war period. The thing I want to point out is that, in this matter of Federal-State relationships, we are dealing obviously with a very fundamental political issue. In dealing with our post-war problems, I am sure that there are several ways in which an approach can be made to those problems.

It is not a single pattern that needs to be laid down. However, I am quite sure that we cannot work out our problems in an atmosphere of great political controversy. I would like to suggest that the labor commissioners have an obligation to labor in their States—and to the governors of their States—to see that an examination of the kind of problems that the people of their States are going to be up against be quickly made so that the States themselves can decide as to the type of aids and assistance that they are going to want from the Federal Government. I am sure that the problems of the post-war period cannot be dealt with in terms of a dogmatic all-State or all-Federal Government approach. It is rather a case of discovering what the areas of the problems are that can be dealt with on a community level (strictly local), on a State level, or on a National level, and arriving at a program that will be authorized to meet the needs and desires of the people in the United States and to effect a comprehensive approach.

If we are going to deal with post-war problems in terms of the political heat that is involved in a mere slogan approach, we are going to embroil ourselves in an amount of political controversy which I think is going to jeopardize the position of labor, and the opportunity
for reconstruction in the post-war period. The thing that we have been urging in our own work in connection with the study of the post-war problems is just exactly what the States and the communities should look at: the character of their problems; to find out to what extent they are going to be able to cope with those problems; and to what extent and at what point they are going to require very large amounts of assistance from the Federal Government. That represents the pooling of the efforts of the people of the United States as a whole. I hope we will recognize that, if we go on trying to deal with that problem in the political heat that surrounds things of basic political concern, we are not likely to make half the progress that we can if we will sit down and study the specific problem and find the specific approach needed in order to reach a common objective.

Mr. Patton. I have thought a great deal about this problem as it strikes us in New York and in the Division of Women in Industry. Various factors enter into the situation. I have found in New York that very often the local people who are new to the game do not have a very good understanding of the problem, whereas the people at the upper levels do. Therefore, it is necessary to get that understanding down to the people who are actually in the field. I think that is one problem that is involved in working out principles and procedures for Federal-State cooperation; how can both the Federal and the State governments get their policies down to their working members? That, I think, is the real problem in administration, in management.

The other items in this situation that we ought to face is the fact that within a general framework we might have certain minimum national standards that are the very minimum; but we should have, it seems to me, sufficient flexibility, as Mr. Wrabetz has pointed out, so that the States can experiment and go ahead. We also have the whole problem of large units and small units, which is one that we will have to face increasingly in our post-war relations. It seems to me that the sooner that we can do it, and the more realistically we can do it, the better.

[The motion, to appoint a committee of three to consult with the Department of Labor and explore the situation, was carried.]

[In view of the uncertain conditions prevailing—whether the war would be over and whether or not travel facilities would be available—the convention voted, on motion of Mr. Lubin, that the Executive Board be authorized to decide, after consultation with the membership, whether a meeting should be held in 1944, and, if held, the place of meeting.]

[Note.—At the time this publication went to press, it had been decided not to hold a meeting in 1944.]
Report of the Nominating Committee

Mr. Rountree. Members of the nominating committee were presented with a situation this year that does not ordinarily confront nominating committees in this organization. In considering the problem, we found that two former members of the organization were no longer affiliated, and that the first vice president was not here and in all probability would not be here next year. We were, therefore, unable to follow the precedent of moving up the officers as we ordinarily do. After thorough consideration of the matter, the nominating committee recommends that the following persons be elected to serve as officers for the ensuing year:

President.—Voyta Wrabetz, of Wisconsin (to be reelected for another term).
First vice president.—Forrest H. Shuford, of North Carolina.
Second vice president.—Mrs. Nellie Kennedy, of Kansas.
Third vice president.—L. D. Currie, of Nova Scotia.
Fourth vice president.—Francis B. Murphy, of Illinois.
Fifth vice president.—Boyce A. Williams, of Florida.
Secretary-treasurer.—Isador Lubin, Washington, D. C.

[On motion of Mr. Pohlhaus it was voted to close the nominations and to have the secretary cast the unanimous ballot.]
Appendixes

Appendix A.—Organization of International Association of Governmental Labor Officials

Officers, 1943–44

President.—Voyta Wrabetz, of Wisconsin.
First vice president.—Forrest H. Shuford, of North Carolina.
Second vice president.—Nellie Kennedy, of Kansas.
Third vice president.—L. D. Currie, of Nova Scotia.
Fourth vice president.—Francis B. Murphy, of Illinois.
Fifth vice president.—Boyce A. Williams, of Florida.
Secretary-treasurer.—Isador Lubin, of Washington, D. C.

Honorary Life Members

George P. Hambrecht, Wisconsin
Frank E. Wood, Louisiana
Linna Bresette, Illinois
Dr. C. B. Connelley, Pennsylvania
John H. Hall, Jr., Virginia
Herman Witter, Ohio
John S. B. Davie, New Hampshire
R. H. Lansburgh, Pennsylvania
Alice McFarland, Kansas
H. M. Stanley, Georgia
A. L. Ulrick, Iowa
Dr. Andrew F. McBride, Minnesota
Louise E. Schutz, Minnesota
Maj. A. L. Fletcher, North Carolina
Adam Bell, British Columbia
P. Rivera Martinez, Puerto Rico
Frieda S. Miller, New York

Constitution


ARTICLE I

SECTION 1. Name.—This organization shall be known as the International Association of Governmental Labor Officials.

ARTICLE II

SECTION 1. Object.—To encourage the cooperation of all branches of Federal, State, and Provincial Governments who are charged with the administration of laws and regulations for the protection of women and children, and the safety and welfare of all workers in industry; to maintain and promote the best possible standards of law enforcement and administrative method; to act as a medium for the interchange of information for and by the members of the association in all matters pertaining to the general welfare of men, women, and young workers in industry; to aid in securing the best possible education for minors which will enable them to adequately meet the constantly changing industrial and social changes; to promote the enactment of legislation that conforms to and deals with the ever-recurring changes that take place in industry, and in rendering more harmonious relations in industry between employers and employees; to assist in providing greater and better safeguards to life and limb of industrial workers, and to cooperate with other agencies in making the best and safest use of property devoted to industrial purposes; to secure by means of educational methods a greater degree of interstate and interprovincial uniformity in the enforcement of labor laws and regulations; to assist in the establishment of standards of industrial safety that will give adequate protection to workers; to encourage Federal, State, and Provincial labor departments to cooperate in compiling and disseminating statistics dealing with employment, unemployment, earnings, hours of labor, and other matters of interest to industrial workers and of importance to the welfare of women and children; to collaborate and cooperate with associations of employers and associations of employees in order that all of these matters may be given...
the most adequate consideration; and to promote national prosperity and international good will by correlating as far as possible the activities of the members of this association.

**ARTICLE III**

**Section 1. Membership.**—The active membership of this association shall consist of—

(a) The United States Department of Labor and subdivisions thereof, United States Bureau of Mines, and the Department of Labor of the Dominion of Canada.

(b) State and Provincial departments of labor and other State and Provincial organizations administering laws pertaining to labor.

(c) Federal, State, or Provincial employment services.

**Sec. 2. Honorary members.**—Any person who has rendered service while connected with any Federal, State, and Provincial department of labor, and the American representative of the International Labor Office, may be elected to honorary membership by a unanimous vote of the executive board.

**Sec. 3. Associate members.**—Any individual, organization, or corporation interested in and working along the lines of the object of this association may become an associate member of this association by the unanimous vote of the executive board.

**ARTICLE IV**

**Section 1. Officers.**—The officers of this association shall be a president, a first, second, third, fourth, and fifth vice president, and a secretary-treasurer. The executive board shall consist of these officers, together with the outgoing president, who shall serve as an ex officio member of the board for 1 year.

**Sec. 2. Election of officers.**—Such officers shall be elected from the members at the regular annual business meeting of the association by a majority ballot and shall hold office for 1 year, or until their successors are elected and qualified.

**Sec. 3.** The officers shall be elected from representatives of the active membership of the association.

**ARTICLE V**

**Section 1. Duties of the officers.**—The president shall preside at all meetings of the association and the executive board, preserve order during its deliberations, appoint all committees, and sign all records, vouchers, or other documents in connection with the work of the association. He shall fill all vacancies caused by death, resignation, or otherwise.

**Sec. 2.** The vice presidents, in order named, shall perform the duties of the president in his absence.

**Sec. 3.** The secretary-treasurer shall have charge of all books, papers, records and other documents of the association; shall receive and have charge of all dues and other moneys; shall keep a full and complete record of all receipts and disbursements; shall keep the minutes of all meetings of the association and the executive board; shall conduct all correspondence pertaining to the office; shall compile statistics and other data as may be required for the use of the members of the association; and shall perform such other duties as may be directed by the convention or the executive board. The secretary-treasurer shall present a detailed written report of receipts and expenditures to the convention. The secretary-treasurer shall be bonded for the sum of $500, the fee for such bond to be paid by the association. The secretary-treasurer shall publish the proceedings of the convention as promptly as possible, the issue to consist of such numbers of copies as the executive board may direct. The secretary-treasurer shall receive such salary as the executive board may decide, but not less than $300 per year.

**Sec. 4.** The business of the association between conventions shall be conducted by the executive board, and all questions coming before the board shall be decided by a majority vote, except that of the election of honorary members, which shall be by unanimous vote.

**ARTICLE VI**

**Section 1. Finances.**—With the exception of those organizations included under (a) of section 1 of article III each active member shall pay for the year ending June 30, 1936, and thereafter annual dues of $25, except that where the
organization has no funds for the purpose, and an individual officer or member
of the staff wishes to pay dues for the organization, the fee shall be $10 per
annum for active membership of the organization in such cases.

The executive board may order an assessment levied upon affiliated depart­
ments not to exceed 1 year's dues.

Sec. 2. The annual dues of associate members shall be $10.

ARTICLE VII

SECTION 1. Who entitled to vote.—All active members shall be entitled to vote
on all questions coming before the meeting of the association as hereinafter
provided.

Sec. 2. In electing officers of the association, State departments of labor
represented by several delegates shall only be entitled to one vote. The dele­
gates from such departments must select one person from their representatives
to cast the vote of the group.

The various bureaus of the United States Department of Labor and the Depart­
ment of Labor of Canada may each be entitled to one vote.

The rule for electing officers shall apply to the vote for selecting the convention
city.

ARTICLE VIII

SECTION 1. Meetings.—The association shall meet at least once annually at
such time and place as the executive board may decide unless otherwise ordered
by the convention.

ARTICLE IX

SECTION 1. Program.—The program committee shall consist of the president,
the secretary-treasurer, and the head of the department of the State or Province
within which the convention is to be held, and they shall prepare and publish the
convention programs of the association as far in advance of the meeting as
possible.

Sec. 2. The committee on program shall set aside at least one session of the
convention as a business session, at which session the regular order of business,
and election of officers, shall be taken up, and no other business shall be con­
sidered at that session until the "regular order" has been completed.

ARTICLE X

SECTION 1. Rules of order.—The deliberations of the convention shall be gov­
erned by "Cushing's Manual."

ARTICLE XI

SECTION 1. Amendments.—Amendments to the constitution must be filed with
the secretary-treasurer in triplicate and referred to the committee on constitution
and bylaws. A two-thirds vote of all delegates shall be required to adopt any
amendment.

ARTICLE XII

SECTION 1. Order of business.—
1. Roll call of members by States and Provinces.
2. Appointment of committees:
   (a) Committee of five on officers' reports.
   (b) Committee of five on resolutions.
   (c) Committee of three on constitution and bylaws.
   (d) Special committees.
3. Reports of officers.
4. Reports of States and Provinces.
5. Reports of committees.
6. Unfinished business.
8. Election of officers.
Development of the International Association of Governmental Labor Officials

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<td>Columbus, Ohio</td>
<td>H. A. Newman</td>
<td>Henry Laskey</td>
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<td>June 1889</td>
<td>St. Louis, Mo</td>
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<td>15</td>
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<td>Washington, D. C.</td>
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<td>16</td>
<td>September 1903</td>
<td>Providence, R. I.</td>
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<td>17</td>
<td>September 1904</td>
<td>Chicago, Ill</td>
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<td>18</td>
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<td>19</td>
<td>September 1906</td>
<td>Toronto, Canada</td>
<td>C. H. Morse</td>
<td>Do</td>
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<td>20</td>
<td>September 1907</td>
<td>Detroit, Mich.</td>
<td>Rufus R. Wade</td>
<td>Alina P. Stevens</td>
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<td>21</td>
<td>September 1908</td>
<td>Detroit, Mich.</td>
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<td>22</td>
<td>September 1909</td>
<td>Denver, Colo</td>
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<td>23</td>
<td>September 1910</td>
<td>Boston, Mass.</td>
<td>Charles F. Neill</td>
<td>Do</td>
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<td>24</td>
<td>September 1911</td>
<td>New York, N. Y.</td>
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<td>Do</td>
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<td>25</td>
<td>September 1912</td>
<td>Cleveland, Ohio</td>
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<td>Do</td>
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<td>26</td>
<td>September 1913</td>
<td>Chicago, Ill</td>
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<td>September 1914</td>
<td>Portland, Me.</td>
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<td>28</td>
<td>September 1915</td>
<td>Philadelphia, Pa.</td>
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<td>St. Louis, Mo</td>
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<td>Do</td>
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<td>30</td>
<td>September 1917</td>
<td>Detroit, Mich.</td>
<td>do</td>
<td>Do</td>
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<tr>
<td>31</td>
<td>September 1918</td>
<td>Columbus, Ohio</td>
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<td>Do</td>
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<td>32</td>
<td>September 1919</td>
<td>Hartford, Conn.</td>
<td>do</td>
<td>Do</td>
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<td>33</td>
<td>September 1920</td>
<td>Toronto, Canada</td>
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<td>Do</td>
</tr>
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<td>34</td>
<td>September 1921</td>
<td>Rochester, N. Y.</td>
<td>do</td>
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No meeting.
### Joint Meeting of the Association of Chiefs and Officials of Bureaus of Labor and International Association of Factory Inspectors

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Convention held at—</th>
<th>President</th>
<th>Secretary-treasurer</th>
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### International Association of Governmental Labor Officials 1

[Resulting from amalgamation of the Association of Chiefs and Officials of Bureaus of Labor and the International Association of Factory Inspectors]

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Convention held at—</th>
<th>President</th>
<th>Secretary-treasurer</th>
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<tr>
<td>3</td>
<td>July 1916</td>
<td>Buffalo, N. Y.</td>
<td>Oscar Nelson</td>
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<td>4</td>
<td>September 1917</td>
<td>Asheville, N. C.</td>
<td>Edwin Mulready</td>
<td>Do.</td>
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<tr>
<td>5</td>
<td>June 1918</td>
<td>Des Moines, Iowa</td>
<td>C. H. Younger</td>
<td>Do.</td>
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<td>6</td>
<td>June 1919</td>
<td>Madison, Wis.</td>
<td>Geo. P. Hambrecht</td>
<td>Do.</td>
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<tr>
<td>7</td>
<td>July 1920</td>
<td>Seattle, Wash.</td>
<td>Frank E. Hoffman</td>
<td>Do.</td>
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<tr>
<td>8</td>
<td>May 1921</td>
<td>New Orleans, La.</td>
<td>Harry E. Wood</td>
<td>Do.</td>
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<td>10</td>
<td>May 1923</td>
<td>Richmond, Va.</td>
<td>C. B. Connelley</td>
<td>Do.</td>
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<td>12</td>
<td>August 1925</td>
<td>Salt Lake City, Utah</td>
<td>George B. Arnold</td>
<td>Do.</td>
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<tr>
<td>13</td>
<td>June 1926</td>
<td>Columbus, Ohio</td>
<td>H. R. Witter</td>
<td>Do.</td>
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<tr>
<td>14</td>
<td>May-June 1927</td>
<td>Paterson, N. J.</td>
<td>John S. B. Davis</td>
<td>Do.</td>
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<tr>
<td>16</td>
<td>June 1929</td>
<td>Toronto, Canada</td>
<td>Andrew F. McBride</td>
<td>Do.</td>
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<tr>
<td>17</td>
<td>May 1930</td>
<td>Louisville, Ky.</td>
<td>Maud Swett</td>
<td>Do.</td>
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<tr>
<td>19</td>
<td>September 1933</td>
<td>Chicago, Ill.</td>
<td>E. Leroy Sweaster</td>
<td>Maud Swett.</td>
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<tr>
<td>23</td>
<td>September 1937</td>
<td>Toronto, Canada</td>
<td>A. L. Fletcher</td>
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<td>September 1938</td>
<td>Charleston, S. C.</td>
<td>W. A. Pat Murphy</td>
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<td>25</td>
<td>September 1939</td>
<td>Tulsa, Okla.</td>
<td>Martin F. Durkin</td>
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<tr>
<td>26</td>
<td>September 1940</td>
<td>New York, N. Y.</td>
<td>Adam Bell</td>
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<td>27</td>
<td>September 1941</td>
<td>St. Louis, Mo.</td>
<td>Frieda S. Miller</td>
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<td>28</td>
<td>October 1943</td>
<td>Chicago, Ill.</td>
<td>Voyta Wraetz</td>
<td>Do.</td>
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2 Mr. Stanley resigned in March 1929.
3 Mr. McBride resigned in March 1929.
4 Mr. Ballantyne resigned in January 1931.
5 No convention was held in 1932, but a meeting of the executive committee and other members was held in Buffalo in June 1933 to discuss matters of interest to the Association.
6 Mr. Sweater served as president from May 1931 to December 1931; Mr. Patton served from December 1931 to September 1933.
7 No convention was held in 1942 because of war conditions.
APPENDIX B.—Persons Attending the Twenty-eighth Convention of the International Association of Governmental Labor Officials, Chicago, October 8–10, 1943

United States

Alabama

W. Emmet Brooks, director, department of labor, Montgomery.

Arkansas

W. J. McCain, commissioner, department of Labor, Little Rock.

Colorado

W. I. Reilly, chairman, industrial commission, Denver.

Delaware

James M. Reese, labor commission, Wilmington.

District of Columbia

Mary Anderson, Director, Women's Bureau, United States Department of Labor.
Mrs. Clara M. Beyer, Assistant Director, Division of Labor Standards, United States Department of Labor.
Roland P. Blake, Division of Labor Standards, United States Department of Labor.
Lucille Buchanan, Division of Labor Standards, United States Department of Labor.
William H. Davis, Chairman, National War Labor Board.
Marion H. Hedges, of the International Brotherhood of Electrical Workers.
Isador Lubin, Commissioner (on leave), Bureau of Labor Statistics, United States Department of Labor.
Beatrice McConnel, Children's Bureau, United States Department of Labor.
Kate O'Connor, United States Department of Labor, Chicago.
Mrs. Barbara Page.
Wm. F. Patterson, Director, Apprentice Training Service, War Manpower Commission.
Mrs. Irene B. Reedy, Bureau of Labor Statistics, United States Department of Labor.
Murray Rimsay, United States Department of Labor regional office, Chicago.
Mary Skinner, Children's Bureau, United States Department of Labor.
John R. Steelman, Director, Conciliation Service, United States Department of Labor.
Louise Stitt, Women's Bureau, United States Department of Labor.
Joseph M. Tone, Division of Labor Standards, United States Department of Labor.

Florida

Walter E. Rountree, director, industrial commission, Tallahassee.

Illinois

Wm. A. Bechill, labor relations director, Chrysler plant, Chicago.
Samuel Bernstein, division of placement and unemployment compensation, department of labor, Chicago.
Jewell O. Coleman, superintendent of women and children employment, department of labor, Chicago.
Dean Curry, division of placement and unemployment compensation, department of labor, Chicago.  
Noel E. Durand, Cuneo Press, Chicago.  
Molly Jackson, department of labor, Chicago.  
Leo Kaner, division of placement and unemployment compensation, department of labor, Chicago.  
Neely W. Keith, division of placement and unemployment compensation, department of labor, Chicago.  
C. A. Livingston, public relations director, Illinois Manufacturers Association, Chicago.  
Francis B. Murphy, director, Illinois Department of Labor, Chicago.  
Ferdinand Petraitis, division of placement and unemployment compensation, department of labor, Chicago.  
Milton Radice, division of placement and unemployment compensation, department of labor, Chicago.  
John Reuter, Jr., division of placement and unemployment compensation, department of labor, Chicago.  
Lue Schutte, department of labor, Chicago.  
John W. Ward, division of placement and unemployment compensation, department of labor, Chicago.  
Frank Welch, department of labor, Chicago.  

**Indiana**  
J. R. Rockwell, director, bureau of boiler and factory inspection, division of labor, Indianapolis.  
Harold B. Priest, counsel to commissioner, division of labor, Indianapolis.  

**Iowa**  
Chas. W. Harness, commissioner, bureau of labor, Des Moines.  
Trena Meinders, bureau of labor, Des Moines.  

**Kansas**  
Mrs. Nellie Kennedy, director, women's and children's division, labor department, Topeka.  
John Morrison, commissioner, labor department, Topeka.  

**Louisiana**  
J. S. Voorhies, director of apprenticeship, commissioner of labor, Baton Rouge.  

**Maryland**  
John M. Pohlhaus, commissioner, department of labor, Baltimore.  

**Michigan**  
Geo. W. Dean, commissioner, department of labor and industry, Lansing.  
Mrs. Geo. W. Dean.  

**Missouri**  
Geo. Detchmendy, chief clerk, labor and industrial inspection, Jefferson City.  
O. S. Traylor, commissioner, labor and industrial inspection, Jefferson City.  

**New York**  
Kate Papert, director, women in industry and minimum wage, department of labor, New York.  
E. B. Patton, director of statistics, department of labor, New York.  

**North Carolina**  
W. G. Watson, department of labor, Raleigh.  
Lewis P. Sorrell, department of labor, Raleigh.  
Forrest H. Shuford, commissioner, department of labor, Raleigh.
APPENDIX B—PERSONS ATTENDING 1943 CONVENTION

Oregon
W. E. Kimsey, commissioner, bureau of labor, Salem.

Pennsylvania
Wm. H. Chesnut, secretary of labor and industry, Harrisburg.
Mary R. Morrow, director, women and children's hours and wages, department of labor and industry, Harrisburg.

Rhode Island
E. S. Carpenter, chief, division of industrial inspection, department of labor, Providence.

South Carolina
R. L. Gamble, commissioner, department of labor, Columbia.

Texas
John D. Reed, commissioner, bureau of labor statistics, Austin.

Utah
E. M. Royle, chairman, industrial commission, Salt Lake City.

Virginia
John Hopkins Hall, Jr., commissioner, department of labor, Richmond.

Washington
John Shaughnessy, supervisor, industrial insurance, department of labor and industry, Olympia.

Wisconsin
Harry J. Burczyk, commissioner, industrial commission, Madison.
Walter Simon, supervisor of apprenticeship, industrial commission, Madison.
Maud Swett, field director, women and child labor, industrial commission, Milwaukee.
Margaret Thommen, deputy, women and child labor, industrial commission, Milwaukee.
Voyta Wrabetz, chairman, industrial commission, Madison.
Gertrude Ziebarth, secretary to Mr. Wrabetz.

Canada
Ontario
Chas. Daley, Minister of Labor, Toronto.

Quebec
J. O'Connell Maher, Associate Deputy Minister, department of labor. Mrs. J. O'Connell Maher.