

MONTHLY **LABOR REVIEW** 8
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UNITED STATES BUREAU OF LABOR STATISTICS



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in this issue...

FEB 7 1939
Labor Mobility and Relief • Medical Aid Under
Workmen's Compensation • Wage Rates for
Common Labor • Wages in Union Bakeries

JANUARY 1939

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MONTHLY LABOR REVIEW

UNITED STATES BUREAU OF LABOR STATISTICS

+ HUGH S. HANNA, EDITOR +

FEB 7 1939

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This Issue in Brief

Basic Problems of the National Economy.

The public hearings of the Temporary National Economic Committee were opened in December by a 3-day factual survey of the problems of the national economy. Isador Lubin, Commissioner of Labor Statistics and member of the Committee for the Department of Labor, described the failure of the national economy to produce enough goods and services since 1929 to maintain an adequate standard of living for the American people. Willard Thorp, economist for Dun and Bradstreet and director of studies for the Committee in the Department of Commerce, outlined the structure of the American economic system and surveyed the problems with which the individual business men who operate it are faced. Leon Henderson, executive secretary of the Committee, concluded with a summary of the point of view with which the Committee is approaching these problems, and a list of some of the important questions to which it hopes to find an answer. He emphasized the complexity of the economic system, the wide variety of problems faced by different industries, and the rapidly changing conditions under which the economy now operates. Page 1.

Labor Mobility and Relief.

The relationship between relief and the movement of workers is not so clear as would be expected from a knowledge of the legal residence requirements under which relief is given. New evidence on this relationship is available from a special study of the returns from the Michigan

Census of Population and Unemployment which was taken in 1935. This study finds that relief was responsible for some of the movement of Michigan workers, but that the amount of movement directly related to relief was not enough to modify the general belief that relief in itself tends to restrict the movement of workers. In general, the more moves a worker made, the less likely were those moves to involve the receipt of relief. Furthermore, unemployed workers did not "shop around" in search of the most liberal relief grants. The conclusion suggested by the Michigan data is that relief and the movement of workers have a common cause in unemployment. Page 16.

Medical Benefits and Workmen's Compensation.

Injured workers usually receive full medical care in many of the States, under the law or the current practice, and in all but one of the Provinces of Canada having workmen's compensation acts this is required by the statutes. In two-thirds of the States amendments are necessary if full medical aid is to be put upon a basis of right instead of being partly dependent upon the good will of employers and insurers. The promptness and competence of medical aid depends largely upon supervision. Indications are that because of deficient public supervision heavy losses and unnecessary suffering are sustained. Improved supervision by the compensation commissions depends upon adequate support and staffing, and also upon the adoption of personnel policies under which the officers and employees are selected on the basis of qualifica-

tions for their difficult technical tasks and are retained during efficiency. Page 25.

Wage Rates of Common Labor.

A survey of the entrance wage rates paid to adult male common laborers, made by the Bureau of Labor Statistics as of July 1, 1938, found that the average hourly rate was 50.8 cents. Of the total number of laborers covered, 3.3 percent had rates under 25 cents, 8.0 percent under 30 cents, and 16.6 percent under 40 cents. Almost a quarter, however, had hourly rates of 57.5 cents or more. Page 162.

Wages of Union Bakers.

The average wage rates of union bakers increased from \$0.826 in 1937 to \$0.845 in 1938. In the latter year more than one-half the workers covered in the survey by the Bureau of Labor Statistics were on a 40-hour week. Page 176.

Regulations Under Fair Labor Standards Act.

A number of points have been clarified in connection with operations under the Fair Labor Standards Act of 1938. Interpretations and regulations issued, up to December 8, by the Wage and Hour Division and the Children's Bureau of the U. S. Department of Labor deal with the coverage of the law, records required of employers, definitions of exempt classes of labor, and tolerances allowable in fixing the terms of employment for special groups of workers. The Administrator's interpretations are subject to

court determination except when they are governed by specific provisions of the law. Page 151.

Sickness Among Railroad Employees.

A study of disability from sickness and nonindustrial accidents among 60,000 railroad employees, made by the United States Public Health Service, shows that the average daily percentage of employees disabled for more than 1 week varied according to age group from 1.2 at ages less than 25 years to 10.7 at ages 65 years and over. Although cases of 8 to 14 days in duration predominated in all groups up to the group 65 years and over, the percentage of cases lasting longer than 50 days increased markedly with increasing age. Page 118.

Health Insurance in Ontario.

A voluntary contributory health-insurance plan has been put in force in Ontario, Canada, through the cooperation of employers, employees, and the medical profession. The plan provides for medical and surgical care and hospitalization for subscribers and their families. The fees amount to \$2 per month for the subscriber, and for dependents range from \$1.75 for the first dependent to \$1 for the fourth and each additional dependent. Subscribers are free to choose their physician from among those participating in the plan. The organization, called "Associated Medical Services, Inc.", was granted a charter by the Ontario Government in 1937 and offices have been established in three of the principal cities of the Province. Page 71.

MONTHLY LABOR REVIEW

FOR JANUARY 1939

BASIC PROBLEMS OF THE NATIONAL ECONOMY

By EDWIN M. MARTIN, *Bureau of Labor Statistics*

THE Temporary National Economic Committee,¹ which held its first public session on December 1, 1938, is in vital respects a group without precedent in American history. The Presidential message suggesting it and the Congressional resolution creating it² recognized in effect the unusual nature and seriousness of the obstacles that have interfered in recent years with the adequate functioning of the national economy. This condition, particularly as it affects labor, is apparent in the prevalence of unemployment and inadequate employment of both workers and productive resources, and in the gravely depressed standards of living of large parts of the population, both rural and urban. The seriousness of the problem found reflection in the composition and duties of the Temporary National Economic Committee. Its members represent both Houses of Congress and also various executive agencies, and its duties include a thorough study of the national economy for the purpose of ascertaining the main causes of its inadequate functioning and of making recommendations with respect to legislation.

The public hearings of the Committee were opened on December 1 by one of the members of the Committee, Isador Lubin, Commissioner of Labor Statistics. During the first 3 days he shared with Willard Thorp, director of studies for the Committee in the Department of Commerce and economist for Dun and Bradstreet, and with Leon Henderson, executive secretary of the Committee, responsibility for presenting a factual introduction to the Committee's work.³ They described the failure of the national economy in recent years to

¹ Frequently, although incorrectly, called the "Monopoly Investigating Committee."

² The committee was suggested by the President in a message on April 29, 1938, and was authorized by Public Resolution No. 113, 75th Cong., 3d sess. The resolution was approved June 16, 1938. The Committee's composition is as follows: "(1) Three Members of the Senate, to be appointed by the President of the Senate; (2) three Members of the House of Representatives, to be appointed by the Speaker of the House of Representatives; and (3) one representative from each of the following departments and agencies, to be designated by the respective heads thereof: Department of Justice, Department of the Treasury, Department of Labor, Department of Commerce, the Securities and Exchange Commission, and the Federal Trade Commission."

³ In general, Mr. Lubin was responsible for the facts summarized in the first section of this article, Mr. Thorp for those in section 2, and Mr. Henderson for the problems suggested in section 3.

produce enough goods for the American people, and surveyed the perplexing problems which must be solved if the standard of living is to be permanently raised. This article summarizes their testimony.

1. The Year 1929 a Turning Point

From 1850, the earliest year for which data are available, until 1929, the output of the American economic system, as measured by the national income, increased without serious interruption. In terms of

UNITED STATES NATIONAL INCOME

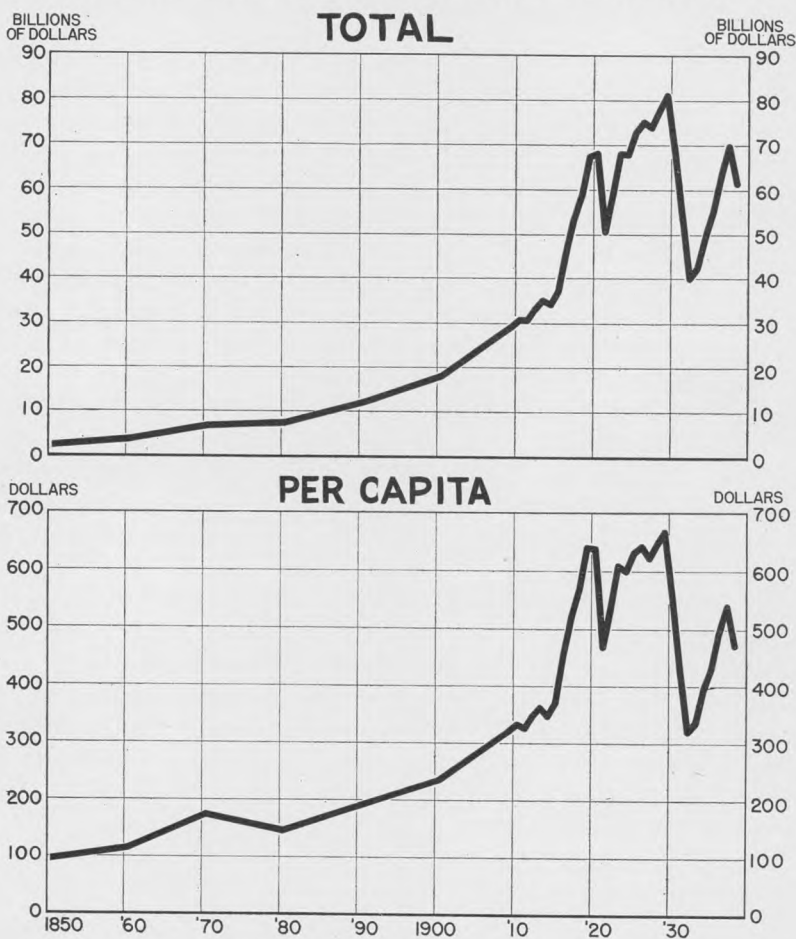


CHART I

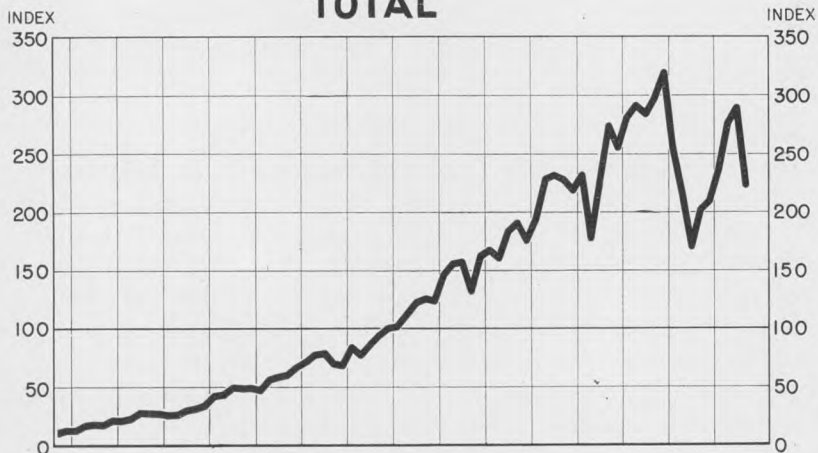
the physical volume of output of factories and mines the story is the same. From 1870 to 1900 output increased fivefold. From 1899 to 1929 it tripled. During these years the population was increasing rapidly, too, but not so fast as output. Two and one-half times as

much was produced per person on the average in 1900 as in 1870, twice as much in 1929 as in 1900. Occasional set-backs were always brief and previous records were soon broken. (See charts 1⁴ and 2.)

UNITED STATES INDUSTRIAL PRODUCTION

1899 = 100

TOTAL



PER CAPITA

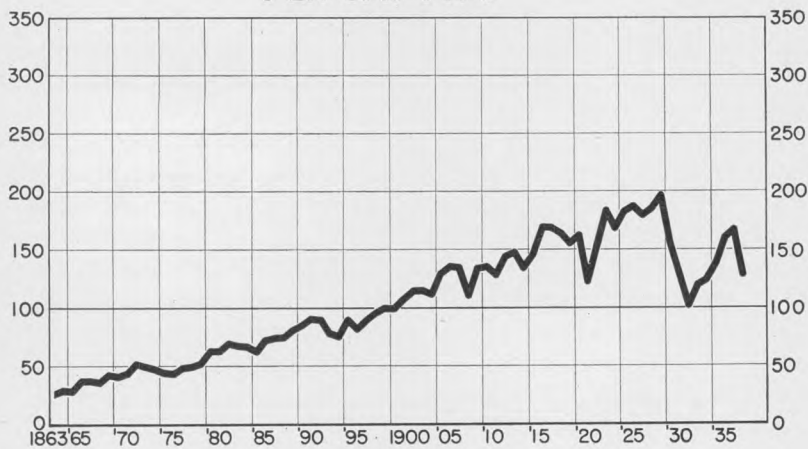


CHART 2

Since 1929, however, the story has been different. In 1932, the per capita volume of industrial production was at the level of 1899—33 years lost. Today, in 1938, it is estimated that it has risen only

⁴ The data for chart 1 are from the U. S. Department of Commerce, for 1929-38; Kuznets in "National Income and Capital Formation, 1919-1935," National Bureau of Economic Research, for 1919-1928; and W. I. King, in "Wealth and Income of the People of the United States," for 1850-1919; spliced into a single reasonably comparable series by the Department of Commerce. They were reduced to a per capita basis by use of population estimates for the Continental United States prepared by the Census Bureau.

to the 1905 level. For 9 years output has failed to equal earlier achievements. Despite the continued growth of population, with more people to house and clothe and feed, industry has in no year turned out as much as it did in the late twenties. At no time has the economy used its resources as fully as in 1929, except in agriculture. The physical volume of output of farms has continued to grow throughout the depression, with the exception of relatively small declines in the drought years. In 1931 and again in 1937 output was at record high levels. As is indicated below, the incomes of farmers have not followed the same trend as volume of output.

WASTED RESOURCES

The consequences of this reversal of trend since 1929 have been felt by all classes of people. If nonagricultural employment could have been maintained at the 1929 level, 43,000,000 man-years of productive work would not have been lost. (See chart 3.) The real loss is even greater, for since 1929 the human resources available have been increased by about 6 million new workers. A return only to the 1929 level of economic activity would leave 7 to 8 million workers unemployed. To give these people jobs, it is estimated that the Federal Reserve index of industrial production would have to rise to 140. It is now about 100. The man-power exists to expand production enormously.

If it could have been somehow possible to keep at work throughout these past 9 years as many people as were at work in nonagricultural occupations in 1929 and to pay them the same salaries and wages, they would have received \$119,000,000,000 more than wage earners and salaried employees actually got. Since 1929 these workers have lost nearly two and one-half times as much income as they received in 1929.

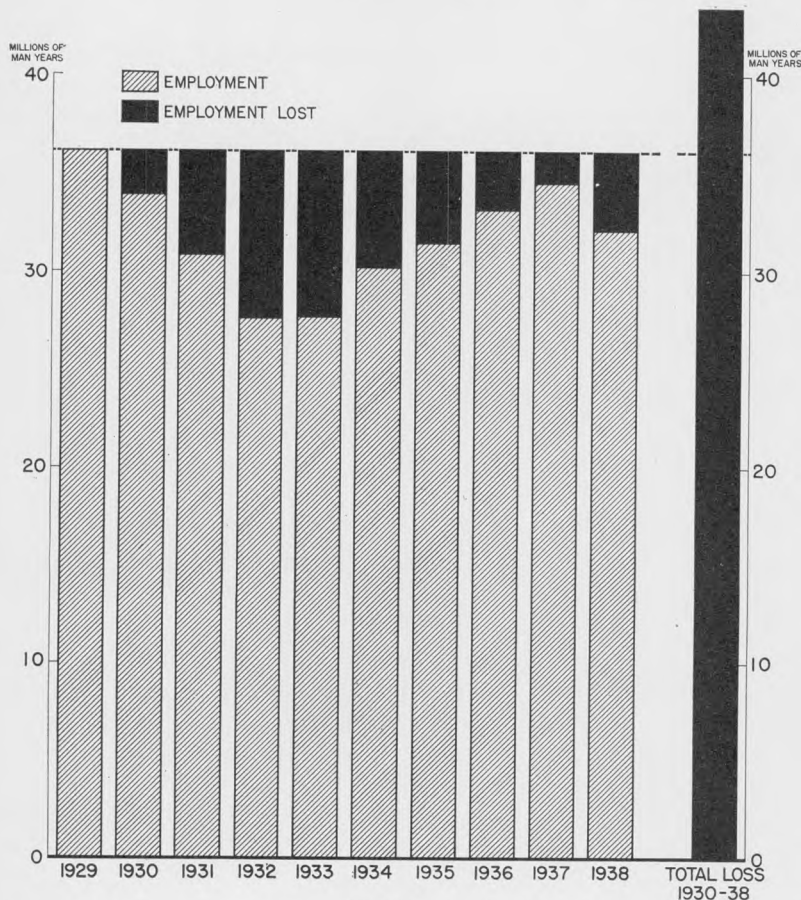
Farmers have fared poorly too. They did not do well, even in 1929, but if their gross income could have been kept at the 1929 level, their receipts over the past 9 years would have been \$38,000,000,000 larger than they were, or about three times their actual gross income in 1929. The decline in farm prices, while output was reduced much less than in industry, was largely responsible for this loss. On the same basis of comparison, stockholders have lost three times as much in dividends as they got in 1929.

As measured by the national income, the American people as a whole have lost on this basis about \$225,000,000,000 since 1929. This figure, as well as those given above, is a dollar measure based on current prices. The price declines since 1929 make the losses in terms of real goods and services somewhat less than the dollar figures would suggest. It is difficult to measure the effect of the lower prices in recent years, but the best information available would put the real loss in national income at over \$130,000,000,000. That still is a substantial sum.

IMPORTANCE OF DURABLE GOODS IN THE DEPRESSION

A detailed examination of the production records of the leading American industries during the past 9 years reveals important variations among them. It indicates that the depression was much

EMPLOYMENT LOST IN DEPRESSION IN NON-AGRICULTURAL OCCUPATIONS



U.S. BUREAU OF LABOR STATISTICS

CHART 3

more severe in durable than in nondurable goods. The sharpest declines after 1929 were in industries producing long-lived goods such as steel, machinery, automobiles, lumber, cement, and houses—goods whose importance in the economy has increased substantially in the last 50 years.⁵ The recovery which reached its peak in 1937 was

⁵ According to figures recently compiled by the National Bureau of Economic Research, the percentage which durable goods were of the total output of commodities increased from 31 percent in 1879 to 44 percent in 1929, only to decline to 27 percent in 1933.

most marked in durable goods. But output of these products with few exceptions failed to regain the ground lost since 1929. (See chart 4.) In large part this was due to the slow rate of improvement of the construction industry.

Construction follows the general trend of output of the durable-goods industries, but in addition has some special characteristics of its own. The peak of residential construction, for example, was reached in 1925 when 937,000 dwelling units were built. By 1933 the number of new residential units built annually had fallen to the almost incredibly low figure of 54,000. Although the volume of building increased substantially after 1933, in 1937 it was still far below previous levels. This slow improvement in construction has been felt severely by manufacturing industries dependent on it, such as lumber and cement.

On the other hand, output of nondurable products, such as cotton textiles, shoes, and cigarettes, not only did not fall so low in 1932, but in 1937 was larger than in any previous year, even 1929.

EMPLOYMENT IN THE DEPRESSION

Additional information on the varied impact of the depression years on the different segments of the national economy is provided by the record of employment. The number of employees in trade, finance, and the service industries fell less after 1929 and made smaller gains after 1932 than the number in the commodity-producing, transportation, and utilities group. (See chart 5.) In manufacturing, employment in the durable-goods and nondurable-goods industries has tended to follow the same contrasting patterns that characterized the production figures.

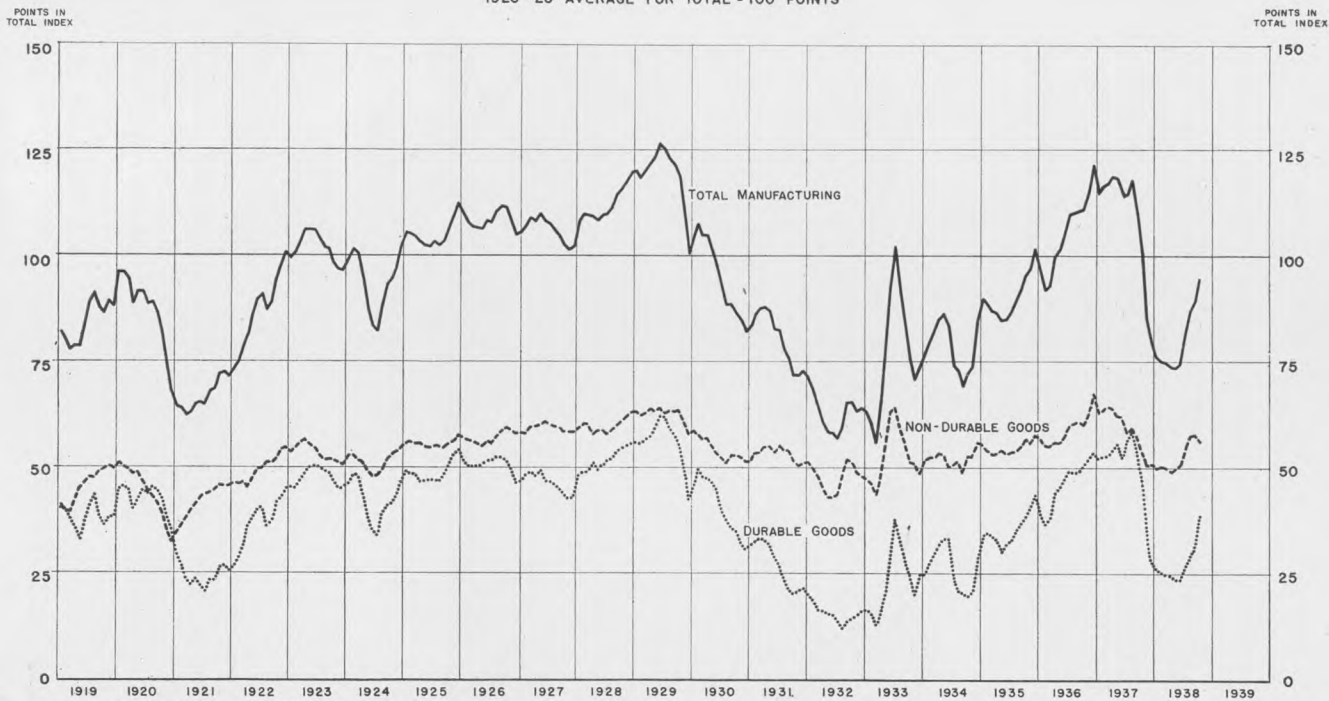
The data available for manufacturing, mining, and steam railroads suggest that in these industries the declines in employment represent, in part at least, more than a depression problem. From 1923 to 1929, despite a substantial expansion of output, the number of wage earners and the total number of man-hours worked declined. Fewer workers produced more goods and services.

This conclusion is corroborated as a long-term trend by the studies of output per man-hour in manufacturing, steam railroads, anthracite and bituminous coal which have been made by the Bureau of Labor Statistics. From 1909 to 1936 output per man-hour in anthracite and bituminous-coal mining almost doubled; in manufacturing, it more than doubled. From 1914 to 1936 output per man-hour on steam railroads also nearly doubled. This increased productivity is in part the basis of the rise in average real weekly earnings in these industries. Real weekly earnings (cash earnings adjusted to cost of living) were higher in these industries as a group in 1937 than in

FEDERAL RESERVE INDEX OF MANUFACTURING PRODUCTION

ADJUSTED FOR SEASONAL VARIATION

1923 - 25 AVERAGE FOR TOTAL = 100 POINTS



PREPARED BY THE STAFFS OF THE CENTRAL STATISTICAL BOARD AND THE NATIONAL RESOURCES COMMITTEE

CHART 4

any previous year, although millions of workers were seeking jobs at that time. It is probable that even at the peak of business activity in 1937 there were as many as 7,500,000 workers without jobs.

NEEDS OF CONSUMERS CALL FOR GREATER PRODUCTION

It is clear that during the past 9 years American industry has failed to use efficiently its vast resources of men and machines. If its capacity is to be used to the full, wider markets for its products must be found. The necessary expansion can only take place by meeting

NON-AGRICULTURAL EMPLOYMENT IN THE UNITED STATES

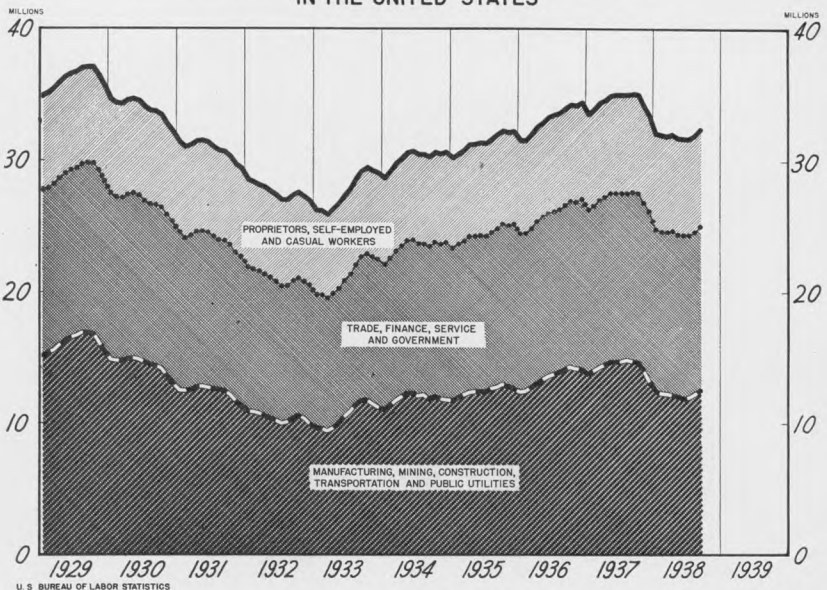


CHART 5

more adequately the needs of the approximately 16 million American families who received incomes of \$1,250 or less in 1935-36. Even small increases in the incomes of these families would add vastly to the demand for the products of industry. Suppose, for example, that the incomes of the 5,200,000 wage-earner families who had incomes of \$1,250 or less in 1935, and yet received no relief assistance, could be raised to \$1,500 each per year. This would require an increase of a little over \$2 per day for each family. These families would then spend about \$800,000,000 more for food, \$416,000,000 more for clothing, \$613,000,000 more for housing, \$213,000,000 more for fuel, light, and refrigeration, \$385,000,000 more for automobile and other transportation, \$73,000,000 more for personal care, \$234,000,000 more for recreation, and \$208,000,000 more for medical care.

All along the income scale of wage earners, increases in income, assuming no change in prices, would result in an extremely significant expansion of consumer demand for the products of industry. The wage-earner families with average incomes of \$2,800 spend, for example, six times as much on automobiles as the family with only \$1,500 and more than twice as much for medical care.

The need for more goods is obvious. Vast productive resources of men and machines are idle. How can the vast home markets be vitalized so that the needs of consumers can be turned into effective demand required to stimulate employment and production? That is the basic problem faced by the Temporary National Economic Committee.

2. The American Business System

A sound approach to the solution of this problem calls, among other things, for a thorough knowledge of the structure of the American productive and distributive system, and of the varied and complex problems with which the individual business men who operate the system are constantly struggling. The summary data which have been presented conceal an almost infinite variety in the experience of individual concerns. A general expansion of production and consumption depends in large part on the solution of their problems—problems, today, primarily of distribution, determining prices, and finding buyers, rather than of production. And on this expansion depends in fact the maintenance of what is known as the “American Business System.”

BUSINESS POPULATION

There are over 2,000,000 firms, according to the records of Dun and Bradstreet, in business in the United States. The number increased steadily from 1900 to 1929, and at a rate more rapid than the increase in population. But as in the case of the national income and industrial production, there was a decline after 1929. Although the number is now increasing, it has not regained the level of that year. (See chart 6.)

The total number of firms changes relatively slowly, but there is a rapid turn-over in the individual units of which the total is composed. It is estimated that, in 1937, 400,000 new businesses were started and 351,000 discontinued operations. Most of the new ventures started each year are small organizations engaged in retail trade. Many of them give up within the first year or two. According to a study of the mortality of all types of companies started from 1843 to 1926, in Poughkeepsie, N. Y., less than half lasted over 3 years, one-fifth were still going after 10 years, and only 10 percent celebrated a twentieth birthday.

There must be a substantial freedom of opportunity as well as an enormous fund of optimism in a business system in which 400,000 new enterprises are started each year. To many it may only be freedom to lose their savings, but it is a significant figure, nevertheless.

In certain fields of activity, however, a number of factors act as barriers to the starting of new enterprises. Necessary natural resources may be controlled by existing companies; basic patents may be held on terms which prevent their use by potential competitors; outlets or markets may be so dominated by existing firms that a new

UNITED STATES BUSINESS POPULATION

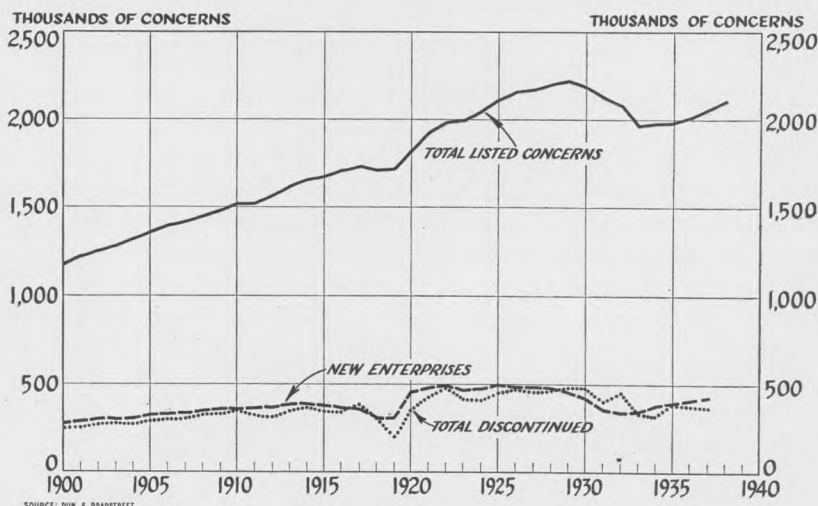


CHART 6

competitor must force his way in against almost insuperable odds; or the very nature of the business may require such a large capital investment as to make a new venture extraordinarily difficult and hazardous.

LARGE AND SMALL BUSINESSES

No measure of size is entirely satisfactory. Number of employees, amount of assets, and value of products all have their uses and their limitations. The most comprehensive data available for classification are the number of employees,⁶ reported by somewhat over 1,700,000 businesses covered by the old-age insurance section of the Social Security Act in the last half of 1937. Of these employers, 50 percent had three employees or less. At the other end of the scale, 195 enterprises each had over 10,000 employees. These 195 enter-

⁶ In fact the figure reported is the number of wage items. This is somewhat larger than the number of employees on any given date, since it represents the total number of individuals on the pay roll at any time during the 6-month period. The general picture provided by the percentage distribution should not be affected seriously, however.

prises had 12 percent of the total number of employees, about the same proportion as were employed by the 1,300,000 employers who had less than 10 employees each.

For some purposes the value of assets (chart 7) is a better measure of size. This is particularly true if it is desired to include such organizations as public utilities and financial institutions, which usually have few employees in proportion to their capital investment. The best data available for classifying businesses according to the value

SIZE OF CORPORATIONS BY ASSETS IN 1935

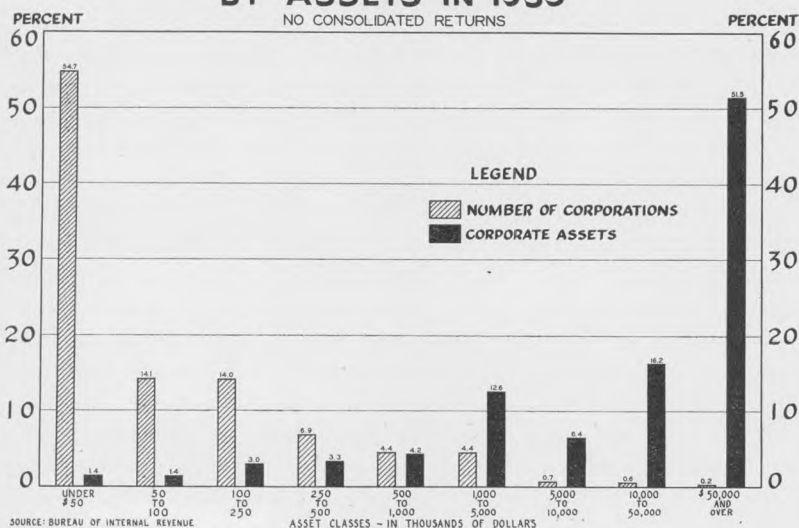


CHART 7

of their assets are the reports of corporations to the Bureau of Internal Revenue for tax purposes. The usefulness of these figures is somewhat reduced by the fact that corporations are responsible for only about two-thirds of the total volume of business done in this country. According to such estimates as are available, in 1937 they accounted for nearly 100 percent of the business in the electric light and power, manufactured gas, and communication industries, about 96 percent in mining, 92 percent in manufacturing, 89 percent in transportation, 58 percent in trade, 36 percent in construction, 30 percent in service, and only 7 percent in agriculture.

In 1935, over half the corporations reporting to the Bureau of Internal Revenue had assets of less than \$50,000, but their total assets were only 1.4 percent of all corporate assets. On the other hand, only 0.2 percent of all corporations, each with assets of over \$50,000, had over half the assets of all corporations.

The great size and the recent growth of the few big business enterprises have given them outstanding importance. Two characteristics of these industrial giants deserve special attention.

In the first place, with few exceptions, they have grown up in groups or clusters. Few industries are dominated by a single giant company; rather, several big firms are to be found competing with each other. The old idea of an industry ruled by a single giant "monopoly" is seldom valid today; in the place of monopolies are found "duopolies" or "triopolies."

Secondly, the larger organizations have reached their present size by expanding in various directions. Their points of difference are as striking as their similarities. Some have grown horizontally by producing more and more of their original product. Others have expanded vertically, securing control of the sources of their raw materials or of the distribution system for their products, or of both. In some instances the expansion may be characterized as diagonal; i. e., when an enterprise expands by using a single raw material to make a wide variety of products, or adds to its output by producing numerous dissimilar articles which are all sold through the same distribution channels. In other cases, where the demand for the original product is a highly seasonal one, it has sometimes proved profitable to add products solely to keep the plant and working force occupied in off seasons. Occasionally the conglomeration of activities carried on by a single company appears to be the result of pure chance.

This list of directions in which businesses have grown explains only in part the factors which have been responsible for the present position of large units in the national economy. Several additional circumstances can only be listed. For some products, modern methods of mass production have required vast capital investments; effective distribution in a national market is increasingly dependent upon national advertising campaigns which only large firms can finance; some companies have expanded as the best way to invest their surplus earnings; and many mergers have been cradled in the offices of investment bankers looking for securities to sell to the public.

SIZE, AS DISTINGUISHED FROM CONCENTRATION

For many purposes, it is essential to distinguish between concentration and size. As often as not they do not go together. Concentration is a measure of the control exercised in the market for a particular product. The only grocery store in a village, though far smaller, may exercise a substantial control over the market in which it sells, and hence represent a degree of concentration in the control of that particular market almost as great as that of a large oil company faced by several equally large competitors, or a huge industrial

hybrid producing so many different products that it is of relatively little importance in the market for any one of them.

Even a limited survey of a number of products with national markets for which concentration data are available indicates wide variations in the degree of concentration. In cement, in 1931, five large companies had 40 percent of the total output; in cigarettes, in 1934, three companies had 80 percent of the output; in bituminous coal, in 1932, four companies had 10 percent of the output; in copper, in 1935, four companies had 78 percent of the output; in women's clothing, in 1935, four companies had 2 percent of the output; in plate glass, in 1935, two companies had 95 percent of the output; in corn binders, in 1936, four companies had 100 percent of the output; in flour, in 1934-35, three companies had 29 percent of the output.⁷

Available figures on concentration should be qualified in other ways. A high degree of concentration in the market for one product may be of relatively small importance because of vigorous competition from other products. For example, coal must compete more or less directly with natural gas, petroleum products, and water power. Cotton products compete with goods made of wool, silk, and rayon.

Concentration may be brought about effectively for certain purposes by various devices falling short of single ownership. Interlocking directorates are frequent channels for cooperative attempts at market control. Retail stores have endeavored to meet the competition of chains by forming voluntary cooperative organizations which concentrate their buying power while leaving the merchandising decentralized. Nearly 8,000 trade associations, 1,800 of them national in scope, provide the most common example of the effort to meet certain industry needs through cooperative action short of merger. Lastly, there are at any time an unknown number of illegal combinations or agreements between competitors in violation of existing statutes.

PROBLEMS OF THE BUSINESS MAN

Consideration must be given not only to the general structure of the economy but also to the variety of problems with which individual business men are constantly confronted. These problems may be divided for purposes of discussion into two types. There are first the broad problems, common to nearly all industries and hence nearly all business men, such as technological changes, wars and threats of wars, the fluctuations of the business cycle, problems of foreign competition and foreign markets, and changes in governmental policies.

Probably of equal importance to the individual business man, but far less widely recognized by the general public, is the infinite variety

⁷ The data for cement, cigarettes, flour, and corn binders are from the Federal Trade Commission. The copper and coal data are from the Bureau of Mines. The data for plate glass are from the Tariff Commission, and for women's clothing, from the Bureau of the Census.

of problems involved in his relations with the rest of his industry. These problems differ so widely from industry to industry that any summary statement is apt to be misleading. A good example of their variety and complexity is a list of trade-practice provisions regarding indirect price concessions inserted in N. R. A. codes by business men trying to solve their most pressing problems. These provisions were concerned with the time of buyers' payments, guaranties, allowances, options and similar buyers' privileges; restrictions on the supply of additional goods; restrictions on services to buyers; restrictions on financial assistance to buyers; restrictions on shipment concessions; restrictions on commission concessions; restrictions on payments for buyers' services; restrictions on accepting competitors' materials from buyers; restrictions on the sale of substandard or obsolete goods; restrictions on concessions beyond agreement; restrictions on forms of payment concealing concessions; restrictions on selling agreements, invoices, etc., concealing concessions; mandatory forms of agreement for prevention of concealed concessions; restrictions on granting of concessions to suppliers; and restrictions on the acceptance of concessions. These are but samples of the types of problems arising out of a single business custom—indirect price concessions. The variety of the problems faced in the different industries, and even in different segments of the same industry, can hardly be over-emphasized.

3. Next Steps

One cannot fail to be impressed with the delicate powers of adjustment to changing problems and changing situations which the American economic system must possess to survive at all. Increasing specialization and increasing interdependence have multiplied the complexity of the system. With such considerations in mind a national income of \$62,000,000,000 may even be regarded as a significant achievement. But it is not enough, and ways must be found to operate this delicate mechanism more effectively.

Any approach to this task must start with a recognition of recent changes in the historic conditions and forces on which the vitality of the American business system depends. Changed conditions must be accepted as requiring changed methods.

Among the changed conditions of which account must be taken in considering measures to increase production and consumption are the sharply declining rate of population increase; the disappearance of the frontier; the decline in the intensity of competition accompanied by such controls over selling practices as the Robinson-Patman and Miller-Tydings Acts; the increased importance of overhead costs; the increased interference on an international scale with foreign trade; the increased difficulty in finding investment outlets for savings that accrue under the prevailing distribution of income; and a changing

attitude toward the responsibilities of government for the economic well-being of the population.

The adaptation of enterprise to these changed and changing conditions in such ways as to expand output and consumption will require answers to many difficult questions. Some typical questions are these:

What is the present status of competition? Is the lack of self-adjustment of the economy due, wholly or in part, to decline of competition? If so, what changes are necessary in public and private policy to make competition effective? If not, what are the alternative organizing forces available? Is the choice necessarily between full competition and full planning? To what extent is competition through development of the product a satisfactory substitute for price competition?

In what particulars are the antitrust laws inadequate? Does overcompetition exist? What part has concentration played in the decline of competition? What part has size played? Is concentration an inevitable consequence of a developing industrial organization? What are proper standards for corporations doing interstate business? Does concentration affect adversely or favorably the distribution of income?

How flexible is the economy?

Has new investment lagged? What is the proper function of government in a period of underinvestment? Under what set of economic conditions can savings be absorbed?

Are our liberties endangered by the growth of private control? Is there a relation between collectivism in private industry and collectivism in government? How can the dignity and importance of the individual be enhanced by choices of economic policies? Should the Government intervene to afford the individual business man a better status in competition? What effects have patents had upon expansion of production?

In approaching these and related problems, the Temporary National Economic Committee appreciates the complexity of the national economy, its long historical background, and the interdependence of its various parts. Innovations must recognize the deeply rooted, organic nature of our economic institutions. Careful examination of the facts and conscientious effort to understand the system as a whole must precede any conclusions regarding remedies. But somehow more must be produced; more must be available to increase the American standard of living. The unprecedented nature and gravity of many of the problems now confronting the Nation call above all for open-mindedness toward possible solutions of our problems.

LABOR MOBILITY AND RELIEF

By JOHN N. WEBB and ALBERT WESTEFELD, *Division of Social Research, Works Progress Administration*

THE movement of workers within a State or across State lines is known to be affected to some extent by the availability of public relief. It has generally been believed that relief tends to restrict the movement of workers, because in the great majority of cases general relief is available only to persons who have been self-supporting residents (usually for a minimum of 1 year) of the community in which they apply for assistance.¹ This requirement, plus the fact that the person must remain in one place while receiving relief, leaves little doubt that, considered by itself, relief should act as a check upon migration. It does not follow, however, that workers who have received relief are, as a group, less likely to migrate than workers who have not received it. Under some circumstances a worker may move for the express purpose of obtaining relief, as when he returns to his place of legal residence in order to be eligible for assistance. Under different circumstances a worker on relief may move to another community to seek work, in order to escape the necessity of remaining on relief in his home community.

It can be seen, therefore, that a knowledge of the circumstances under which relief is given does not provide a basis for judging the full effects of relief upon labor mobility. Further information is necessary concerning the actual movement of workers who have received relief, as well as of those who have not received it. An opportunity of obtaining such information has been provided by a special tabulation² of the returns of the Michigan Census of Population and Unemployment, which was taken in January 1935. Information obtained from the special tabulation is presented in this report, together with a brief analysis of what seem to be the more important disclosures.

The evidence derived from the Michigan study shows that the effect of relief on the mobility of labor is not so simple and direct as would be expected from a knowledge of the circumstances under which public assistance is given. The group that received relief had a higher proportion of workers moving than did the group that received no relief; and among all workers moving, those in the relief group made more moves per worker than did those in the nonrelief group.

¹ An important exception to this general principle was provided by the Transient Relief Program of the FERA which was in operation between the fall of 1933 and the fall of 1935; transient relief, however, was a negligible factor in the returns of the Michigan census, on which the present article is based. It should also be noted that occasionally relief officials do make exceptions to the requirements of legal settlement.

² The tabulation of the mobility data from the Michigan census schedule was a cooperative undertaking of the Michigan State Emergency Relief Administration, the Michigan Works Progress Administration, and the Division of Social Research of the Works Progress Administration, Washington, D. C.

These facts immediately question the assumption that relief acts as a brake on labor mobility, even though they cannot be taken as proof that the assumption is incorrect. Further investigation shows, however, that, while some moves were made either for the purpose of obtaining relief or of insuring eligibility for relief, a majority of moves made by recipients of public assistance had no immediate connection with relief. When relief was related to mobility, the most direct connection was found among workers who made exactly two moves, one away from a place of established residence followed by one back to that place, or the reverse of this situation.

One conclusion of this report is that relief was responsible for some of the mobility of Michigan workers, but that the amount of mobility directly related to relief is not enough to modify the general belief that relief in itself tends to restrict mobility.

Many of the moves back to a place of established residence where relief was received would undoubtedly have occurred whether or not relief was available. Similarly, the moves from urban to rural areas were less for the purpose of obtaining relief—though relief was frequently necessary—than to escape the insecurity that confronts the unemployed industrial worker in urban centers. The fact that there was a considerable number of moves away from relief suggests that employment, or even the prospect of employment, remains a sufficient incentive to mobility to offset the stabilizing effects of relief.

The explanation of the relationship between relief and mobility that is suggested by the Michigan data is that both relief and mobility have a common cause in unemployment. The fact that relief was received by less than one-quarter of all workers who moved, while nearly half of these workers had one or more periods of unemployment, lends support to this explanation.

The Michigan Census and the Mobility Study

The Michigan census, which provides the relief and mobility data here presented, was taken during the early months of 1935 as a special work project of the Michigan State Emergency Relief Administration. The census consisted of a complete enumeration in some types of community, and of an enumeration of 20 percent of the population in others. Where less than the total population was included, great care was taken to select a representative cross section of the community. A separate schedule was filled out for each household. In all, about 522,000 census schedules were taken, which represented roughly 40 percent of Michigan's total population. After careful tests had been made to insure the reliability of the results, 120,247 of these schedules were selected for a special study of the mobility of Michigan workers.

The relief and mobility tabulations are based upon the work-history section of the schedules used in the Michigan census. This work history covered the 57-month period from April 1930 to January 1935; it showed each job held, the place of work, periods of unemployment, and, if relief was received, the place in which it was obtained. The data covered persons 15 years of age or older at the time the census was taken.

A person was considered to have made a "move" whenever his work history showed a change in community under one of the following circumstances: (1) In place of work, when the person was employed both before and after moving, (2) in place of residence, when the person was unemployed both before and after moving, or (3) in place of work and place of residence, when the person was employed at one end of the move and unemployed at the other, provided in this case that the move was longer than between adjoining counties. This last restriction was adopted because short-distance moves between employment and unemployment were usually of the "commuting" type which did not involve a definite transfer of workers from one place to another. In the interests of uniformity, moves are here reported only for those workers who had been in the labor market (working or seeking work) for the entire 57 months covered by the work history. Although all of these restrictions tend to reduce the amount of mobility reported, they do eliminate questionable moves, thereby insuring an examination of relief in relation to clear-cut transfers from one labor market to another.

Results of Study

The 120,247 households selected for the mobility study contained a total of 149,379 workers who were in the labor market for the entire period studied. In the statement below, these workers are divided into two groups, according to whether or not they had made one or more intrastate or interstate moves during the 57-month period covered by the work history.

	<i>Number</i>	<i>Percent</i>
Total workers.....	149, 379	100. 0
Workers moving.....	17, 847	11. 9
Workers not moving.....	131, 532	88. 1

In considering the fact that only about one-eighth of these workers reported moves within a period of nearly 5 years, it must be remembered that short-distance moves between employment and unemployment have been excluded from the present analysis. If moves of all types had been included, the proportion of movers would have been more than half again as great as is shown above.

Still another factor must be considered here. The Michigan survey was made at a time (January 1935) when the principal manufactur-

ing industries of the State had not yet recovered from a prolonged depression. No doubt some of the workers who had been attached to these industries during the prosperous 1920's had left Michigan before 1935 and therefore could not be included.

NUMBER OF MOVES

The first significant information from the Michigan tabulations on the relationship between relief and mobility is presented in table 1.

TABLE 1.—Michigan Workers Moving and Not Moving, Classified According to Receipt of Relief

Relief status	Moving		Not moving	
	Number	Percent	Number	Percent
Total workers.....	17,847	100.0	131,532	100.0
Received relief.....	4,226	23.7	20,363	15.5
No relief.....	13,621	76.3	111,169	84.5

The distinctly higher proportion of workers who received relief among those who moved than among those who did not—23.7 percent compared with 15.5 percent—leaves little doubt that relief and mobility are associated in some degree. The information in table 1 does not, however, give any indication of the amount of mobility among the relief and nonrelief groups. The number of moves made by workers in the two groups is compared in table 2.

TABLE 2.—Number of Moves by Michigan Workers, According to Relief Status of Worker

Number of moves	Total workers		Relief status of worker			
	Number	Percent	Received relief		No relief	
			Number	Percent	Number	Percent
Total workers moving.....	17,847	100.0	4,226	100.0	13,621	100.0
Total moves.....	25,885		6,717		19,168	
1 move.....	12,736	71.3	2,585	61.1	10,151	74.5
2 moves.....	3,701	20.7	1,190	28.2	2,511	18.4
3 moves.....	766	4.3	254	6.0	512	3.8
4 or more moves.....	644	3.7	197	4.7	447	3.3
Mobility rate ¹	145		159		141	

¹ I. e., number of moves per 100 persons moving.

Here again there is evidence of an association between relief and mobility. The proportion of workers in the relief group who made 2, 3, and 4 or more moves was consistently higher than the similar proportions for workers in the nonrelief group. This result is conveniently restated in the "mobility rate," i. e., the number of moves

per 100 movers. This rate was 159 for the relief group, as compared with 141 for the nonrelief group.

MOVES AND RELIEF

It might seem from the information thus far presented that relief not only does not act as a brake on mobility, but actually serves to increase the mobility of relief recipients. Such a conclusion would be premature for the simple reason that the moves made by a worker may be entirely independent of the receipt of relief. For instance, a worker's mobility and his relief status may both be the result of unemployment. Before any conclusions are drawn, therefore, it is necessary to know whether or not there is any direct connection between the individual moves made by workers in the relief group and the time at which they received relief.

This is a much more difficult task than that of showing an association between relief and mobility in the Michigan returns. Four possibilities exist: A worker may get relief after moving or may even move for the express purpose of obtaining relief at his destination; he may move away from relief to a destination where he receives no relief; he may, under somewhat unusual circumstances, move from relief to relief; and finally he may move without receiving relief at either origin or destination. The moves made by workers whose work histories show receipt of relief have been arranged in table 3 according to these four classifications.

TABLE 3.—*Relationship of Total Moves Made to Receipt or Nonreceipt of Relief at Time of Each Move*¹

Receipt of relief	Total moves by persons making—					Percentage distribution of moves by persons making—				
	Total	1 move	2 moves	3 moves	4 or more moves	Total	1 move	2 moves	3 moves	4 or more moves
Total.....	6,717	2,585	2,380	762	990	100.0	100.0	100.0	100.0	100.0
Relief at destination.....	1,515	622	625	145	123	22.6	24.1	26.3	19.0	12.4
Relief at origin.....	933	185	532	109	107	13.9	7.2	22.4	14.3	10.8
Relief at origin and destination.....	238	93	105	15	25	3.5	3.6	4.4	2.0	2.5
Nonrelief.....	4,031	1,685	1,118	493	735	60.0	65.1	46.9	64.7	74.3

¹ Includes only the moves of persons who received relief at some time during the period April 1930 to January 1935.

Perhaps the most important disclosure in table 3 is that for three-fifths of the moves made there was no direct connection between relief and the move. It should be noted, however, that an exception to this general statement is to be found when the number of moves per worker is examined. For workers making exactly two moves, over one-half of the moves involved relief. The significance of this exception will be examined later.

Next in importance is the fact that moves involving relief at both the origin and the destination were of little moment regardless of

the number of moves made. In part, at least, the explanation is to be found in the eligibility requirement for relief. Only under exceptional circumstances could a worker be eligible for relief at both the place in which he resided before the move and the place to which he moved. Whether they wanted to or not, it seems clear from table 3 that workers did not "shop around" from place to place in search of the most liberal relief grants.

With the exception of workers making two moves only, the results in table 3 may be stated generally as follows: The more moves a worker made, the less likely he was to have moves involving relief; and more workers moved to relief than away from relief.

The connection between relief and mobility appeared to be most pronounced among workers making two moves; this fact suggested that the way in which relief affects mobility might be discovered by examining the actual circumstances under which two moves were made when one or both of the moves involved relief. The following illustration is from a case covered in the Michigan survey:

<i>Place</i>	<i>Activity</i>	<i>Dates</i>
Grand Rapids (beginning of record).	Employed: Bricklayer, building construction.	April 1930 to January 1933.
Grand Rapids-----	Unemployed: Direct relief..	February 1933 to April 1933.
Battle Creek (first move)---	Employed: Bricklayer, road construction.	May 1933 to July 1933.
Grand Rapids (second move).	Unemployed: Direct relief..	August 1933 to January 1935.

In this case a worker moved away from relief to employment, but after three months of work the job was completed, the worker returned to his former residence, and he again obtained relief. The first move was recorded as "Relief at origin," and the second as "Relief at destination." This example helps to explain why, among persons making two moves, the proportions with relief at origin and relief at destination were both so frequent and so nearly equal.

A somewhat similar situation (also from the survey), but one involving an interstate move, should help to show why relief was reported somewhat more frequently at destination by workers making two moves only:

<i>Place</i>	<i>Activity</i>	<i>Dates</i>
Palmer (beginning of record)	Unemployed: Dependent on friends.	April 1930 to April 1932.
Minnesota ¹ (first move)----	Employed: Tractor driver, road construction.	May 1932 to August 1932.
Palmer (second move)-----	Unemployed: Direct relief..	September 1932 to March 1933.
Palmer-----	Work relief (FERA): Road construction.	April 1933 to January 1935.

¹ The census did not report the name of civil divisions outside the State of Michigan.

These two examples are enough to bring out one important aspect of the mobility of workers in the relief group who made two moves. Most of them moved away from a place of established residence in order to find work, and when the employment in the new locality failed, they returned to their place of residence where they were eligible for relief. One other frequent situation that occurred among workers making two moves, with relief connected with one or both moves, arose as a result of the operation of the Civilian Conservation Corps. In a considerable number of the cases included in the Michigan survey, C. C. C. enrollees from relief households moved from their place of residence to the location of the C. C. C. camp to which they were assigned, and later returned to their place of residence.

Although workers who moved twice show more completely the way in which relief was related to mobility, the connection is fairly clear among workers who made only one move and received relief at their destination. The following type of move was of frequent occurrence:

<i>Place</i>	<i>Activity</i>	<i>Dates</i>
Port Huron (beginning of record).	Employed: Photographer, studio.	April 1930 to August 1932.
Osceola County (single move).	Farmer, general farm (relief received).	September 1932 to January 1935.

This case illustrates the "back to the land movement" that attracted much attention during the worst period of the depression. At the same time, it may be used to illustrate practically all cases of a single move where relief was received at the destination. Unemployed workers, particularly those in urban centers, frequently returned to a place in which they had, or could readily reestablish, eligibility for relief. In reality, most of these cases involved two moves rather than one, but the move away from the place of legal settlement occurred prior to the date (April 1930) when the work history began.

The connection of relief and mobility was much less direct among workers making more than two moves. Contrast the pronounced mobility of the case below with the restricted mobility of the previous cases:

<i>Place</i>	<i>Activity</i>	<i>Dates</i>
Hillsdale (beginning of record).	Employed: Pressman, printing office.	April 1930 to September 1931.
Tekonsha (first move).....	Same.....	October 1931 to November 1931.
Coldwater (second move)---	Same.....	December 1931 to July 1932.
Ohio ¹ (third move).....	Same.....	August 1932 to May 1933.

¹ The census did not report the name of civil divisions outside the State of Michigan.

Place	Activity	Dates
Mancelona (fourth move)---	Unemployed: Direct relief--	June 1933 to March 1934.
Fremont (fifth move)-----	Employed: Pressman, printing office.	April 1934 to January 1935.

The connection between relief and mobility is uncertain in this case. The worker had not resided long enough in Mancelona to establish eligibility under the Michigan requirement of 1 year of self-supporting residence in the county, nor did his history show a prior residence in that county since 1930. Either he had some undisclosed claim that was acceptable, or he persuaded the local authorities to make an exception to the general residence rule. In any event, there is no such readily discernible connection between relief and return to a former place of residence as was found in the earlier examples. This case also illustrates the earlier statement that the more mobile a worker was the less likely he was to have relief moves.

URBAN-RURAL MOVES

There is one additional classification of the Michigan data that helps to bring out the relationship between relief and mobility. In table 4 the moves of workers who received relief are arranged according to urban and rural origins and destinations. Only moves within the State of Michigan are included, because the urban and rural character of interstate moves was not reported.

TABLE 4.—Urban-Rural and Relief Character of Intrastate Moves by Persons Receiving Relief During Period Studied

Receipt of relief	Number of moves					Percent of moves				
	Total	Urban-urban	Urban-rural	Rural-urban	Rural-rural	Total	Urban-urban	Urban-rural	Rural-urban	Rural-rural
Total.....	4,938	1,028	1,368	1,084	1,458	100.0	100.0	100.0	100.0	100.0
Relief at destination.....	1,112	161	473	115	363	22.5	15.7	34.6	10.6	24.9
Relief at origin.....	695	113	73	319	190	14.1	11.0	5.3	29.4	13.0
Relief at origin and destination.....	205	20	72	48	65	4.2	1.9	5.3	4.4	4.5
Nonrelief.....	2,926	734	750	602	840	59.2	71.4	54.8	55.6	57.6

There are several important facts contained in table 4. About one-third of the moves from city to country involved relief at the rural destination. Included here are the "back to the land" moves that so frequently resulted in the receipt of relief because the moves were to abandoned farms in the cut-over and other poor agricultural areas. Some urban to rural moves also were made by industrial workers who, when unemployed, returned to the rural community in which they formerly lived and where they could obtain relief if necessary.

The urban-rural movement was more pronounced during the earlier than during the later part of the depression. The return movement to the cities is shown by the relatively large proportion of moves away from relief (at origin) in rural areas to the cities. Table 4 also shows that the rural worker, like the urban worker, frequently moved to a place where he was eligible for relief during periods of unemployment. Moves from rural to rural areas had the second highest proportion both of moves with relief at destination and of moves with relief at origin. Finally, it should be noted that among moves from city to city the proportion of moves involving relief was distinctly lower than among moves between city and country or between country districts. This suggests that when workers moved to relief, rural areas were much more frequently the objective than were cities.

MEDICAL AID UNDER WORKMEN'S COMPENSATION LAWS¹

By MARSHALL DAWSON, *Bureau of Labor Statistics*

COMPETENT and adequate medical aid for injured workers is of great significance to all parties concerned. It is important to workers because on it depends the speed and degree of their recovery and restoration to earning capacity, and the rating of the extent of disability for which they receive compensation. It is important to employers and insurance carriers because they pay the bills. It is important to physicians because of the broad scope and rapid expansion of industrial medicine as a phase of medical practice.² Finally, medical aid is of importance to administrators, because their duty is to see that injured workers receive adequate and proper medical attention.

The discussion which follows is based primarily on the results of interviews with compensation commissioners, medical officers, insurance representatives, labor leaders, and attorneys in all the States and Canadian Provinces having compensation laws, as well as in Puerto Rico.

Medical-Aid Provisions

In the United States the greatest advance in the workmen's compensation system since the first acts were passed has been in the provision for medical aid. Even as late as 1919 there were three jurisdictions which furnished no medical service, except that in fatal cases involving no dependents the medical expenses of the last sickness were paid by the employer. In 1938, 15 jurisdictions provided virtually unlimited medical aid under the law or the administrative practice, as compared with 6 in 1919. To these 15 jurisdictions there should be added, for most practical purposes, 10 others in which the administering authority may extend, without limit, the provision for medical aid beyond the initial limitation of time or amount specified in the acts.³

In proposals to legislatures for remedial amendments the prevailing argument has been that adequate medical aid is "economical"; humanitarian motives, though undoubtedly present, have seldom been stressed. Employers and insurance carriers increasingly recognize

¹ One of a number of articles based upon a study by the Bureau of Labor Statistics. Earlier articles were given in the January, February, and March 1936, and June and September 1938 issues of the Monthly Labor Review.

² For the programs of medical organizations in relation to the compensation system, see American College of Surgeons, *Medical Service in Industry and Workmen's Compensation*, Chicago, and American Medical Association, *Bureau of Medical Economics, Medical Relations under Workmen's Compensation*, Chicago.

³ For details, see Bureau of Labor Statistics Serial No. R. 815: *Workmen's Compensation in the United States as of July 1, 1938*. For a presentation of early situations and developments prior to 1920, see U. S. Bureau of Labor Statistics Bulletin No. 275, pp. 90-112.

that "what is best for the patient is, in the same proportion, an economy for the insurance carrier and for industry."⁴

In Canada, under all the Provincial workmen's compensation acts, with the exception of Nova Scotia, unlimited medical aid is furnished. In Nova Scotia medical aid is given for 30 days only, unless authorized for a longer period by the workmen's compensation board. In British Columbia and Alberta the workers themselves contribute toward the cost of medical aid.⁵

The Ontario act has served to some extent as a model in the drafting of other Canadian acts. The Ontario provision for medical aid reads:

Every workman entitled to compensation * * * or who would have been so entitled had he been disabled for seven days, shall be entitled to such medical, surgical and dental aid, and hospital and skilled nursing services as may be necessary as a result of the injury, and shall be entitled to such artificial member or members and apparatus and dental appliances and apparatus as may be necessary as a result of the injury and to have the same kept in repair for a period of one year (sec. 49).

Problem of Medical Cost

While on the one hand workmen have pressed for increased medical benefits in some jurisdictions, on the other hand much has been said and written, especially during the years 1930-1935, about so-called alarming increases in the cost of medical aid. The change in the ratio of medical aid to compensation cost especially under depression conditions has become a matter of concern to both insurance carriers and State administrations.

Some attempts to make upon the basis of State reports a comparison of the ratio of medical cost to compensation payments are vitiated by the diversity in the reporting and statistical practices in the States compared, and also by the variable nature of the two items compared. Few States have complete and dependable data on medical cost.⁶

FACTORS IN THE SITUATION

In an analysis of the situation the following appear to be significant factors:

(1) Both the scale of compensation and the provision for medical aid have been greatly increased in many jurisdictions during the last 20 years.

⁴ American Journal of Surgery, March 1936 (p. 436): "Economic Aspects of Industrial Fractures," by Dr. A. D. Lazenby.

⁵ For details of provisions and practices in the Provinces, see Canada, Department of Labor, Comparison of Provincial Laws, Ottawa, July 1938.

⁶ The general situation as to estimates of medical cost, is indicated by a typical explanation in the report of the Industrial Commission of Minnesota for 1933-1934 (p. 186): "The total cost of medical and hospital treatment rendered to injured employees in the State of Minnesota in the cases closed during the biennial period is not given in this report as indicated by tables numbered 5, 6, and 7 because of the fact those figures are not obtainable." Medical cost under what is known as "contract medical" arrangements is seldom reported. The medical cost of self-insurers is rarely known. The Minnesota Industrial Commission adds this caution with regard to its tabulations of medical cost: "In studying the medical and hospital expenses hereinafter given in the statistical tables and in the analyses of these tables it must be borne in mind that the figures there shown are for those cases only in which the employers or their insurers have reported these items."

(2) The increase in the scale of compensation payments has stimulated an increase in medical aid or made it necessary, to save the large compensation costs which would result from inadequate medical treatment of injuries.

(3) An increase in medical cost, wisely applied, diminishes compensation payments, and therefore may increase the ratio of medical to compensation cost.

(4) Compensation payments in some States are abnormally lessened, during periods of intermittent employment, by a method of computing the wage base which makes it only a fraction of full-time earnings. Where this is done a high ratio of medical cost may indicate either low compensation payments or ample medical aid.

(5) No matter how low the wage or the wage-base sinks, the cost of treating an injured worker is relatively constant, and tends to increase during depression periods under the stress of physicians' pecuniary need and the reluctance of the worker to admit that he is cured in the absence of available employment.

(6) Fee-padding and other unethical practices on the part of a minority of the medical profession, especially in the largest cities, has increased medical-aid cost.

(7) Where the worker selects a physician of his own choice, administrators find that in some cases the physician has difficulty in controlling the situation, because he risks losing the practice of the worker's family and friends if he reports, contrary to the wishes of his patient, that the injured employee is able to return to work. The question of the comparative skill of the physicians engaged under the two methods is also a point at issue.

(8) In most of the States medical supervision by the compensation commissions has been deficient, since few of them have a medical staff, and the turn-over of the administering personnel has been too rapid to allow the commissioners to master the medico-economic phase of the work. Statistics are seldom used by the compensation administrations for the guidance of their medical supervision.⁷

INEXPERT SERVICE AS A FACTOR IN COST

In addition to the factors mentioned, it must be noted that in some areas part of the recent increasing cost complained of is attributed, by both compensation administrators and insurance carriers, to the increasing participation of the general practitioner or "family" physician in the treatment of industrial injuries. In the early stage of workmen's compensation many physicians did not seek or accept opportunities to treat injured workers if they could avoid doing so, in part because of their reluctance to make reports and appear at

⁷ Forms for use in compiling information relating to medical aspects of workmen's compensation are found in a Manual of Industrial Injury Statistics prepared for the U. S. Bureau of Labor Statistics by Max D. Kossoris.

hearings, and attention to such cases was in the main left to surgeons and specialists. But since 1929 physicians of all types have sought a wider participation in workmen's compensation practice. Compensation officers attribute this to the relative certainty of payment for the medical care of injured workers, in contrast with the difficulty of collecting medical bills from private individuals during the period 1929-35.

Unspecialized and inexpert medical care of injured workers has often proved disproportionately expensive because of errors in diagnosis and treatment. Compensation officers mention instances of serious harm done by bandages that were too tight, of permanent impairment of function because plaster casts were left on too long, and even of skull fractures that were overlooked until the patient died and an autopsy brought to light the unsuspected cause of his unwillingness to return to work. It is not to be expected that a general practitioner will be skilled in interpreting the diagnostic signs of the varied types of occupational diseases. Under workmen's compensation, mistakes in medical diagnosis and care are reflected not only in the bills for prolonged treatment, but also in augmented benefit payments.

Medical Aid as Affecting Rehabilitation

As reported by the Vocational Rehabilitation Service, U. S. Office of Education,⁸ difficulties of the medical aspect of workmen's compensation which affect the rehabilitation of injured workers are:

1. Amputations are frequently made more with a view to minimizing the compensation benefits to be paid than to usefulness of the remaining part. For example, in the case of an injury to a foot requiring amputation, the surgeon makes a Chopart amputation leaving an almost totally useless stump but reducing the benefits to be paid. In any number of cases the disabled person must either use an appliance that at best is very unsatisfactory or have a reamputation in order to get a useful stump.
2. In many instances in making amputations even when the amount of compensation is not involved, the surgeon either leaves too long or too short a stump for effective use of an appliance.
3. Amputations are frequently left improperly shaped and closed, or the bone is too long for the stump and, therefore, improperly padded.
4. In the case of mutilations, muscles that otherwise might be restored to much usefulness are rendered practically useless by adhesions and contractures that could be avoided by better procedures and more careful treatment.

While great strides have been made in the past few years in these respects there is still room for improvement.⁹

Such difficulties point to a lack of coordinated supervision on the part of workmen's compensation and rehabilitation administrations

⁸ Summary furnished by Terry C. Foster, October 15, 1938.

⁹ For an account of the effective use of surgery in the rehabilitation of amputation cases under workmen's compensation, see the discussion by Henry H. Kessler, M. D., in U. S. Division of Labor Standards Bulletin No. 17: Proceedings of the 1937 meeting of the International Association of Industrial Accident Boards and Commissions (p. 160).

and the medical profession. The Vocational Rehabilitation Service, U. S. Office of Education, has planned conferences with representatives of medical organizations and workmen's compensation administrators, as a first step toward the formulation of coordinating procedures for Nation-wide use.

Relations of Medical Profession and Compensation Authorities

The attitude of physicians and medical organizations toward the compensation law, the administrators, and the insurance carriers, has been an important factor in the operation of the compensation system. Because of the narrow limitation of payment for medical aid to injured workers provided by the early compensation acts, physicians complained that part of the burden of workmen's compensation insurance had been put upon their shoulders. Disputes over the payment of medical bills were frequent. Amendments providing more adequately for medical expense have facilitated the improvement of relations between the compensation authority and the medical profession. At present, either informal or organized cooperation is found in most jurisdictions, and as a rule compensation administrators stated that on the whole their relations with physicians and their organizations were satisfactory. Difficulties experienced were attributed to a minority—sometimes a small minority—of the members of the medical profession.

Continued improvement in medical relations is expected as a result of the advancing standard of medical education, the increased emphasis in education and practice upon organized attention to industrial hygiene, and a better understanding by physicians of the requirements of the compensation system, particularly as to records and reports. It is customary to invite the participation of the medical organizations when medical-fee schedules are formulated or revised. In many jurisdictions, in case of disputes over doctors' bills and hospital charges, the judgment of officers or committees of medical organizations is requested by compensation officers.

Scope of Medical Administration

The full scope of medical participation in workmen's compensation includes treating, adjudication, and preventive service. A medical officer who had long experience under workmen's compensation insisted that "compensation administration is 80 percent medical." Certainly the satisfactory operation of workmen's compensation depends largely upon competent medical treatment of workers, together with the prompt furnishing by physicians of correct medical reports upon injuries and the giving of unbiased testimony at hearings. The ability of compensation officers, therefore, to enlist the full coopera-

tion of the medical profession in the compensation program is a highly important factor in administration. In some of the States and Provinces compensation commissioners, as a means of advancing a program of intelligent medical cooperation, make addresses at medical conferences and sometimes at medical schools which give courses in industrial medicine. In some jurisdictions, by arrangement with the medical associations, committees are created to aid the compensation commission in settling controversies over medical fees. In some instances, through such committees the cooperation of medical organizations is secured for upholding professional standards in the treatment of injured workers.

The supervisory responsibility of the workmen's compensation authority extends not alone to the medical care of injured workers but also to medical expenditures, the scrutiny and weighing of medical testimony in the course of settling claims for compensation, and the physical rating of injuries or disabilities, including the determination of their relation to the employment of the injured worker and their probable effect upon his earning capacity

THE RATING OF DISABILITIES

The awarding of compensation payments depends in part upon the reports and testimony of physicians with regard to the occupational cause and the extent of disability resulting from the injury. The rating of disabilities, or the determination of the degree to which a certain injury entails loss of function and the relating of such impairment to some corresponding degree of industrial disability, is a task of the greatest difficulty, sometimes requiring a revision of the findings of the medical practitioner by the compensation officer, who should have a knowledge of the injured man's working situation which the physician may lack. In at least one instance the court has held that the compensation officer's expertness in medico-economic judgments may justify his disregarding medical testimony and forming an opinion upon the facts.¹⁰ Discussions of this problem and of rating schemes are found in the reports of the annual meetings of the International Association of Industrial Accident Boards and Commissions.¹¹

PROBLEM OF PRE-EXISTING ILL-HEALTH

In compensation cases where a pre-existing condition of ill-health is aggravated by an industrial injury, a problem arises not only in

¹⁰ *McCarthy v. Industrial Commission*, 194 Wisconsin 198. Cited by A. J. Altmeyer in *University of Wisconsin Studies in the Social Sciences and History*, No. 17: The Industrial Commission of Wisconsin, Madison, 1932, p. 96.

¹¹ For an analysis of the rating problem, see U. S. Bureau of Labor Statistics Bulletin No. 577 (p. 162 et seq.); and U. S. Division of Labor Standards Bulletin No. 10 (pp. 78 and 99). For an example of the correction, by a compensation commissioner, of a medical rating of an injury in its bearing upon vocational disability, see Bureau of Labor Statistics Bulletin No. 577 (p. 172). See also *Disability Evaluation*, by Earl D. McBride, New York, J. B. Lippincott Co., 1936.

regard to compensation and medical benefits but also in determining the burden to be borne by insurance carriers. As to the latter there are two contrasting practices in the jurisdictions. In some areas, the legal rule is that industry takes the workman as it finds him and is fully responsible for what subsequently happens to him in the course of his employment. In other areas, the legal rule is that industry is responsible only for the ordinary consequences of the kind of injury sustained by the workman; medical aid is limited to the period over which the injury would have caused disability had there been no diseased condition, and compensation payments are limited to the disability which the injury would have caused except for the disease. In many instances it would seem to be difficult if not impossible to divide with an accurate line the mingled consequences of an injury and the aggravation of an existing disease. It would appear to be more desirable to allocate a workman who has heart disease, for instance, to tasks not requiring overexertion than to pay compensation for his untimely death. But the difficulty with some existing approaches to the problem is that they would deny such a man the right to work, because of the expectation that he might be a compensation liability.

ADMINISTRATIVE SAFEGUARDS AGAINST BIASED RATINGS

Among the causes of difficulties in rating injuries, compensation officers mention, as leading factors: Lack of knowledge on the part of physicians in regard to the occupational relations and consequences of industrial injuries, which affects not only their estimates of extent of disability but also in some cases surgical operative practices and results; extreme differences of viewpoint upon extent of disability, arising in part from the absence of accepted standards of measurement; differences of attitude with regard to subjective factors affecting disability, such as, for example, "hang-overs" of fear and pain or loss of self-confidence; and, most important of all in the judgment of administrators, the absence of scientific impartiality on the part of many physicians in their reports and testimony regarding the cause and extent of disability. Compensation officers find, in regard to medical testimony upon extent of disability, that too often the attitude of physicians resembles that of retained advocates rather than impartial experts. Where there is much antagonism between injured workers and the insurance carriers or the compensation hearing officers, it frequently is caused by the feeling that medical specialists called upon to make "impartial" ratings of disabilities have not been unbiased in their reports and testimony. Administrative steps to guard against partisan testimony include the exercise of care in avoiding the use, as impartial specialists, of physicians known to be employed, on a fee basis or otherwise, by

compensation insurance carriers; and, in rare instances, the disciplining of physicians habitually giving biased testimony. Under the Rules of Procedure of the Workmen's Compensation Board of Pennsylvania (sec. 38) "the board will, upon petition, or of its own motion, issue a rule to show cause why" a physician who gives partisan testimony, and who is "not actuated by a desire to further the just administration of the act," should not be disciplined. The steps in such action are as follows:

If, after a full hearing, the board in conjunction with two members of the Medical Society of the State of Pennsylvania selected by the Medical Board of Education, shall deem that the facts require such action, the rule will be made absolute, and a certified copy of the order of the board sent to all referees and compensation authorities, who will be instructed that, in any matter when such physician shall testify, in considering what weight to give his testimony, due consideration shall be given to the action of the board in the matter in which the rule was issued.

CHECKING UPON PROGRESS AND RESULTS OF MEDICAL CARE

The task of watching over the honesty of the injured worker and his physician, as indicated by the size of the compensation claim and the medical bills, has too often overshadowed the necessity for unceasing vigilance to make certain that the worker is receiving the best possible care. Medical supervision has usually been unbalanced by the stress of medico-legal tasks. With the formulation and adoption of uniform methods of rating disabilities, and also with the use of a claims procedure which minimizes public controversy over the disabilities of injured workers,¹² more attention could be given to developing improved methods of guarding against unnecessary loss and suffering to workers resulting from delayed recovery and undue permanent disability. Compensation officers have cited instances of treatment unsuccessfully prolonged for more than a year, under one physician, when a cure has been promptly effected after the patient was transferred to a properly qualified practitioner. A method sometimes used for disclosing such situations, before irreparable harm has been done, is to check upon the progress of cases by comparing the time during which treatment has continued with statistical averages of the period of treatment for similar injuries.

The American College of Surgeons, after making surveys of medical departments and services in industry, reported that "these surveys revealed that compliance with the compensation law does not in itself signify an efficient medical service and that financial awards cannot correct a disability that is chargeable to inadequate medical service."¹³ Clearly, maintaining or elevating the standard of medical

¹² See U. S. Bureau of Labor Statistics Serial No. R. 734: Claims Administration in Workmen's Compensation.

¹³ American College of Surgeons. Medical Service in Industry and Workmen's Compensation Laws, Chicago, 1934, p. iii.

care of workers by approved methods of checking upon medical performance and by unceasing administrative vigilance is a service that goes beyond enforcing the letter of the compensation law. An example of such service would be a thorough check upon the completeness of restoration, at the time disability ratings are made. The unsatisfactory surgical results that have been noted by rehabilitation officers indicate the absence of such a check. Reasons given by some compensation officers for not checking upon surgical results are the lack of a medical director, the inadequacy of the medical staff, or the cost of the examinations.

A thorough medical re-examination of many old cases, made in Alberta Province in 1936, brought to light a number of instances of unsuspected conditions that were a cause of troublesome complications and dissatisfaction with previous awards of compensation.¹⁴ In the Alberta examinations a group of specialists cooperated and considered, in conference, their findings upon "problem" cases. One result of the intensive attention given to complete examinations has been the inauguration of a program for the after-care of certain injured workers, which has resulted in some instances in a marked reduction of permanent disability. Such reduction of disability, by reducing compensation payments, has more than offset the unusual expense of the examinations and additional care. The Alberta experience indicates that a complete examination of the "end results" of treatment at the time an award is made would eliminate one of the causes of the reopening, in later years, of cases supposed to have been finally closed.

In States where claims are settled under the procedure known as the "agreement system," investigations disclosed that the actual condition of the injured worker is sometimes incorrectly shown by the reports and agreements. The Fifth National Conference on Labor Legislation, 1938, recommended that "wherever agreement settlements are permitted, no case should be considered closed unless the injured person has been examined by the board or commission or its medical staff."

PROBLEM OF CHOICE OF PHYSICIAN

Whether the injured worker shall freely choose his own physician or accept a physician selected by some one else is one of the most controversial points in compensation administration. Under the earlier acts the choice of a physician by an injured worker, except at his own cost, was seldom permitted, but there has been a trend toward free choice both in statutory amendments and in the administrative practice.¹⁵

¹⁴ Analysis of the results of the examinations has been in preparation by the Alberta Workmen's Compensation Board, but has not yet been published.

¹⁵ This subject has been discussed at length at the annual meetings of the International Association of Industrial Accident Boards and Commissions. See especially U. S. Bureau of Labor Statistics Bulletin No. 432 (pp. 117-128); No. 577 (p. 41); and U. S. Division of Labor Standards Bulletin No. 17 (p. 108).

The various arrangements for the selection of the injured employee's physician are: (1) Choice of physician by employer or insurance carrier, (2) selection by the employee from a list or panel made up by the employer or carrier, (3) selection by the worker from a panel made up by the workmen's compensation authority and medical organizations, and (4) "free choice" by the worker. In actual practice the first two and the fourth methods are sometimes found in the same jurisdiction. It should be kept in mind that under any arrangement the right of choice is not absolute, but is subject to control by the compensation authority in case of abuse. It is quite common, in jurisdictions where the employers or insurance carriers have the legal right to choose the physician, for them to allow the worker to do so if he prefers his own physician. Where the worker is entitled to choose, he often accepts the employer's medical service, especially in large plants with medical-aid arrangements which the worker has found satisfactory. Often the industrial worker does not have a "family physician"; he is sometimes not in a condition to choose; in thinly populated areas the scarcity of physicians often makes a range of choice by either party impractical, and it is usually so under "contract" medical arrangements. "Self-insurers" are often allowed to follow their own practice with regard to the selection of physician.

In Wisconsin the employer or carrier makes up a list or panel, from which the employee may select his physician. In 1937 Harry A. Nelson, director of workmen's compensation, said that there was very little dissatisfaction with this system of selection, and that employers and insurance carriers were liberal in making up or revising panels to meet the worker's preference.

In 10 States¹⁶ the law or the administrative practice gives the injured worker first choice

In New York, under a 1935 amendment, the injured employee has a right to select his physician but must choose from a list or panel made up by the compensation administration in cooperation with county medical societies. Physicians who are licensed to practice have been admitted without question to the panel, but the medical societies determine what type of injuries they may treat.

By rule of the New York Department of Labor, employers are not allowed to recommend a physician to an injured employee, except when requested by the worker. The new system has caused grave concern to some insurance carriers, who contend that under it their power of safeguarding the medical care of the injured worker is impaired. On the other hand, the insurance carriers actually retain,

¹⁶ Arizona, Massachusetts, Nevada (by administrative practice whenever the employee expresses a choice), North Dakota, New York (from a panel), Ohio, Rhode Island, Utah (by administrative regulation, i. e., Medical and Surgical Fee Schedule, Rule 2), Washington (except in contract hospital cases), and Wyoming. The usual qualifications upon the right of choice have been mentioned elsewhere. In other States, the injured worker is usually allowed to choose a physician at his own expense if he so desires.

to some extent, the power to influence the treatment that is given, because if dissatisfied they can resist payment of a physician's fees, subject to arbitration by a committee or in some cases to a contest before the compensation authority.

From the point of view of persons and organizations emphasizing the importance of assuring the best possible medical attention to the needs of the injured worker, an important phase of the problem of medical administration is the marked reluctance of compensation officers to interfere, except upon specific complaint, in cases of unsatisfactory treatment. In some jurisdictions compensation officers at times undertake to discourage physicians from treating injuries which are outside the range of their knowledge and skill by disallowing part of their fees. It is apparent, however, that such punishment of a physician does not repair the damage done to a worker who has lost an eye because the family practitioner in charge of the case neglected to call in a specialist.

Experience indicates that if the extension of "free choice" of physician by the injured worker is not to be followed by reaction to directed choice, thorough supervision of medical aid is necessary. In the best examples, such supervision is furnished in part by well-trained claims officers and by medical officers whose checking upon the performance of physicians is aided by adequate records and statistical information, as for instance, calculations of average periods of duration of temporary disability in certain types of injuries.

The information that is available indicates that under the existing situation compensation costs under "free choice" are greater than under directed choice. In the 1934 edition of its publication, *Medical Service in Industry and Workmen's Compensation Laws*, the American College of Surgeons made reference (p. 24) to a continuing study of the "costs and disabilities resulting from injuries, based upon the fact that the physician * * * is or is not selected by the insurance carrier." By September 1938, comparative statistics had been prepared covering over two million noncompensable cases, or cases showing no loss of time from work, and also 182,000 other cases covering cuts, lacerations, punctures, abrasions, bruises, and contusions, excluding all cases involving any permanent disability or temporary disability exceeding 40 days. According to Allen D. Lazenby, M. D., chief surgeon of the Maryland Casualty Co., "the results have indicated that the choice of doctor by the employer or his insurance carrier, if that choice is intelligently, sincerely, and effectively exercised, results in definite saving not merely in medical expense, but in compensation loss, as evidenced by decreased periods of disability and improved end results."

An interesting example of oscillation from one type of medical control to another is found in Quebec, where each system, in turn,

has proved unsatisfactory to one group or another. From 1931-33, the claimant had the right to choose his physician. From 1933 until late in 1936 the choice was given to the employer under the supervision of the compensation board. Since that time, under the 1936 amendment, the claimant has had the right to choose his physician. According to the compensation officers, under free choice the medical bills increased.¹⁷

No arrangement for medical aid yet devised in the States has been altogether free from abuses. The preponderance of evidence indicates that under directed choice of physician recovery is quicker and permanent disability is less. On the other hand, compensation officers find that in some instances favoritism has put unqualified practitioners on an employer's panel. It is significant that in one State the legislature, beset by the difficulties of medical administration, passed a "Medical Abuses Act." This title is symptomatic of the medical-aid situation in a number of jurisdictions. In recent years measures for controlling abuses have received more attention than the objectives of maximum restoration and adequate after-care which were earnestly advocated by some compensation commissioners as early as 1920. At times the medical care of injured workers has been a battleground upon which workers and insurance carriers, doctors, lawyers, and commercial interests have fought for control.¹⁸

MAIN POINTS TO BE GUARDED

Although there are differences of opinion as to the best arrangements and also the scope of activity of compensation officers in supervising the medical phase of administration, in the judgment of medical officers the main points to be guarded may be summarized as follows:

(1) The worker should be treated by a physician, surgeon, or specialist whose competence to treat the type of injury sustained has been determined by recognized medical organizations.^a

(2) The injured employee should be protected from a biased rating of his disability or prejudiced medical testimony as to its cause by reference to the medical staff of the compensation commission or, in the absence of such staff, to impartial medical experts or to special medical boards.

¹⁷ An article in the *Journal of Commerce and Commercial* (New York) for July 19, 1938, announcing changes in the Quebec workmen's compensation administration, says that "costs to employers have risen sharply, notably so since the injured workmen have been allowed to choose their own physicians. This has meant an additional cost of approximately \$500,000. While the expectation is that the choice will still be left with the workmen, observers say that more prudence will have to be exercised by the new commission in checking abuses." This statement was orally confirmed by members of the compensation board.

¹⁸ The medical phase of the compensation system has been more fully investigated in New York than in any other State. See U. S. Bureau of Labor Statistics Bulletin No. 577; Proceedings of the International Association of Industrial Accident Boards and Commissions (pp. 27-42); and Dodd, Administration of Workmen's Compensation, New York, Commonwealth Fund, 1936 (pp. 445-469). The New York investigations were prompted not alone by a concern for costs but also for the proper care of injured workers.

^a There are national boards of certification for the various medical specialties. These boards, approved by the American Medical Association, certify to the competence of individual practitioners in the specialty.

(3) Physicians should be required to submit upon standard forms to the compensation administration, prompt, accurate, and comprehensive reports upon all industrial injury cases treated by them. These reports should serve as the basis for determining the adequacy of medical care. Serious injuries, particularly those involving permanent disability, should be reviewed by competent physicians, preferably on the staff of the compensation administration.

(4) Fees charged for treating industrial injuries should be supervised by the compensation administration.

It has been noted that compensation administrators do not always accept without qualification the medical rating of injuries and disabilities made by physicians. They say that physicians employed by insurance carriers often underrate or minimize the seriousness of disabilities, while physicians employed by injured workers usually overrate disabilities.

Medical Examination of Workers as a Preventive Procedure

The main step in the medical program for the prevention of injuries has been the physical examination of employees. Except under the provisions of recent legislation giving workmen's compensation coverage for the dust diseases (silicosis, anthraco-silicosis, asbestosis, or those included in the more general term pneumoconiosis), pre-employment physical examination of workers and also periodic re-examination, where it was found, was required by the employer but not by the law.¹⁹ A necessary phase of the extension of occupational disease coverage, and especially coverage of the dust diseases, is a program of cooperation between the State and industry in guarding the health and to some extent supervising the placement of workers. But the fact that pre-employment and periodic examinations of workers have sometimes been used oppressively has aroused opposition to such practices. There are, however, examples of legal and administrative protective measures which have led to a more favorable attitude of workers toward medical examinations. In Wisconsin a recent law provides for payment up to the sum of \$3,500, predicated on wage loss, if a workman is discharged on account of nondisabling silicosis. In the absence of protection against the unjust use of medical examinations the voluntary cooperation of workers in this feature of a health program is not to be expected.

In the judgment of medical officers, the medical examination of workers should be thorough, should be given by a physician and not by a first-aid man or nurse, and should be used not only as a guide to placement but as a step toward the correction of remediable defects. For example, impaired eyesight has caused many accidents, and com-

¹⁹ An unusual provision found in the New Mexico Compensation Act, sec. 23, makes it the "duty of the workman, at the time of his employment or thereafter at the request of the employer, to submit himself to examination by a physician or surgeon duly authorized to practice medicine in the State, who shall be paid by the employer, for the purpose of determining his physical condition."

petent attention to the eyes of the worker, if contemplated in the medical program, is mutually advantageous to employee and employer.

The chief concern of compensation officers, in regard to the examination of workers by employers, has been to protect workers against indiscriminate discharge. Although compensation officers seldom have adequate legal authority for interfering in this matter, they have at times by persuasion, threats, or disability awards, halted the discharge of workers or secured their reinstatement. Where the offending employer was a self-insurer, the compensation commission has sometimes warned him that the privilege of self-insurance would be revoked unless the employer used the medical examinations more constructively. An outstanding example of protection of the workers by the compensation authority occurred in Massachusetts in 1933. Because the situation is one which may recur during the initial stage of an occupational disease coverage program in other States, an account of the procedure is quoted from the Report to the General Court of the Special Industrial Disease Commission (1934), p. 171:

The Taunton case.—In April 1933 a situation arose in Taunton whereby 42 foundrymen were summarily discharged, following physical examinations by a local physician at the behest of an insurance company, on the theory that they were suffering from silicosis or tuberculosis. This situation, it was stated, was caused primarily by the refusal of another company to continue to carry the risk and the cancelation of their policy on 10 days' notice. The matter was a serious one and gave the commission grave concern. At its door at almost every hearing was a delegation from these 42 discharged men, begging for an opportunity to work. They pleaded that they were able to work, that they were not sick, and that all they wanted was an opportunity to go back to their employment and support their families. The commission rightfully devoted no little time to the problem of getting these men back to work, and also endeavored to secure for them some payment for their loss of time. After 7 months, it was able to secure for them the payment of compensation, on the theory of total incapacity, for the entire time they were out, a total payment of over \$17,000, and an agreement that all who were adjudged by the Commissioner of Public Health fit to do so might return to work. Forty-one of the men did return to work, and, at the writing of this report, are still employed.

An outstanding example of the use of medical examinations, as a step in the disclosure of injuries and prevention of unsafe working conditions, is reported in the September 1938 issue of the New York Industrial Bulletin (p. 424). Because many States are as yet not aware of the need of labor department facilities for such action, part of the narrative is reproduced to show how the health and lives of workers were safeguarded and disastrous losses avoided or minimized. The initiative, in this instance, was taken by the division of industrial hygiene. In New York, this division is set up separately from the workmen's compensation division, while in Ohio the division of safety and hygiene is within the agency that administers workmen's compensation; but in any event the operation of such a unit, where it

exists, is aided by a coordination with the compensation authority, which, through the accident reports received by it, may be the first to know of situations requiring preventive measures.²⁰

Word came to the division that a death occurred in an establishment in Philadelphia where rotogravure printing was done with the use of inks containing large amounts of benzol. It appeared that with the introduction of faster printing presses, a need was created for inks which would dry more rapidly, and benzol inks were introduced to meet this need.

Immediately on hearing of this death, an investigation was begun to determine whether or not these inks were also being used in New York State. This brought to light the fact that they were in use in three large rotogravure plants in New York City. The inks were being purchased from the same ink manufacturer which was supplying the Philadelphia plant with its fast-drying ink.

Almost coincidental with this initial survey, a telephone call came to the division from a physician in the city who had a case which he suspected of being benzol poisoning in a man working in one of the rotogravure plants under investigation. This man subsequently died of benzol poisoning in the Brooklyn Jewish Hospital.

Within a few days following the initial investigation of the three plants, arrangements were completed for the physical examination of all workers there employed, the making of air tests, ventilation studies, and chemical analyses of all materials handled. Because of the emergency, the division of women in industry arranged for the doctor connected with that division to work with the medical staff of the division of industrial hygiene.

Within the following 3 weeks, 361 workers were given complete physical examinations including blood counts and, where indicated, urine analyses. Approximately 2,000 blood determinations were made and 96 urines examined. A total of 47 air analyses were made, and 25 inks and solvents were analyzed quantitatively to determine their precise chemical composition.

Seven of the workers were found to be in need of immediate hospitalization. Six were admitted to the Rockefeller Institute and one to Presbyterian Hospital. One hundred thirty-eight of the workers were found to be in need of medical care and were referred either to their own physicians or the blood clinic at the Rockefeller Institute. All of these workers were carefully followed by the division of industrial hygiene and 123 re-examined. * * *

Conferences with the companies * * * resulted in the immediate discontinuance of the use of benzol-containing inks, and the substitution of nontoxic inks.

Special Administrative Devices

Special devices relating to medical administration appear from time to time in one place or another, such as boards and committees which have to do with fee supervision, the medical examination of workers, the rating of disabilities, and also appeals from such ratings when made by compensation officers. Upon close examination, some of these devices prove to be of local significance only. The remedy that is tried may prove to be useful as an expedient but may be discarded soon or superseded by another device.²¹ In 1938, in seven States

²⁰ A description of the coordination of the New York Division of Industrial Hygiene with the Division of Workmen's Compensation is found in the *Industrial Bulletin* for October 1938, p. 470.

²¹ In the State of Washington the administration of the medical aid law was transferred in 1921 from the State medical aid board to the workmen's compensation authority. This ended the experiment in that State with dual responsibility in medical administration.

(Massachusetts, Michigan, New York, North Carolina, Ohio, Pennsylvania, and West Virginia) there was a statutory provision for special medical boards or referees, in some instances as a phase of silicosis coverage. In any effort to supplement the administration by setting up special medical and rating boards, care should be exercised not to curtail or undermine the authority of the compensation commission, which, through long experience, may have an understanding of the problems and situation of the injured worker superior to that of some medical practitioners.

In 1936 an experiment of unusual interest was made in Alberta. A traveling group of specialists was established, for making thorough re-examination of all cases in which the claimants had expressed dissatisfaction with their disability ratings or awards. This committee, accompanied by the chairman of the compensation board and sometimes by labor leaders, visited cities and also isolated mining communities. Its findings provided a basis for the reconsideration of "problem" cases. There were no formal sessions for "hearings" attended by attorneys. The method was that of diagnosis and conference.

Importance of Adequate Provision for Medical Supervision

EXISTING PROVISION FOR MEDICAL STAFFS

As of January 1, 1938, in 21 States²² the workmen's compensation authority had a medical staff, but with full-time officers in only 8 instances.²³ With the exception of Saskatchewan, which has part-time medical officers, all the Canadian funds have full-time medical officers. In New Brunswick in 1936 a physician was appointed as a member of the workmen's compensation board. In Alberta the chairman of the board is a physician.

A compensation commission can hardly cover its task of medical supervision unless it has authority under the law, as well as funds, for making upon its own initiative any needed arrangements for advisory medical committees, disability ratings by expert consultants, and independent medical examinations. Most of the commissions, in case of medical dispute or apparent prejudice, have authority to select an independent physician to examine the worker, but in several instances commissions reported lack of funds to pay for examinations which they did not consider properly chargeable to the employer or insurance carrier. One remedy for such deficiencies is an improved method of financing the administration.

²² Arizona, California, Florida, Georgia, Illinois, Iowa, Massachusetts, Nevada, Nebraska, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, Virginia, Washington, and West Virginia.

²³ Discussions of the necessity for and duties of a medical staff are found in U. S. Bureau of Labor Statistics Bulletin No. 577 (pp. 159 et seq.) and in U. S. Division of Labor Standards Bulletin No. 4 (pp. 134 et seq.).

Notwithstanding the notable progress made in many States and Provinces in the extent and quality of medical care provided for injured workers, much remains to be gained by further improvement. A necessary step in this direction, in most jurisdictions, is more ample support for medical supervision and research. In the States the salary scale for medical officers is seldom sufficient to enable the commissions to secure and retain the highest type of medical personnel on other than a part-time basis. In the existing situation such attention as medical officers can give to the broader problem of the type of medical aid received by workers is usually incidental to the examination of bills and rating of injuries. Attention to the organization of medical aid to injured workers is left to insurance carriers, employers, and others who have a stake in this field of service. In the circumstances it is inevitable that while some of the medical care is excellent and well organized, in other instances the care is haphazard and inferior.

COSTS UNDER ALTERNATIVE TYPES OF SUPERVISION

In the United States measurements are not available to show the effect upon compensation cost of alternative types of supervision. Comparisons of European industrial accident statistics emphasize the importance of well-organized and qualified medical service in preventing loss to employers and undue suffering and disability on the part of injured workers. In the Monthly Labor Review for February 1938 (p. 435) Dr. Alfred Manes invited attention to a "very instructive comparison" in compensation cost "between two countries which seem completely comparable—the Netherlands and Switzerland."

The legal requirements of the insurance system covering industrial accidents are very similar in the two countries and the few deviations which do exist are negligible. A comparison of the insurance costs of both countries for the years 1932-1934, however, shows the following differences:²⁴

Net Cost of Insurance for Industrial Accidents in Netherlands and Switzerland, 1932-1934

Industry	Net costs (in percentage of wages)	
	Netherlands	Switzerland
Shoe manufacture.....	3.9	6.1
Paper manufacture.....	5.1	10.3
Mills.....	9.3	23.3
Breweries.....	9.7	18.7
Building.....	19.7	35.6
Generation and distribution of electricity.....	7.0	23.6

²⁴ It was explained by Dr. Manes that the differences in wage levels and medical fees in the jurisdiction compared were not sufficiently significant to vitiate these figures.

The Netherlands seem to have a most efficient medical service and this may be the reason that the time of treatment in case of an accident is comparatively short. Ninety-five percent of all workmen's accidents there require less than 6 weeks of medical attention before the worker is able to return to work. Such a favorable result is probably due to the fact that in the Netherlands all accidents, even the least serious, are inspected by official experts, and, if necessary, the injured persons are attended by specialists.

IMPACT OF INEXPERIENCE UPON MEDICAL SUPERVISION

In the course of the Bureau of Labor Statistics' survey of compensation administration it was apparent that insufficient attention has been given in the States to the study of loss prevention through medical supervision. As to the use of statistics in such supervision, a compensation officer of long experience summed up the situation by saying that "this is a matter upon which the commissions require education." In part, the cause of this lack of development is inexperience. In many States the prevailing practice with regard to appointment, qualifications, and tenure of compensation administrators and personnel has had an adverse effect upon medical supervision. Almost from the start of compensation administration in the States, commissioners have deplored the rapid turn-over of personnel. At the 1937 convention of the International Association of Industrial Accident Boards and commissions, Donald D. Garcelon, chairman of the Maine Industrial Accident Commission, said in his presidential address:

The rapid changes of personnel in compensation administration in this country is nothing short of appalling. * * * Continuity of service, especially in a highly technical branch such as this, is absolutely essential if we are to have really efficient administration of existing laws, or the mature experience that would warrant us in endeavoring to better them. (U. S. Division of Labor Standards Bulletin No. 17, p. 4.)

Where there is periodic turn-over of personnel, appointees facing the medico-legal problems of workmen's compensation often find themselves in need of specialized knowledge which at the outset they lack. Compensation officers have said that not less than 2 years of special study and experience are needed for understanding the medical phase of administration. In some jurisdictions compensation officers are replaced, sometimes before they have completed their apprenticeship, by others who may have to learn the subject anew. In consequence, defects of supervision resulting from inexperience are inevitable in many States.

In several of the Provinces of Canada where compensation administration has actually been upon a merit basis, though not under civil service, and in Wisconsin where under a thorough application of civil service the administration closely approaches a "career service," experience indicates that with consistent adequate supervision abuses incident to medical aid can be minimized and reasonable satisfaction

given to workers. Observation of the situation in the United States and Canada indicates that this factor, after the legal provision for unlimited aid has been enacted, is the controlling one. With consistent adequate supervision under an ample grant of authority, the problems incident to medical aid are understood as they arise and solved before they become chronic.

In the present situation there is little indication that significant improvement is to be expected, in many States, until compensation administration has been recognized as a special profession offering a career to those qualified for this exacting branch of public service. In the circumstances, indiscriminate criticism of the performance of compensation officers overlooks the cause of the difficulty; better service cannot be had until its basis has been provided.

Attitude of Insurance Carriers

Since the supervision, if any, of the cure of injured workers (as distinguished from supervision of medical expense) is often left almost completely to the insurance carrier or employer, the attitude, organization, and equipment of the carriers, for supervision, is of the greatest importance to the worker and the State. This factor has seldom received adequate consideration in administrative studies. The impression has found currency that most insurance companies rate more highly a physician's skill on the witness stand than in the curative art.²⁵ Such an attitude on the part of the insurance carrier, where it prevails, is an inheritance from the employers' liability insurance practice which was the predecessor of compensation insurance. A few carriers, for a number of years, have recognized that "it is not only good ethics but also good business to supply the best of medical attention for the period it is needed."²⁶

From time to time the medico-legal service of insurance carriers is complained of at legislative hearings on proposals for amending the compensation laws. Commonly, the service of all carriers is considered as a unit, when such complaints are made. It should be remembered that in many jurisdictions there are 40 or 50 carriers writing compensation insurance policies, some of them with a very small volume of business. Such insurance is sometimes accepted reluctantly, or only where it accompanies other types of casualty insurance written for the client. In the circumstances, adequate servicing is sometimes difficult and the standing of all carriers is affected by unfair competition. But so far no joint arrangements have been made by insurance carriers for maintaining, by all insurers, minimum standards of med-

²⁵ "The conclusion is inescapable that most of these doctors are selected or retained for their legal ability in defeating employees' claims rather than for their medical skill in healing their injuries." (Walter F. Dodd: Administration of Workmen's Compensation, New York, Commonwealth Fund, 1936, p. 491.) This statement is based upon surveys in industrial centers.

²⁶ *Idem*, p. 491.

ical supervision applicable both to the treating service and the conduct of medical witnesses. The carriers which have superior medical supervision, based upon high standards of performance and ethics, naturally look upon this superiority as one of their competitive advantages over other carriers, to be stressed when presenting their service features to employers who are interested in securing fair and competent attention both to the injuries and claims of workers. On the other hand, until more uniformly fair medico-legal service is rendered by all insurers, the report of unfairness at the hands of any carrier causes workers to look upon insurance adjusters and doctors with suspicion, and at times to be noncooperative in the curative program. The element of suspicion has consequently become a factor in the medical care of workers, and is a recognized and costly source of neurosis and delayed recovery. In the absence of legislation imposing upon carriers minimum standards as to organization for service to injured workers, the solution of this problem awaits, in part, the realization by compensation insurance carriers that they have common interests in the supervision of the medical phase of the compensation system. But in the absence of cooperative action for maintaining standards of service and practice, attention may be directed to the example of those insurance carriers which, instead of making their medical supervision a subordinate feature of the claims department, have set up their medical department as a scientifically minded agency for supervision, research, and preventive activity, and which give both pre-employment and continuation training to their claims examiners.

Summary of Main Points in Medical-Aid Experience

The provision for medical aid, if any, in the early compensation laws was meager, but by 1937 in many States full medical aid was usually furnished either in compliance with legal requirements or was given, in excess of requirements, for economic or humane reasons by insurance carriers and employers. The placing of the provision for full aid uniformly upon the basis of legal right has been urged by the National Conference on Labor Legislation. Presumably, with the advance in medical science, the quality of care actually received by the injured workers has improved, but there is little statistical information in the compensation offices for measuring such improvement, and medical directors sum up the situation by saying that there is some very good surgery done, and some very bad surgery. Compensation officers seldom interfere with treatment except upon specific complaint, usually because it has not been "the custom" to do so.

Serious complaint in regard to medical-aid administration is confined to a few jurisdictions and more particularly to the largest metropolitan areas. It is probable that medical care is in many cases

very inadequate in some States having a substandard medical-aid statutory provision, where low-paid workers have not complained to the authorities because they have expected little or did not know their rights. In most areas it would be impossible to learn the exact situation without a special field study of the care that is actually given. A survey of medical aid in Pennsylvania, made in 1934, disclosed "a widespread judgment on the part of workers that they are requested to resume work before they are fully recovered."²⁷ In this connection, however, it must be noted that many physicians consider that the return to the working exercise and atmosphere is a necessary part of the patient's cure, and one of the most difficult tasks of supervision is persuading employers to provide suitable light work for a recuperating employee. The complaint mentioned does point to undeveloped techniques and opportunities for the "after care" of convalescent workers.

Although informed and thorough supervision of medical aid is of vital importance to workers, adequate supervision may not always be found even in jurisdictions making legal provision for full medical care. It is true of the supervision, as of the care, that some is good and some is deficient. The main roots of the difficulty are inadequate support of supervision, lack of a training program and standards for the administrators, and a legalistic conception of the workmen's compensation system. Workmen's compensation administration touches a number of the sciences and arts, among which are law, medicine, engineering, and economics. Its difficulties come to a head in the medico-legal phases of administration. In the State offices, the necessity for adequate pre-employment and continuation training for work of such responsibility and difficulty has seldom been recognized.

The medical-aid system has too often operated in an atmosphere of conflicting interests, not conducive to rapid and complete restoration of injured workers. The Cullman Committee (New York) said: "The fine art and science of healing are lost in the compensation battle."²⁸ Instances of profiteering under workmen's compensation have caused some labor leaders to emphasize, when discussing compensation problems, that the compensation acts should be for the benefit of injured workers instead of for doctors, lawyers, commercial agencies, and insurance carriers. Examples of unfair treatment of injured workers have injected an element of suspicion into the workers' minds, and caused them to concentrate upon protecting themselves against underestimates of their disabilities. Under existing types of claims procedure in the States, especially in controverted cases, greater attention is sometimes given to disability evaluation than to checking upon the

²⁷ Pennsylvania Department of Labor and Industry. Special Bulletin No. 40: The Results of Workmen's Compensation in Pennsylvania. Harrisburg, 1934, Part I-b, p. 96.

²⁸ For an account of this and other investigations of medical aid in New York, see Dodd: Administration of Workmen's Compensation, New York, Commonwealth Fund, 1936 (p. 464).

most complete possible restoration under approved surgical practices. This is "putting the cart before the horse." It is clear that it would be better for all concerned if paramount attention could be given to assuring the most complete cure possible and planning after-care programs where needed. To change this situation would require, for one thing, the adoption of a claims-administration system operating in a diagnostic instead of a controversial atmosphere. It is recognized, of course, that much of the medical care of injured workers has been excellent. This does not, however, relieve the loss and suffering of workers whose cure has been delayed and disabilities aggravated by the wrong type of medical care, or whose cases have been closed without attention to discoverable causes of future complications.

Few of the compensation commissions are equipped for the statistical, research, and preventive activities of a medical program. There is reason to believe, although it is impossible to prove in the absence of surveys and experiments, that much of the present compensation loss and medical expense could be saved by comprehensive supervision guided by research. Such estimates are based, in part, upon inquiries by industrial surgeons into heavy losses attributable to the infection of injuries which, if promptly and properly treated, would have caused no absence from work. Moreover, it is well known that most small industrial plants are "ill equipped physically to cope with toxic fumes, and poorly equipped financially to provide for adequate plant hygiene."²⁹ Many small plants in some jurisdictions are almost untouched by State supervision, because of inadequate provision for inspection, and as a rule there has been little coordination between the medical and engineering supervisory services, where such are furnished by compensation commissions in the course of injury-prevention programs. In a few jurisdictions which have occupational disease coverage, provision for industrial hygiene research and supervision has been made. There are indications of increasing alertness to a more comprehensive medical program for the prevention of injuries, fostered by recent demands for more effective and complete occupational disease coverage under workmen's compensation laws.

²⁹ *Industrial Medicine*, September 1938, p. 545; see also American College of Surgeons, *Medical Service in Industry and Workmen's Compensation Laws*, Chicago, 1938.

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Industrial Relations

WORKERS' ATTITUDES ON WORK SHARING AND LAY-OFF POLICIES IN A MANUFACTURING FIRM

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THE problem of designing and carrying out a lay-off policy satisfactory both to workers and to management has recently been given increasing attention. Yet neither employers nor trade-union leaders are in agreement as to the best policy to follow.¹ Moreover, while various compilations have been made which show the different types of curtailment policy used by industry,² none of these reveal how these policies are regarded by the workers. Studies indicating the attitudes of the workers toward different types of policies need to be made if we are really to understand what policies have been most effective. Although the present study raises more questions than it answers, it throws light on the points of view of a certain group of workers on lay-offs and thus may be helpful in judging curtailment policies that are being used in other companies. However, it should be borne in mind throughout that the attitudes expressed represent only the opinions of a particular group of workers in a particular situation.

This article is based on the tested attitudes of a group of workers in a unionized shop as to the method that should be followed in making lay-offs. The workers studied were employed in two plants of a large manufacturing firm referred to, hereafter, as the "X company." The employees in these two plants are in the main semiskilled or skilled native American workers of a high level of intelligence. About one-third of the "hourly rated" working force of 7,000 was laid off between October 1937 and July 1938. Data on the attitudes of the workers toward the policy followed in making lay-offs were available through a series of votes on curtailment policy which were taken under the auspices of the union. In addition, use was made of a questionnaire distributed among selected union members and checked

¹ For a recent summary of lay-off policies in different industries see *The Seniority Principle in Employment Relations*, Industrial Relations Section, Princeton University, May 1938.

² E. g. National Industrial Conference Board, *Lay-off and its Prevention, 1930, and Curtailment, Lay-off Policy and Seniority*, January 1938.

by extensive interviews with the union representatives in the two plants.³

The two plants of the X company presented a particularly favorable opportunity to discover the preference of workers in regard to curtailment methods where no rigid lay-off rule had been adopted. Neither the management nor the union had attempted by means of propaganda to advocate any set policy for lay-offs. Both sides had repeatedly stated that the ideal policy should give weight to a combination of factors.

Union-Management Relationship in Company Studied

To understand this study it will be necessary to give some background on the union-management relationship in the two plants. From 1918 to 1934 the plants had operated under an employee-representation plan. In 1934, however, at an election supervised by the Regional Labor Board the employees voted in a proportion of two to one in favor of joining a newly organized union. In 1936 the new union helped to form a national union, which shortly thereafter affiliated with the C. I. O. By October 1937, the X company local reported that over 90 percent of the hourly rated employees in the two plants were dues-paying members.

Although relations between the new union and the management were somewhat strained at first, they have settled down to an amicable working arrangement. There has been an unusual effort on both sides to cooperate as far as possible. From the beginning, the union announced a policy of exhausting every possible method of adjusting a dispute before resorting to a strike.⁴

Workers' Acceptance of Company Lay-off Policy

The company's conduct of lay-offs made necessary by the recent business depression is illustrative of the way in which the company and the union have cooperated in working out their joint problems. The management's announced method on lay-offs is contained in the booklet of company policy:

In selecting employees to be laid off, the following factors shall be given consideration:

1. Length of continuous service.
2. Ability, skill, and experience.
3. Family status—number of dependents, etc.

³ Profs. D. McGregor and Douglass V. Brown of Massachusetts Institute of Technology worked on parts of this study. Dr. McGregor was largely responsible for designing the questionnaire which was sent out to a large group of X company workers. His psychological analysis of this questionnaire study is to be published in the near future in the *Journal of Abnormal and Social Psychology*.

⁴ "Who overcomes by force hath overcome but half his foe" was suggested as a motto in the union newspaper.

In cases where the second and third factors, taken together, have relatively equal weight, those with the shortest period of continuous service will be laid off first.⁵

Lay-offs were not an issue at the X company during the early years of the union. It was not, therefore, until October 1937 that the union was forced to decide whether or not to accept the management's proposal to lay off workers on the basis of the announced company policy. The membership appointed a subcommittee to study the question. Its report is given in part below:

The committee recommends that we adhere to the present policy of the company.

The reasons: 1. Under the present plan, responsibility lies with the management. Since we have had a union we have had ample opportunity to take up any case when an injustice seems likely. History of cases since the union has been in existence, has proven that in choice of lay-off there has not been 1 error in 20 * * *.

2. We believe it is impossible to get rules to cover all combinations—service, skill, building, group, job, and dependents—and it would still leave just as much argument, even if such rules were applied, as at present. If we tie a rule strictly to a job, to a department, or to a building, we will prevent elasticity—which would make it necessary to have so many exceptions to such rules that it would be lost in a maze of written data. We have found that each individual case represents a peculiar combination of factors.

3. History has shown that if strict seniority were applied by plant alone, by transferring a man to another department and displacing another employee with less service, the employees in that department would not welcome the newcomer * * *.

To sum up, the committee believes that with a strong union we can insist upon justice being done, even though we do not expect to please everybody—for lay-off is always a sore problem.

The membership accepted this report and agreed to let the management decide who should be laid off on the basis of the announced company policy. Since then the union has confined its action largely to protesting individual lay-off cases.

Procedure Followed in Lay-offs

The period in which the recent lay-offs were made in the X company extended from October 1937 to September 1938, with the principal lay-offs falling in the 3 months—December, January, and February. The short-service workers were the first to go, but in some of the departments many of the longer-service workers also had ultimately to be laid off. Although no attempt was made to provide strict plant seniority, all workers with over 10 years' service

⁵ This formula is somewhat similar to the standard lay-off provisions in C. I. O. agreements in the steel industry except that the latter include two additional factors. The factors that they consider are (a) length of service, (b) ability, (c) physical fitness, (d) need, (e) place of residence. "Where factors (b), (c), (d), and (e) are relatively equal, length of continuous service shall govern." The steel agreements are typical of many of the new C. I. O. seniority clauses. However, they go considerably less far in protecting seniority than many of the agreements of the United Automobile Workers and the United Rubber Workers.

For a defense of the more rigid seniority rule, see "Seniority, Major Item in Auto Contracts," by MORRIS FIELD, in *The United Automobile Worker*, February 26, 1938.

and some with less were transferred, if a place could be found in another department. The problem of transfer was particularly difficult because of the wide variation in the type of work done in the two plants. The lay-offs of hourly rated workers in the main plant during the year ending September 30, 1938, by length of service, are given below and compared with the number of hourly workers on the pay roll as of September 30, 1937.⁶

	<i>Hourly rated workers, Sept. 30, 1937</i>	<i>Hourly rated workers laid off</i>
Under 1 year's service.....	1, 314	976
1 to 2 years' service.....	967	784
2 to 3 years' service.....	95	55
3 to 4 years' service.....	29	9
4 to 5 years' service.....	45	15
5 to 10 years' service.....	323	57
10 years' service and over.....	2, 465	43
Total.....	5, 238	1, 939

It is apparent from these figures that, in practice, length of service was given the greatest weight in making lay-offs.⁷ In most departments it required very exceptional ability or exceptional need on the part of a short-service worker to counterbalance 2 additional years of service on the part of an alternate for lay-off. The men with over 5 years' service were retained rather than the men having less than 5 years' service, and the men with over 10 years' service were only in very rare circumstances laid off instead of men with less than 10 years' service. On this point the management's unofficial position was that, if a man had been retained more than 5 years, it was the fault of the department if there was any question about his ability, and it must pay the price of retaining him unless, of course, he was flagrantly inefficient.

The only important exceptions to the policy of stressing length of service occurred when the choice lay between retaining a single girl and a married woman with a husband working. When the husband had steady work the tendency was to favor the single girl even though there was considerable difference in length of service.

The Workers' Attitudes

In order to find out what the workers thought about the company's lay-off policy and the union's role in determining that policy, a tentative questionnaire was submitted to the union councilmen and

⁶ The lowest point for the main plant's pay roll was reached on September 3, 1938. By September 30, when these figures were compiled, 168 workers had been rehired.

⁷ Of the 100 hourly rated workers laid off with more than 5 years' service, 40 were married women with husbands working. We inquired from both the union and the company into the circumstances of a substantial number of the remaining 60 cases. Most of these workers were laid off because they lacked versatility and no other place could be found for them. The two plants of the X company have many specialized operations which makes the problem of transfer particularly difficult.

to several officials of the company. In revised form, it was then (February 1938) mailed to every third person on the alphabetical list of union members. As the names of the workers who had been laid off remained on the regular union membership list, the questionnaire reached a sample of both those in the plant and those laid off.

RESULTS OF QUESTIONNAIRE

The analysis of the questionnaire is based on replies from a representative cross section of the workers. The union gave the questionnaire considerable publicity in its newspaper⁸ and suggested that it would provide an authoritative answer to some of the lay-off questions which were puzzling its members. That the answer did represent, as accurately as is possible in any questionnaire, the attitude of the workers who replied is indicated by the very high degree of internal consistency in the answers received. This was the more significant, as a number of related questions were asked about particular lay-off policies which gave considerable scope for contradictory answers.

The most significant answers to the questionnaire, from the 550 workers whose answers were analyzed, were as follows.⁹

⁸ Published weekly and distributed free to all X company workers.

⁹ The sample is compared below with the hourly rated workers in both plants as of February 1, 1938. The comparison is only roughly accurate (due to possible errors in classification and to the failure of some 30 of the subjects to give information concerning seniority or employment status), but it is illustrative of the kind of representation achieved.

Seniority	All hourly rated workers, both plants			Hourly rated workers, both plants; laid off since Oct. 1, 1937		
	Total	Employed sample		Total	Unemployed sample	
		Num- ber	Percent of total		Num- ber	Percent of total
Under 1 year's service.....	543	21	3.9	1,019	47	4.7
1 to 6 years' service.....	1,197	89	7.4	644	60	9.3
6 to 10 years' service.....	433	52	12.0	22	(1)	(4.5)
Over 10 years' service.....	3,200	259	8.1	26	(1)	(3.8)
Total.....	5,373	421	7.8	1,711	109	6.4

It is difficult to be certain of the representativeness of this sample, but the distribution of sexes, ages, and amounts of seniority, and the proportions returned from the various departments of the plant suggest that the replies represent a rough cross section of all the hourly rated employees (salaried workers are not heavily represented in the union).

It is apparent from the table that a smaller percentage of returns was received from the workers with less than 1 year's service than from the workers with more than a year's service. This may have been because, in the X company, the workers with more than 1 year's service were the more active union members and, therefore, more cooperative with the union in answering the questionnaire.

1. What importance do you think should be given to need, to seniority, to skill and ability in selecting men for lay-off? ¹⁰

	Percent
Seniority, need, and ability should have equal importance.....	25
All three should be considered, but unequally.....	60
Only two factors should be considered, and the third not considered at all..	10
Only one factor should be considered, and the other two not considered at all..	5

Of the 5 percent who believed that only one factor should be considered, almost all felt that that factor should be seniority. Among the 60 percent who considered that all three factors should be considered, but unequally, a large proportion felt that seniority should be given the greatest weight, but there was also agreement that considerable weight should be given to need, and some weight to ability.

2. Do you favor some form of "share the work" policy?

	Percent
"Yes".....	97
"No".....	3

3. How much continuity of service should employees have in order to be considered for transfer to other departments before being laid off?

	Percent
1 year or less.....	10
2 to 4 years.....	15
5 to 9 years.....	34
10 to 14 years.....	35
More than 15 years.....	6

4. If a certain number of men are to be laid off, should the union or the company decide which ones will be laid off?

	Percent
The union.....	30
The company.....	35
The remaining 35% wrote in "The union <i>and</i> the company" (or a similar phrase).	

5. Do you agree with the company's lay-off policy in general? (Of the total, 67, or 12 percent, did not answer. Of the rest, the percentages were as shown below.)

	Percent
Yes.....	64
No.....	36

6. Do you think there has been favoritism shown in selecting the employees to be laid off during the past 6 months?

	Percent
Often.....	24
Seldom.....	48
Almost never.....	28

¹⁰ To record the answers, a scale was used in the questionnaire which permitted the worker to indicate his opinion of the importance of each of the three factors.

7. Which of the following types of lay-off policy would you prefer?

Percent

(a) Definitely stated rules applied to everyone.....	31
(b) Definitely stated rules to which occasional exceptions are made	19
(c) A policy of deciding each case on its own merits.....	50

8. Here are a few illustrations of the problems that are faced in deciding which workers should be laid off. How would you decide them?

Case I: Two men who have equal ability. Mr. A. has no dependents; he has 4 years' continuity of service. Mr. B. has 3 dependents; he has 1 year's continuity of service. Which one do you think should be laid off?

Percent

Would lay off Mr. A.....	54
Would lay off Mr. B.....	46

Case II: Two women who have equal ability. Mrs. E. has 10 years' continuity of service; her husband is working full time; she has two dependent children. Miss F. has 2 years' continuity of service; she has no family and is living alone. Which one do you think should be laid off?

Percent

Would lay off Mrs. E.....	84
Would lay off Miss F.....	16

Case III: Two men who have equal continuity of service. Mr. G. has 2 dependents; the company rates him as a "fair" operator. Mr. H. has no dependents; the company rates him as an "excellent" operator. Which one do you think should be laid off?

Percent

Would lay off Mr. G.....	34
Would lay off Mr. H.....	66

The principal conclusions from this questionnaire may be summarized as follows:

1. In general the workers endorsed the company's flexible policy on lay-offs. Although there was a tendency to weight seniority more heavily than need and ability, it was not very pronounced.¹¹

2. Practically all the workers wanted some consideration given to need.

3. On lay-off decisions involving a choice between a single girl and a married woman with a husband working, there was a considerable opinion in favor of laying off the married woman, more or less regardless of seniority. Even among the men and women whose families would have been affected by such a decision there was a definite sentiment in favor of laying off the married women.

4. The workers did not believe that ability should be weighted as heavily as either seniority or need. This position was clarified

¹¹ The longer-service workers tended to place somewhat greater emphasis on seniority and the workers with a number of dependents to place greater emphasis on need. This tendency, however, was not so pronounced as might have been expected. It was more evident among those with long service than among those with many dependents. The workers with less than 1 year's service and those with 1 to 6 years' service showed very similar attitudes on the average. They tended to weight both need and ability respectively, slightly more heavily than seniority. The workers with 6 to 10 years' service and those with more than 10 years' service tended to weight seniority more heavily than either need or ability. In all 4 groups there was a tendency to give need slightly greater weight than ability.

somewhat by the interviews that were used to supplement the questionnaire. The workers generally agreed that it was perfectly fair to retain a short-service worker of exceptional ability in preference to a somewhat longer-service worker with less ability. There was a widespread feeling, however, that the foreman did not judge ability fairly and if given much latitude would use ability ratings to play favorites. This feeling was also expressed in some of the comments written by the union councilmen on the questionnaires:

Your ability is according to how the boss likes you.

Favoritism is being shown where it can be covered up by the ability pretense. Too controversial.

The union has no opportunity to judge on ability.

5. Analysis of the answers to the questionnaire according to the length of service of the respondents showed that, even among workers with more than 10 years' service, 90 percent favored sharing the work to some extent before any lay-offs were made.

6. Two-thirds of the workers did not want the union alone to control lay-offs.

7. Although the majority of the workers did not believe that much favoritism had been shown in selecting men for lay-off, one worker out of every four believed that favoritism had been shown "often" in recent lay-offs. A careful examination of a large number of individual lay-off cases in the plant, however, indicated that favoritism had been exercised very much less than the workers believed.¹² Therefore, if this vote is typical of workers' attitudes it is extremely difficult to make all workers believe that favoritism is not an important factor in lay-off decisions.

RESULTS OF BALLOT IN ONE DEPARTMENT

A vote taken by the union at a somewhat later date in one of the principal departments in the main plant of the X company affords an opportunity to analyze further some of the workers' attitudes on lay-offs, especially with regard to work sharing. The occasion was a

¹² In the small plant a complete list of all the employees was available with information on length of service, ability, marital status, and number of dependents. One of our investigators attended the conferences which were held by the employment manager and the department heads to determine who should be laid off. Whenever continuity of service was not strictly adhered to in making lay-offs, he ascertained the reasons for the exceptions.

A complete record was also obtained of every employee in the department of the main plant in which the principal lay-offs occurred. The lay-offs were followed from October 1, 1937, to June 1, 1938, in which period practically all of the lay-offs were made. As in the small plant, we attempted to learn the reasons for not following the principle of seniority. In this process almost all of the foremen and union councilmen in the department were interviewed and asked questions about specific cases. A similar check was made on the four other departments of the main plant in which many lay-offs occurred. In these departments, however, only a few of the councilmen were interviewed as there were relatively few grievances resulting from the lay-off procedure.

Finally, the records for all the union grievance cases concerning lay-offs in both plants were examined in detail for the period between October 1, 1937, and June 1, 1938. Cases where favoritism was indicated were discussed with union officials and the management, and the facts determined as far as possible. It is interesting to note that while we discovered a few cases which indicated favoritism, these were frequently not the cases which the union protested.

projected lay-off of 137 workers in one large department which had been particularly hard hit. A direct labor force of 1,060 (as of September 30, 1937) had already been reduced to 580, and hours had been shortened gradually from 40 to 30. Early in March 1938 the management announced that 137 workers would be laid off in order to prevent a further reduction in hours. In response the union requested that a secret ballot be taken to determine whether the workers would not prefer to share the work further. The management agreed.

The work of this particular department is done largely on two floors and in the balloting the first floor and the second floor voted quite differently. On the first floor 390 votes were cast; on the second floor 165 votes. The results of the ballot were as follows:

	Percent of votes cast on—	
	First floor	Second floor
(a) The lay-off as proposed by management (about 137 workers), 32 hours for those left.....	6	17
(b) Lay-off of approximately 35 in building (less than 5 years' service) and shorter hours if necessary.....	14	29
(c) Lay-off of approximately 70 in building (less than 10 years' service), and shorter hours if necessary.....	7	19
(d) No lay-off whatsoever, shorter hours if necessary.....	42	21
(e) No lay-off whatsoever, shorter hours if necessary, and vacations to start April 1st.....	31	14

It should be noted that choices (a), (b), and (c) involved some lay-off, (d) and (e), none. Alternative (e) called for an extreme form of work sharing, as under it the workers were to be required to take their vacations in the spring rather than in the summer in the hope that, by summer, business would have improved sufficiently to make a lay-off unnecessary. For the long-service workers to vote for (e) required considerable altruism. The early spring is not nearly so attractive a vacation period in this community as the summer. Moreover, it was rumored at the time, although not officially announced, that unless business improved markedly the company would shut down in the last 2 weeks of August and that those who had already had their vacations would get no pay during the shut-down.

As a result of this vote the company agreed to treat the first and the second floors as separate entities on both lay-offs and vacations. However, as the management believed that hours would be altogether too low if no lay-offs at all were made on the first floor, the workers there with less than 5 years' service were laid off. A special vote was also taken on the first floor as to whether vacations should start on April 1, and was decided in the affirmative.

To throw light on the reasons for the difference in the voting on the two floors, the votes were analyzed by working groups. Apparently, the main reason for the difference was that the first floor was working about 30 hours a week, while the second floor was averaging around 25 hours. The long-service workers were willing to share the work

with others at 30 hours a week, but not at 25. That the vote on the first floor was genuinely altruistic is evidenced by the fact that the short-service workers were in the minority in all working groups. The workers knew that lay-offs would be based primarily on length of service and that very few if any workers with more than 10 years' service would be laid off. On the first floor, of those voting, about 70 percent had over 10 years of service.

One very large working group on the first floor registered almost a unanimous vote (92 to 2) against any lay-offs—such a high percentage, in fact, as to be surprising. Two-thirds of these workers had over 10 years of service, but there were 23 members of the group who had less than 3 years' service. This was much the largest aggregation of short-service workers left on the first floor. The entire group of 94 workers was averaging about 29 hours a week at the time of the vote. The three councilmen who represented these workers may have influenced the vote indirectly, as they were particularly active in union affairs and were known to favor work sharing. It is more probable, however, that the older service workers in this group were particularly reluctant to vote for a lay-off because a lay-off would have directly affected their working companions.

The difficulties of designing a lay-off policy that will be satisfactory to everybody are illustrated by two other groups of workers on the first floor. These two groups were doing the same type of work and working the same number of hours (32 at the time of the vote). Group A, with 3 workers of less than 10 years' service, voted 6 to 14 against any lay-off. Group B, with no short-service workers, voted 19 to 5 in favor of a lay-off.

The vote on the first and second floors of the department was taken in March, and the vacation plan was instituted on April 1. Orders continued to decline thereafter and by July the management was forced to decide whether to allow hours to remain at the unsatisfactory average of 22 for the first floor or to lay off more workers. The union called a meeting of the first-floor workers to decide the issue. Attendance was small. A show of hands was requested and a motion was carried for no lay-offs and continued work sharing. To this the management replied that it was not satisfied that the decision represented the majority opinion. The union then suggested that a secret ballot be taken of all the workers on the first floor. The workers voted 236 to 150 in favor of a further lay-off. Vacations and work sharing had been tried in the hope that business would improve. But when recovery did not take place the workers believed that a continuation of the 22-hour schedule was unsatisfactory.

The pronounced difference in the vote in the union hall and the secret ballot taken in the plant indicates the superiority of the secret ballot participated in by all workers on questions of workers' atti-

tudes. Moreover, on an issue which involves the charge of selfishness, a vote by a show of hands is not very satisfactory.

Points for Consideration in Formulation of Lay-off Policy

In drawing any conclusions from this article it should be stressed again that the evidence is based on opinions of a particular group of workers in a particular situation. Under different circumstances this same group of workers might have expressed entirely different opinions. However, the X company study suggests that a lay-off policy which allows considerable latitude in interpreting the circumstances surrounding each case may be preferable to any rigid rule. From the worker's standpoint the advantage of a rigid seniority rule is that it is not subject to interpretation and therefore provides protection against favoritism or discrimination.¹³ But this study indicates that, at least in cases where a union is strong and is dealing with a trustworthy management, it is not necessary to adopt such a rule in order to prevent discrimination and to give workers an equity in their jobs.

The present study also shows that among certain groups of workers there is a strong feeling that "need" should be taken into consideration in lay-offs. Yet to obtain an accurate basis for weighting need virtually requires a day-to-day picture of the number of each worker's family, their ages, income, and present employment. In one X company case a woman, threatened with lay-off because her husband was working, continued to deny categorically that she was married even when confronted with a copy of her marriage certificate obtained from the city hall. In many large concerns it may be impossible to get a reasonably accurate picture of these facts for all the employees. That it was possible at all in as large an organization as the main plant of the X company was due to a number of factors. The plant is located in a stable community and the voluntary turn-over of employees has been very small for a good many years. Most of the workers live in the town and frequently several members of the family are employed by the company. In most cases, therefore, both the foremen and the union councilmen have a fair knowledge of the home conditions of the workers whom they represent.

One of the most controversial problems arising out of an attempt to give weight to need is the question of how to handle the cases of married women whose husbands are working. The situation changes frequently. There were a number of X company cases in which the

¹³ A number of unions have induced employers to adhere to a rigid seniority procedure. Most union agreements, however, provide for more flexibility. The railroad brotherhoods and the International Typographical Union are the best-known union exponents of the seniority rule. The United Rubber Workers have been among the more successful of the new C. I. O. unions in obtaining seniority clauses in their written agreements. This was partly because the seniority principle on lay-offs had been accepted by the rubber industry before unionization, although it had not been applied rigidly.

For a description of lay-off procedure under a seniority rule in the Goodrich Rubber Co., see article by A. C. Sprague in *Personnel*, May 1938.

husband was working in another industry and had been laid off four or five different times by various concerns in the course of 2 years of depression. The management had to make certain in such cases that the married woman was really in a better situation than the single girl or the widow who might be alternative choices for a lay-off.

It was the workers themselves rather than the management or the union officers who were insistent that the married women with husbands working be laid off rather than the single girls.¹⁴ There was a strong social feeling in the factory that the married women whose husbands were working belonged at home. Whether logical or not, this feeling existed and had to be faced.

It is by no means established, however, that any policy of discriminating against married women with husbands working is desirable except in cases where all the facts are known and the married woman can be laid off with clearly less suffering than the single girl. Married women are employed for the most part because they need to make a living. A study made of the financial responsibilities of 28 married women employed by a New England firm indicates the pitfalls of any clear-cut rule of discrimination that does not take into account the individual circumstances. The investigators found that in all but 2 of these 28 cases the family could not get along without the wife's earnings. In one case the wife had to help her mother and four young sisters, while the husband was helping his father and unemployed brother.¹⁵

One other attitude of the X company workers that is of considerable significance was the widespread desire for work sharing. Not only was this indicated in the answers to the questionnaire in which 97 percent favored some form of "share the work" policy, but the ballot already analyzed of the first-floor workers in one of the large manufacturing departments also went surprisingly far in favoring work sharing. And although these workers reversed their decision in July, when hours had fallen to 22, there was little evidence in the interviews to indicate that they would not repeat the earlier vote in similar circumstances. Still further evidence of the desire for work sharing was obtained from a vote (not mentioned before) that was taken under the auspices of the union on a proposed lay-off in one of the departments of the smaller plant. This particular group voted 45 to 28 in favor of sharing hours to 24 a week in order to avoid any lay-off whatsoever—a decision which involved sharing work with apprentices of less than a year's service.

¹⁴ Very few, if any, trade-union agreements discriminate against married women with husbands working. By contrast, quite a number of companies that are not dealing with a union have such a policy, frequently as a result of pressure from the employees themselves.

¹⁵ U. S. Department of Labor, Women's Bureau, *Gainful employment of married women*, Washington, August 1936, p. 7.

In conclusion it should be stressed that a lay-off policy satisfactory for the workers studied in the two plants of the X company might very well not be satisfactory in the same form for many companies.¹⁶ Like other aspects of company policy, a lay-off program should be designed to suit the particular conditions of the plant. However, many progressive firms operating under similar conditions have adopted quite different lay-off policies with little or no attempt to determine what the workers prefer. Studies in companies operating under different types of policies need to be made on workers' attitudes toward work sharing, seniority, need, and ability, as factors in a lay-off policy. In particular, more accurate information is needed on the attitudes of the workers in companies that have been operating for a considerable length of time under a rigid seniority rule and in companies that have adopted a rigid lay-off formula.¹⁷

The present study suggests a number of questions that should be considered in assessing any particular lay-off policy.

1. The principle of seniority was introduced by the unions in the railroads and in the printing industry when discrimination in lay-offs was much more general than it is today. The evidence in this article indicates that there was no strong desire among the particular workers studied for a rigid seniority rule or for a rigid lay-off formula. But unless a company has succeeded in convincing its workers that it is making every effort to be fair, it is very doubtful if a lay-off policy which allows the management considerable discretion will be satisfactory to the workers.

2. If the management is making every effort to be fair, a lay-off policy which is not too formalized and permits of judging each case on its own merits may prove most satisfactory to both workers and management in the long run.

3. The workers may well be more satisfied with a lay-off policy that combines work sharing and lay-offs than with exclusive reliance on either. The X company workers demonstrated a high degree of altruism in wanting to share their excess earnings above a subsistence level with the shorter-service workers. If carried too far, however, work sharing may result in general discontent.

4. When lay-offs have to be made, length of service should probably be given first consideration. In no other way can a worker feel that he has earned an equity in his job. Moreover, the fear of unemployment in old age, and the traditional respect of young people for their

¹⁶ It is interesting to note, however, that the conclusions that can be drawn from the X company experience tend to support the generalized statements of the National Industrial Conference Board made in its January 1938 survey already referred to (Curtalement, Lay-off Policy and Seniority) and amplified later in its Service Letter of September 30, 1938 (Second Thoughts on Seniority Provisions).

¹⁷ Typical examples of lay-off formulas are found in the American Steel & Wire Co. and in the Interlake Iron Corporation. In these companies lay-offs are made as a result of a mathematical calculation which gives a specific number of points to various grades of ability and various degrees of length of service.

elders are powerful factors leading even the young to welcome a policy that gives greater consideration to the older worker.

5. That ability must be considered in a lay-off policy was accepted by almost all the X company workers included in the present study. But the workers were suspicious of management's methods of judging ability. It will probably remain extremely difficult to convince workers that ability ratings are fair, unless they believe that all the company officials from the foreman to the works manager are fair. It is these aspects of a labor policy which present the greatest challenge to progressive management.

Productivity of Labor and Industry

LABOR PRODUCTIVITY AND WORK OPPORTUNITIES IN COTTON GROWING

THE average production of cotton in the United States from 1917 to 1921 was substantially the same as the average from 1933 to 1936, but the amount of labor required fell substantially. The estimated amount of labor required during 1917-1921 averaged 3,089,000,000 man-hours, and during 1933-1936, only 2,489,000,000 man-hours. When the development of competing materials and the rise in the production of cotton in other parts of the world are taken into account, there is an uncertain basis for an expansion of demand for American cotton, while, at the same time, there are readily available the means for extensive further reductions in the amount of labor required to produce a given amount of cotton. These are some of the facts emphasized in a recent study by the National Research Project, U. S. Works Progress Administration, of changes in technology and labor requirements in the production of cotton.¹

During the past 30 years there has been a significant shift in the geographical distribution of cotton production. The acreage in the eastern cotton-producing areas was almost cut in half; the Delta area substantially maintained its acreage in the face of some reduction in acreage for the country as a whole; and the Western and irrigated areas gained significantly. There were important changes also in man-hours required per acre, in total man-hours, in the amount of cotton produced, and in man-hours per bale of cotton, both in the United States as a whole and in the principal cotton-growing areas.

¹ U. S. Works Progress Administration. *Changes in Technology and Labor Requirements in Crop Production: Cotton*. By William C. Holley and Lloyd E. Arnold. Washington, 1938. (National Research Project, Reemployment Opportunities and Recent Changes in Industrial Techniques, Report No. A-7.)

*Estimated Average Annual Cotton Acreage, Production, and Labor Required in the United States and in Major Cotton-Producing Areas, 1907-36*¹

Item and year	United States ²	Major cotton-producing areas				
		Eastern	Middle Eastern	Delta	Western	Irrigated ³
Acres harvested (in thousands):						
1907-11.....	31,759	10,483	2,041	6,480	12,374	4
1917-21.....	32,655	9,282	2,204	6,489	14,208	201
1927-31.....	41,031	8,598	2,608	8,927	19,875	532
1933-36.....	28,410	5,800	1,836	6,364	13,443	513
Man-hours required per acre:⁴						
1907-11.....	105	130	139	122	70	122
1917-21.....	95	120	136	114	62	109
1927-31.....	85	113	132	110	54	118
1933-36.....	88	123	130	116	50	127
Man-hours required on total acreage (in millions):						
1907-11.....	3,343	1,358	285	793	863	(⁵)
1917-21.....	3,089	1,115	301	738	883	22
1927-31.....	3,493	974	345	982	1,072	63
1933-36.....	2,489	716	238	739	673	65
Cotton produced (in thousands of bales):						
1907-11.....	12,332	4,536	1,072	2,597	3,997	3
1917-21.....	11,219	3,550	1,132	2,369	3,967	102
1927-31.....	14,658	3,452	1,291	3,615	5,651	416
1933-36.....	11,432	2,832	1,055	2,955	3,791	515
Man-hours used per bale:⁶						
1907-11.....	271	299	266	305	216	163
1917-21.....	275	314	266	312	223	216
1927-31.....	238	282	267	272	190	151
1933-36.....	218	253	226	250	178	126

¹ Based on data from National Research Project Farm Survey, 1936, and from earlier studies conducted by the U. S. Department of Agriculture and by State experiment stations. Labor requirements for marketing (when cotton was not sold at gin) are excluded from the estimates.

² Includes all cotton-producing States.

³ Includes New Mexico, Arizona, and California.

⁴ Hours are per acre harvested, but include estimated hours spent on abandoned acreage.

⁵ Less than 500,000.

⁶ 500-pound bale, gross weight (includes bagging and ties and contains about 478 pounds of lint). Labor on abandoned acreage is included.

Various improved techniques, if put into general use, would have reduced the labor requirements (or, inversely, increased the labor productivity) to a much greater extent. Why have these techniques not been more widely utilized? The principal explanation lies in the fact that there are few other forms of employment available to most of the farm population that has traditionally been employed in the production of cotton, while, at the same time, most of this farm population has found it necessary to live at so low a level of income as to make impossible the introduction of machinery or other improved techniques. In this connection, the authors of the study state:

Mechanization and other technological improvements offer an avenue of escape to those farmers who are able to take advantage of them. Insofar as they can produce more cotton with the same labor, they may be able to maintain their income even at the lower cotton price. It has been shown, however, that there are limited opportunities for mechanization in many cotton areas. The individual cotton grower is likely to have but little direct consciousness of competition between areas. He is aware only that cotton prices are dishearteningly low, that he must try to do more of the work himself to avoid paying out money for wages, and that he must deny himself and his family anything but the strict necessities of life if he is to get along at all. The typical tenant or cropper family (which produces little besides cotton) has less to spend for itself than half of the

proceeds, from 6 to 8 bales of cotton, worth \$40 to \$60 per bale, plus the proceeds from 6,000 or 7,000 pounds of cottonseed worth perhaps \$30 per ton. The small-owner family is not always or necessarily better off. It is not necessary to dwell on these shockingly low incomes. Families have "lived" on such incomes when they had to. But if they can they seek other lines of employment.

What are some of the alternative lines of activity for a part of the farm population in sections which are under the greatest disadvantages in cotton production? There has already been considerable shifting into vegetable crops, fruits, peanuts, hogs, and other farming enterprises in some areas. This shifting, however, is slow, with the opportunities far less than the need. Poor as it is, cotton remains for many the best agricultural alternative available in the Cotton Belt. Do other industries have more to offer? It would seem so, judging from the rapid movement of industries into this area during the past 15 or 20 years. The shift of industries to the South could ameliorate the effects of farm-labor displacement by providing industrial opportunities for employment.

The conditions under which the cotton crop is produced are such that there is an extreme pressure on a large proportion of cotton farmers to abandon that field of employment. This in turn means that there is a severe competitive pressure on industrial workers for a sharing of opportunities for employment in that field. The result is a tendency to depress income and living conditions of workers in other fields of employment. From the point of view of industrial workers and of public policy regarding standards of living, this is the most significant inference to be drawn from the study.



EFFECTS OF CHANGES IN GRADES OF ORE UPON LABOR PRODUCTIVITY

STUDENTS of natural resources and of problems of conservation have frequently called attention to the declining quality of many natural resources in the United States. The causes are twofold: the tendency to utilize first the better and more readily accessible resources; and the wastefulness of the Nation's traditional mode of utilizing resources on an individualistic and uncontrolled basis. The country's basic wealth in soils has suffered progressive deterioration by such influences as the one-crop system in some of the Southern States, soil erosion by floods in many sections of the country, and erosion by wind on the Western plains following conversion of pasture lands to tillage. The timber resources of the country have been depleted by methods of lumbering designed for immediate exploitation without due regard to preservation of the forests. A striking instance of wastefulness is the petroleum industry. Coal mining has been affected to some extent by such methods, but the vastness of the Nation's coal resources has made the wastefulness seem less serious. In the case of ores, especially the nonferrous ores, the restricted nature of the available resources has resulted in a striking decline in

output of metal per ton of ore. The progressive depletion of resources has been accompanied by the development of techniques to utilize lower grades of ore and by significant changes in labor productivity and employment. These topics are discussed, in relation to gold, silver, copper, lead, and zinc ores, in one of a series of studies by the National Research Project of the Works Progress Administration in cooperation with the Bureau of Mines of the Department of the Interior.¹

The depletion of richer or more readily accessible resources tends, of course, to reduce the productivity of labor used in the exploitation of the resources, and therefore gives added significance to technological improvements and accompanying increases in labor productivity. In the study of changes affecting nonferrous metal mining, it was found that—

Increased production of the principal nonferrous metal ores has been accompanied by a startling reduction in grade over the past 50 years. For example, approximately one-half of the Nation's copper production today comes from deposits that were known in 1900 but were then considered valueless because of their low metal content. Similarly, average yields worth \$5 to \$10 per ton obtained from gold and silver ores in recent years contrast with returns of from \$75 to \$100 or more per ton in the newly opened camps of the West in the 1870's and 1880's. Over as short a span as the past quarter century, the average yield obtained from lead ores fell 27 percent, and even greater declines in grade have been noted in important zinc-producing regions. Thus metal mining has had to adjust itself to a lowering of grade of ore, and the success of this process has been one of the important victories of mineral technology. Despite decreasing richness of metal content per ton of ore, technical progress has produced net trends of increased abundance and rising output per worker for all of the major metals.

The study makes some analysis of the significance of increasing natural disadvantages and of the technological changes designed to offset those disadvantages. It is stated that—

Ore grade is, in fact, a mixed symbol, expressing not only the metallic content available in accessible deposits but also a content profitable to mine under existing economic, social, and technical influences. Those with long experience in mining frequently raise the question of why employment readjustment is more difficult today than 20 or 30 years ago when the typical miner moved quickly to greener fields. The answer is that in the earlier period mining was still in the era of great expansion, and increased work opportunities resulted from the rising production of the more stable camps and from the opening of new deposits; these developments more than offset the labor saved by technical progress. To attempt detailed evaluation of these factors is beyond the scope of the discussion and is not essential, for, to illustrate how changing ore tenor affects the life of mining areas, one needs only to call the long roll of formerly great camps where pristine vigor has waned and problems of employment and social readjustment abound in the little communities left troublesomely stranded about them. Failure of ore grade to

¹ U. S. Works Progress Administration, in cooperation with the U. S. Bureau of Mines. *Mineral Technology and Output per Man Studies: Grade of Ore*. By Andrew V. Corry and O. E. Kiessling. Washington, 1938. (National Research Project, Reemployment Opportunities and Recent Changes in Industrial Techniques, Report No. E-6.)

keep pace with the forces of depletion is the nemesis of the mining enterprise, and on the day when the mine can no longer compete, the "ghost camp" emerges.

Although there are numerous "ghost camps," the process of depletion is usually gradual and is accompanied by "half-abandoned" communities. In these communities relief rolls are exceptionally large. When the process of depletion is gradual enough, and when the depletion occurs during periods of expanding business activity, there may be comparatively little difficulty in shifting to other communities. But even when such conditions exist they are frequently accompanied by new types of skills required by "mass mining" and changes in equipment. Thus miners with other skills and experiences are frequently left stranded even when the industry is expanding in new fields.

Social Security

GENERAL MOTORS WAGE-LOAN PLAN

THE General Motors Corporation recently announced the establishment of an employee benefit plan to be effective January 1, 1939, which will embrace about 150,000 employees.¹ The purpose of the plan, as announced by the president of the company, is "to provide greater income security for a broad coverage of our employees." There is no intention of a guaranteed annual wage. The plan is designed to provide loans to eligible employees during periods of enforced idleness caused by seasonal and general business depressions. Whenever an eligible employee's weekly income falls below a certain proportion of a full week's pay, the corporation offers to lend him the difference without interest. The loan is canceled in the event of the employee's death. When the employee's weekly earnings exceed 60 percent of standard one-half the amount by which such earnings exceed 60 percent is to be deducted from his wages to repay the loan.

Section I of the company's announcement states that the plans are effective for the calendar year 1939, and "it is the intention of the corporation to extend them from year to year, subject to such changes and modifications as may be required by experience and the circumstances then prevailing."

The other provisions of the plan are set forth as follows:

II. Employees with 5 years' service or more on January 1, 1939, and who worked any time during December 1938, will be eligible—

(a) If, in any week while this plan is operative, an eligible employee's earnings from the corporation and/or other regular employment are less than 60 percent of his standard weekly earnings, as hereinafter defined, the corporation will advance, at the option of the employee, the difference between his actual earnings and 60 percent of his standard weekly earnings, less any unemployment compensation to which the employee may be entitled. Thus, for the entire year the eligible employee is assured that in each week his minimum weekly income will be at least 60 percent of the standard.

(b) Advances are to be repaid without interest by the employee, but only through an opportunity to work. Whenever the employee's subsequent weekly earnings are in excess of 60 percent of the standard, one-half of the excess shall be applied to the reduction of such advances, until same have been repaid.

(c) In the event of the death of an employee, any amount due as a result of such advances, shall be canceled.

¹ General Motors Corporation. 1939 Employee Benefit Plans. New York, 1938.

III. An employee not qualified under section II but who on January 1, 1939, had 2 years' service or more and is employed at any time during December 1938 or the year 1939, will be eligible.

(a) A credit will be established for each such eligible employee, equivalent to 72 hours' pay at his latest earned hourly rate.

(b) If, in any week while this plan is in operation, an eligible employee's weekly earnings from the corporation and/or other regular employment, are less than 40 percent of his standard weekly earnings, the corporation will advance to such employee, at the option of the employee, the difference between his actual earnings and 40 percent of his standard weekly earnings, until he has exhausted the credit established in his behalf—less the amount of unemployment compensation to which the employee may be entitled, for that week.

(c) Advances are to be repaid without interest by the employee, but only through an opportunity to work. Whenever the employee's subsequent weekly earnings are in excess of 60 percent of the standard, one-half of the excess shall be applied to the reduction of such advances, until same have been repaid.

(d) In the event of the death of an employee, any amount due as a result of such advances shall be canceled.

IV. *Conditions governing the operation of the plans.*—(a) The corporation's standard working week is 40 hours, with time and a half for overtime.

(b) The standard weekly earnings of an eligible employee are defined as 40 hours' pay at his latest average earned hourly rate.

(c) Advances will be granted upon written application on forms to be provided by the corporation.

(d) The benefits of the plan are granted exclusively to the employees of the corporation and wholly owned subsidiaries in the United States, and are not assignable.

(e) No employee will be granted an advance who has voluntarily quit or has been discharged for cause; or for any week in which he is absent from work for personal reasons, or because of disciplinary lay-off; or for any week in which he refuses to accept employment offered to him, if he is capable of performing the work; or for any week in which he is idle as a result of a labor dispute in the plant in which he works.

(f) In the event of fire, floods, wars, riots, strikes, or other circumstances beyond the control of the management of the corporation, which cause corporation employees to be idle, or in case of a change through legislation, or otherwise, in the standard work week as above set forth, the corporation reserves the right to suspend in whole or in part or by plants, the granting of advances under these plans.



ALMSHOUSES IN MISSOURI

RURAL almshouses in Missouri were found, in a recent study, to be too small for efficient operation, inadequately equipped, ill adapted to care for all the types of cases they receive, and likely to be managed by unqualified and incompetent personnel. The study, covering 96 institutions, was made by the Department of Rural Sociology of the University of Missouri in cooperation with the W. P. A.¹

The almshouse population was found to include able-bodied indigents, aged, mentally and physically incompetent, and a few children. Children had, however, for the most part, been removed and were

¹ Southwestern Social Science Quarterly (Norman, Okla.), September 1938, pp. 201-210: A Study of Missouri Almshouses, by T. C. Pihlblad.

being cared for elsewhere. From the fact that a very large proportion of all the inmates had been there for short periods only, the investigators concluded that these institutions "are largely a temporary refuge." However, somewhat less than half were 70 years of age or older—the age of eligibility for old-age assistance in Missouri—and 46 percent of these were in such physical or mental condition as to require institutional care. It appeared, therefore, that only 735 inmates, or about one-fourth of all the inmates, were potentially eligible and could be discharged to receive pension. It was further pointed out that it was doubtful if all of these could meet the other qualifications or could make the necessary adjustment to new surroundings if they received the pension.

Also, considering that the average old-age allowance in Missouri is less than \$15 per month, the report reaches the conclusion that it seems rather doubtful that the county almshouses are likely to be emptied by the old-age assistance program. Were the almshouses to be relieved of the mental cases and the able-bodied aged cared for under old-age assistance, then these county institutions could be transformed into "infirmaries" primarily for the care of chronically ill.

If such plans are adopted the number of inmates per institution will be decreased beyond their already low level. Some counties will find their almshouses practically empty. (Two have been closed during the past 6 months.) Under such conditions it should be less difficult to persuade counties to cooperate in the erection and support of district institutions serving a number of counties. Such a plan is already in operation in two or three States, and Missouri already has legislation which would make possible its adoption here. Perhaps the eventually logical step will be the complete assumption of responsibility by the State and the creation of State institutions, distributed on a regional basis, for the care of the residually dependent who cannot be cared for through the other State programs.

Characteristics of Almshouse Population

The average number of inmates in the 96 almshouses studied in 1936, was 29.3 and almost 80 percent of these institutions contained fewer than 45 persons each. The 3 institutions that were caring for more than 75 each, together had 10 percent of the total almshouse population of the State.

The average age of the inmates was 65.2 years; 47 percent were between 65 and 80 years. Although no data were given in the report as to the total almshouse population, it appears to have been about 2,900. Of this number only 23 persons were below the age of 16—or less than 1 percent, as compared with the 3 percent under 10 and 5.5 percent under 20 found in a recent study in Tennessee.² This smaller proportion in Missouri was attributed to the fact that "the maintenance of children in these institutions has been almost entirely discontinued," the children found in them being in residence only tem-

² See *Monthly Labor Review*, September 1938 (p. 518).

porarily or to keep them with their mothers. In Tennessee, on the other hand, the children were in the almshouses because there were no other institutions for their care.

As in Tennessee, so also in Missouri the Negroes were found to be discriminated against in admission to the almshouses.

The adults "came from the poorest paid lines of work, as well as those requiring the least skill."

It was found that 38.9 percent of all the inmates were mentally incompetent (35.3 percent in Tennessee). Including those with serious physical defects, "two-thirds of the Missouri almshouse population are physically or mentally incapacitated."



OLD-AGE PENSIONS AND ANNUITIES IN CANADA

BY THE end of March 31, 1938, all of the Canadian Provinces were participating in the Dominion system of old-age pensions. On that date 175,673 aged persons were receiving assistance in the 10 Provinces and more than \$38,000,000 was spent for their care during the fiscal year. Of this sum 28½ millions—75 percent—was contributed by the Dominion Government.

Pensions are payable only to British subjects 70 years of age or over who have resided in Canada for 20 years and are not in receipt of annual income of as much as \$365. The maximum pension payable is \$240 per year. In cases of pensioners with private income, the pension allowance is subject to reduction by whatever amount their private income exceeds \$125 per year.

Statistics of operation for the fiscal year ending March 31, 1938, taken from the Canadian Labor Gazette for June 1938, are shown in table 1.

TABLE 1.—*Old-Age Pensions in Canada, Year Ended March 31, 1938*

Province, and year law was adopted	Number of pensioners, Mar. 31, 1938	Dominion Government contributions, 1937-38 ¹	Average monthly pension	Percent pensioners form of—		Percent all persons over 70 form of total population
				Total population ²	Population over 70 years of age	
All Provinces.....	175,673	\$28,524,587				
Alberta (1929).....	9,726	1,560,571	\$18.30	1.25	52.82	2.37
British Columbia (1927).....	11,563	1,955,951	19.18	1.54	42.55	3.62
Manitoba (1928).....	11,800	1,997,108	18.66	1.65	52.70	3.12
New Brunswick (1936).....	11,142	1,333,673	13.68	2.53	59.61	4.25
Nova Scotia (1934).....	13,827	1,836,704	14.64	2.55	50.66	5.04
Ontario (1929).....	57,530	9,527,469	18.43	1.55	35.16	4.41
Prince Edward Island (1933).....	1,811	167,330	10.63	1.95	31.07	6.27
Quebec (1936).....	46,490	³ 8,386,231	17.84	1.48	48.37	3.07
Saskatchewan (1928).....	11,775	1,757,835	16.45	1.25	53.35	2.35
Northwest Territories (1929).....	9	1,715	19.20	.09	7.44	1.21

¹ 75 percent of total is contributed by Dominion Government.

² Percentages based on estimated population June 1, 1937.

³ Includes payments from Aug. 1, 1936, for certain pensions granted in 1937-38.

Government Annuities

Since 1908 Canada has had a system whereby annuities may be purchased from the Government. This system was created in order to encourage thrift and voluntary provision for old age.

The smallest annuity that may be purchased on the life of one person or on the lives of two persons jointly is \$10 a year. The largest is \$1,200 a year. The contract may provide for either an immediate or a deferred annuity. The latter type is intended for younger persons desiring to provide for their later years, and may be purchased either by lump-sum or periodic payments.

Since the plan was started 36,899 contracts have been issued; of these, however, 3,214 had been canceled after issuance, leaving 33,685 in force on March 31, 1937. Table 2, from the annual report of the Canadian Department of Labor for the year ending March 31, 1938, gives, by years, the number of policies and the amount paid in premiums.

TABLE 2.—*Development of Canadian System of Government Annuities 1908-09 to 1936-37*

Year ending Mar. 31—	Number of contracts issued	Amount of premiums	Year ending Mar. 31—	Number of contracts issued	Amount of premiums
1909.....	66	\$50,391	1925.....	486	\$1,606,822
1910.....	566	434,491	1926.....	668	1,938,921
1911.....	1,069	393,441	1927.....	503	1,894,885
1912.....	1,032	441,601	1928.....	1,223	3,843,088
1913.....	373	417,136	1929.....	1,328	4,272,419
1914.....	318	390,887	1930.....	1,257	3,156,475
1915.....	264	314,765	1931.....	1,772	3,612,234
1916.....	325	441,696	1932.....	1,726	4,194,384
1917.....	285	432,272	1933.....	1,375	3,547,345
1918.....	187	332,792	1934.....	2,412	7,071,439
1919.....	147	322,154	1935.....	3,930	13,370,400
1920.....	204	408,719	1936.....	6,357	21,281,981
1921.....	195	531,800	1937.....	7,806	23,614,824
1922.....	277	748,160			
1923.....	339	1,028,353	Total.....	1 36,899	101,558,695
1924.....	409	1,458,819			

¹ Includes 3,214 contracts issued but later canceled.

Tax Exemption of Contributions to Pension Funds ¹

The annuities act makes specific provision allowing employers, in agreement with their employees, to contract for annuities for their workers domiciled in Canada.

In order to encourage employers to purchase such annuities and also to "encourage the present tendency in industry to create pension funds for employees," the Canadian Parliament in 1938 amended the Income War Tax Act. Under the amendment employers are allowed credit, in their income-tax returns, for lump-sum contributions to employees' pension funds, such deductions to be spread forward over a 10-year period. The contributions on which tax exemption

¹ Data are from Canadian Labor Gazette, June and November 1938.

is claimed must be "in respect of past services and must be charged irrevocably to the employees' credit."

Similar exemption had previously been allowed on employees' contributions, in an amount not exceeding \$300 yearly, and on employers' contributions based on current pay rolls. Fifteen firms, with 1,961 participating employees, are reported in the Canadian Labor Gazette for November 1938, as having purchased annuities, under the Government plan, for their employees since the 1938 amendment was passed.



VOLUNTARY CONTRIBUTORY HEALTH INSURANCE IN ONTARIO¹

IN RECENT years considerable interest has been expressed by various Canadian groups in the possibility of solving the social problem of medical care by some form of government health insurance. The Canadian Manufacturers' Association, the Canadian Trades and Labor Congress, and the Committee on Economics of the Canadian Medical Association are all on record as favoring health-insurance legislation. A law enacted by the Dominion Government in 1935 provided for unemployment insurance and included certain health-insurance features, but this law was invalidated by the Supreme Court of Canada and the Judicial Committee of the British Privy Council. As a result of this invalidation government health insurance in Canada must be considered as a Provincial responsibility. Only one Province—British Columbia—has a health-insurance law on the statutes; this law, which was enacted in 1936, has not as yet been put in operation.

It was decided by the various groups interested in promoting preventive and other medical services in Ontario that the most logical method of approach was through cooperation by all parties concerned and interested and that the motive should be service without profit. A nonprofit organization called "Associated Medical Services, Inc." was accordingly formed and a charter was granted by the Ontario Government during the first half of 1937. The announced purposes of the organization were to provide any or all services required in the prevention, diagnosis, or treatment of illness, to establish and administer reserves, to encourage medical research and preventive medicine, and to cooperate with organized medicine in advancing the standard of medical service.

Three elements are embodied in the cooperative project in question: (1) The corporation; (2) the participating physicians; and (3) the subscribers or consumers. The corporation itself is a nonshare-holding

¹ Data are from report by Herbert G. Hengstler, American consul general, Toronto, October 12, 1938; and Industrial Canada, December 1937: *Industry, Health and Medical Economics*, by J. A. Hannah, M. D.

body composed of both physicians and laymen. Its charter provides, however, that the medical men shall always constitute a numerical majority. The board of directors is the controlling agency and has at the present time seven members (four physicians and three laymen) elected by the corporative body. The lay membership of the corporation includes business and professional men interested in the problem of medical care. New members are admitted, as in a club, on the recommendation of two members of the board of directors.

Participating physicians are those qualified medical practitioners who agree to perform services in home, office, or hospital for subscribers to the facilities of the corporation. Bills for such services rendered are sent directly to the corporation, all fees being based on the minimum schedule established by the Ontario Medical Association. In short, the participating physician treats a subscriber just as he does any private patient, except that the corporation rather than the patient pays the bill.

Subscribers are free to choose a physician from among those participating in the plan but must state upon their application the name of the physician chosen, and the corporation is liable only for services rendered by him. The subscriber is allowed, however, to change physicians after due notice to the corporation.

The benefits include all necessary medical and surgical attention, obstetrical care if both the husband and wife have been subscribers for at least 10 months, X-rays, anesthetics and operating room, hospitalization not to exceed a cost of \$3.50 per day, and such nursing as is considered necessary by the branch medical officer.

The fees amount to \$2 per month for subscribers, \$1.75 per month for the first dependent, \$1.50 for the second, \$1.25 for the third, and \$1 for the fourth and each additional dependent. Wives or husbands of subscribers are considered to be dependents, as are also children or wards under the age of 21 years if their income does not exceed \$7 per week. Children or legal wards above the age of 21 years are considered dependents if attending an educational institution and wholly dependent upon the subscriber for support. Other relatives who are wholly or mainly dependent upon the subscriber may also be covered by the insurance.

Payments from subscribers are divided into two accounts—the medical reserve out of which the bills of the participating physicians are paid, and the administrative account for payments to salaried officers, clerical help, and for office equipment. Administrative overhead is estimated at 15 percent of total income. According to the chief medical officer, the corporation has paid all its medical and administrative accounts and has a more than adequate working surplus. It is the intention of the organization, he stated, to operate on a

pay-as-you-go basis, for only in that way can the purpose of the project—that is, skilled medical care for the great mass of persons in the low- and middle-income brackets with adequate compensation for physicians—be achieved.

The Associated Medical Services has opened branch offices in Ottawa, Woodstock, and Simcoe; such offices are established only at the request of the appropriate county medical association. According to the chief medical officer, pressure from the medical profession to set up branches in more than a dozen Ontario centers is very strong, but it is felt that expansion should be slow, in order that excessive administrative overhead and lack of experience shall not jeopardize the whole experiment. Branch offices are supervised by local boards consisting of one layman and two physicians; accounting, however, is centralized in Toronto. There are at the present time more than 3,000 subscribers. Of the approximately 4,500 qualified medical practitioners in Ontario, 900 are already participating in the project. Seven hundred of Toronto's 850 physicians are cooperating, as is a similarly large proportion of the doctors in Ottawa, Simcoe, and Woodstock.

The underlying theory of the Associated Medical Services, Inc., is that the medical profession, industry, labor, and government all share the responsibility for the problem of medical care, and that around such a nucleus as the service presents, a balanced program to that end may be achieved. It is the opinion of the chief medical officer that the organization can solve the social problem of medical care without diminishing the quality of the service rendered or destroying the personal relationship between patient and physician, while at the same time recognizing the right of the medical profession to adequate compensation.



COMPULSORY UNEMPLOYMENT INSURANCE IN NORWAY

A COMPULSORY system of unemployment insurance in Norway, established by a law of June 24, 1938, will replace the voluntary system subsidized by the Government which had been in effect since 1906. The former system was under the control of the individual trade-unions and covered a comparatively small percentage of the workers in the country. It is estimated the new system will cover about 630,000 persons. The Government will fix the date on which the system will become effective; it is expected to go into operation on either January 1 or July 1, 1939.¹

¹ Data are from translation of law forwarded by Florence J. Harriman, American Minister to Norway, under date of October 31, 1938.

Coverage

Insurance against unemployment is, in general, compulsory for all persons subject to compulsory sickness insurance, i. e., all persons 15 years of age or over in public or private employment who receive wages or remuneration consisting wholly or partly of cash and whose income does not exceed a specified amount (at present, 6,000 kroner per year). Those excluded from the sickness-insurance system, and therefore from insurance against unemployment, include independent workers, casual workers and persons employed only temporarily or incidentally, and persons earning less than 600 kroner per year. Agricultural, forestry, and lumber workers, and those employed in the shipping industry and in fishing and whaling are specifically exempted, as are also home workers, and domestic servants employed in private homes, institutions and nursing homes, or inns or restaurants not licensed as hotels. Persons in public or semipublic service whose employment is on a permanent basis are not covered, since they are not regarded as being subject to the hazard of unemployment.

Contributions

For the purpose of fixing the contributions, employees are divided into seven wage classes. The first two classes include Government employees and workers earning less than 600 kroner per year (class 0 and class 1), who are not included in the system. The combined contributions of employer and employee, for classes 2 to 6, are 0.36, 0.52, 0.70, 0.90, and 1.00 krone per week. The contributions will be paid by the employers to the sickness-insurance societies, which will transmit them to the unemployment funds to be established in different localities. One-half of the total contribution is deducted by the employer from the wages of the insured person. A half-yearly subsidy equal to one-fourth of the contributions will be paid to the fund by the local authorities. For a 3-year period after the act becomes effective the State will pay the subsidy due from the local authorities, but the total amount may be distributed over a period of 6 years. State subsidies after the 3-year period will be paid only when the expenditures of a local unemployment fund exceed the revenues of the fund for the previous year from the contributions and the communal subsidy. The local funds will be required to pay 10 percent of their revenue to the national reserve fund, and if the resources of a local fund exceed certain limits the fund may be required to remit all or part of the excess to the national fund. The national reserve fund will assist local funds which cannot meet the demands upon them, and if the reserve fund becomes exhausted the State will be responsible for the whole of the excess expenditure.

Benefits

The benefits include a daily cash benefit, traveling and removal payments, and the payment of sickness contributions during unemployment; or, in lieu of the cash benefit, a grant may be made toward vocational training. The daily cash benefit varies according to the different wage classes and ranges from 1.40 kroner to 4 kroner. In addition, a benefit of 0.30 krone per day is granted for each child under 15 years up to a maximum of 1.50 kroner. The total cash benefit may not exceed 80 percent of the daily wage which determines the allocation of the worker to his wage class. Traveling and removal expenses for persons who secure work in another locality may not exceed the daily benefit for 4 weeks, including the children's benefit. The Government, on the recommendation of the Unemployment Board, may increase the contribution or reduce the benefit for trades with special risks of unemployment.

In order to be eligible for benefit an unemployed person must be capable of work, not unemployed through his own fault, and have registered as seeking work in the local employment exchange. The initial qualification for benefit is 45 weeks of insurable employment within the 4 years immediately preceding the claim for benefit. Benefit is payable for not more than 15 weeks in a 12-month period, but may not be paid for more than one-third of the number of weeks for which contributions were paid in the year preceding the claim, plus one-third of the number of weeks for which contributions were paid in the preceding 3 years, less the number of weeks of benefit received in the last 4 years. After the maximum benefit has been paid to an unemployed person, a new qualifying period is required, of not less than 15 weeks' insurable employment within the period of 2 years immediately preceding the new claim for unemployment benefit. The waiting period before benefit is payable is 6 days, exclusive of Sundays. The continuity of unemployment is not interrupted by periods of temporary employment which do not last more than 12 days, but in any 1 week the benefit plus the earnings from such employment may not exceed $1\frac{1}{2}$ times the benefit that would have been payable for full unemployment. The same limitation is applied in granting benefit to persons employed on part-time work.

Benefits will not be paid to insured persons who take part in a strike or who are directly or indirectly affected by a lock-out or other labor dispute, nor to persons who refuse to accept suitable work or whose unemployment is the result of misconduct. Also persons who are receiving a pension, or wages or arrears of wages, or who are called for military service, are not entitled to benefit. In the case of foreigners working in a frontier district but not resident in Norway, a reciprocal agreement may be concluded by the Government with the country of origin of such workers.

Supplementary Insurance

The law provides that, for the payment of benefits beyond the maximum periods, organized groups of insured persons may establish supplementary unemployment-insurance funds. Such funds, in order to secure official approval, must provide that at least one-half the resources of the fund are derived from the contributions of members, and that benefits shall not be payable until after membership of 6 months and the payment of 26 weekly contributions or until the expiration of the right to benefit under the compulsory system. The maximum benefit period of supplementary funds is 15 weeks in a 12-month period. Also, grant of supplementary benefit must be subject to the general regulations governing the granting of regular benefit and the rates of benefit may not exceed the regular benefit. The unemployment funds existing under the former voluntary system may continue to operate as supplementary funds. The State subsidy to approved supplementary funds will amount to one-half of the amount of the supplementary benefits.

Administration

A National Unemployment Board under the control of the Department of Social Welfare will administer the act. It will be assisted by local unemployment committees, on which employers and employees have equal representation, which will be set up in each local government area. The National Board, appointed by the Crown, will consist of five members and alternates, including representatives of the employers and of the workers, nominated by their principal organizations. In addition to the regular administrative measures, the duties of the National Board and the local unemployment committees will be to study the state of the labor market, endeavor to improve working conditions, investigate the causes and extent of unemployment, and institute measures for preventing or reducing unemployment.

BRITISH HEALTH-INSURANCE SYSTEM

NATIONAL health insurance and contributory pensions are now closely associated in Great Britain. In 1937 the existing health-insurance scheme celebrated the twenty-fifth anniversary of its establishment. Contributory pensions were introduced in 1925, having from the outset been interlocked with the health-insurance scheme. Consideration is here given to the first of these schemes, i. e., to national health insurance.¹

In the first quarter century of its existence, the British national health-insurance scheme increased its membership from 11,500,000 to about 17,500,000. At the same time the total population increased about 4,750,000. The total benefits paid out in this period under the scheme were as follows:

	<i>Total benefits</i>
Sickness benefits.....	£202, 000, 000
Disablement benefits.....	94, 000, 000
Maternity benefits.....	35, 000, 000
Medical benefits.....	194, 000, 000
Dental and ophthalmic treatment, medical and surgical appliances, convalescent treatment, etc.....	40, 000, 000

Establishment of the System

Toward the end of the nineteenth and the beginning of the twentieth centuries there had grown up a number of "clubs," medical-aid societies, friendly societies, and trade-unions, which provided their members with "contract" medical services in various forms. There had been a long struggle between these bodies and the British Medical Association, traceable to the latter's desire to secure adequate remuneration for the doctors who rendered "contract" medical services. In 1909, the minority report of a Royal Commission on the Poor Law advocated the creation by the local health authorities of a comprehensive public health service. Partly as a result of these recommendations, proposals had appeared from time to time for the establishment of a public health service of this kind. The decision to establish a national scheme of health insurance on a contributory basis was taken in 1911 by the Liberal Government then in power. The inspiration for the decision is attributed to Lloyd George.

The act of 1911 provided that manual workers between the ages of 16 and 70 and nonmanual workers earning less than £160 a year were subject to compulsory health insurance. The law also provided for

¹ Report by Harry E. Carlson, American consul, London, September 3, 1938.

This article is one of a series on sickness-insurance systems in foreign countries. Other articles were published in the following issues of the Monthly Labor Review: December 1937 (Netherlands); January 1938 (Poland); February 1938 (Denmark); March 1938 (France); May 1938 (Norway); and August 1938 (U. S. S. R.).

voluntary membership by persons having annual incomes of less than £160 from all sources, who were not compulsorily insurable, and for the continuance of membership on a voluntary basis by those persons who had dropped out of the national health-insurance scheme by ceasing to be insurably employed.

The act of 1911 placed the British national health-insurance scheme on a compulsory and contributory basis, with the workers, the employers, and the State sharing the costs. This feature has since been adhered to consistently. The system was placed under the general control of the State, but supervision has been taken over by central departments concerned with health in England and Wales, Scotland, and Ireland.

When the act of 1911 was passed, the friendly societies, the trade-unions, and some of the medical-aid societies were brought into the national health-insurance scheme as insurance carriers.² Provision was also made in the act by which industrial assurance companies were enabled to form non-profit-making sections for the purpose of carrying on national health insurance.

These two groups of insurance carriers became known as "approved societies," and encouragement to join these societies was given to all insured persons, but provision was made, at the same time, for those who did not join the approved societies. Insured persons who are not members of such a society are called "deposit contributors," and contributions by or for them are credited to a special fund.

Great Britain's original National Health Insurance Act of 1911 has been subject to frequent revision; the number of persons covered by the scheme has been enlarged from time to time, and the rates of benefit have been modified.

Legislation

The following comparatively recent legislative acts have made certain amendments in the laws governing national health insurance:

National Health Insurance Act, 1924.

Widows', Orphans', and Old-Age Contributory Pensions Act, 1925.

National Health Insurance Act, 1928.

Widows', Orphans', and Old-Age Contributory Pensions Acts, 1929 and 1931.

National Health Insurance and Contributory Pensions Acts, 1932 and 1935.

National Health Insurance Act, 1936.

National Health Insurance Act (Amendment) Act, 1937.

National Health Insurance (Juvenile Contributors and Young Persons) Act, 1937.

The National Health Insurance Act, 1924, changed the previous legislation on this subject so as to make it affect almost the entire wage-earning population of Great Britain. The compulsory pro-

² These organizations had become so firmly entrenched in this kind of insurance that it was considered neither possible nor desirable to ignore them. Their membership included one-third of the persons who were eventually brought into the national health-insurance system.

visions of the act related to nonmanual workers earning less than £250 a year, and to all manual workers without regard to the amount of their earnings. Under the heading of voluntary insurance were included those persons who had been compulsorily insured for 2 years or more, and who desired to retain the insurance on a voluntary basis.

The interlocking of the system of widows', orphans', and old-age contributory pensions with the system of national health insurance already in existence was brought about by the Widows', Orphans', and Old-Age Contributory Pensions Act, 1925.

The National Health Insurance Act, 1928, introduced more important changes; thus, permanent provisions were made for unemployed persons, and the free period of insurance was extended. Legislative effect was also given by this act to many of the recommendations of the Royal Commission which reported in 1926 upon the national health-insurance scheme.

The opportunity for persons to become insured as voluntary contributors was broadened by the Contributory Pensions Act, 1929.

The Widows', Orphans', and Old-Age Contributory Pensions Act, 1929, was amended in 1931 so as to define the term "normal occupation," and to entitle to widows' pensions the widows of men who attained the age of 70 on or before July 15, 1912, and who died on or after January 4, 1926, and whose normal occupation was of a certain kind, at some time within 3 years before the date on which they attained said age.

The National Health Insurance and Contributory Pensions Act, 1932, gave certain privileges to unemployed persons; it also varied the rates of benefits payable to women. The act of 1932 also withdrew certain privileges which had been granted temporarily to unemployed persons; it permitted only one-half of their arrears due to unemployment to be excused; the right to sickness, disablement, and maternity benefits was withdrawn after a period of approximately 2¾ years' unemployment; finally, the termination date of the period during which unemployed persons could remain insured was set as December 31, 1935.

In the act of 1935, the full excusal of arrears was restored. This act also provided that persons who had been employed for 10 years could, on becoming unemployed, remain insured as long as they continued to prove unemployment.

All of the national health-insurance legislation was consolidated in the National Health Insurance Act, 1936. This is the law which is in force at the present time. The measure contains no amending provisions, but in it the various sections are arranged on a more convenient basis.

A National Health Amendment Act, passed in 1937, amended the descriptions of the persons with whom arrangements may be made under the National Health Insurance Act, 1936, for the dispensing of medicines.

In 1937 there was a further development in respect to the British national health-insurance service. An act passed in that year brought working boys and girls between the ages of 14 and 16 under insurance for medical benefit, thereby "bridging the gap between the school medical service and the main insurance arrangements." This act, which is called the "National Health Insurance (Juvenile Contributors and Young Persons) Act, 1937," provides medical benefit for boys and girls who, between school-leaving age and 16 years, are employed within the meaning of the National Health Insurance Acts. Medical benefits, the number of beneficiaries of which at the outset was estimated at about 1,000,000, became available to juvenile contributors as of April 4, 1938.

Coverage

In general, all persons between the ages of 16 and 65 years, who are employed within the meaning of the national health-insurance acts and who do not hold certificates of exemption, are required to be insured for both health insurance and contributory pensions.

The National Health Insurance Act, 1936, makes provision, however, for four separate and distinct groups of persons:

1. Those who are compulsorily brought within the scope of the act, called "employed contributors."
2. Those who are definitely excluded from the provisions of the act by reason of the employment's being an "excepted employment."
3. Those who are normally inside the act, but who may, under certain conditions, remain outside it, called "exempt persons."
4. Those who are normally outside the act, but who may, under certain circumstances, come under it, called "voluntary contributors."

EMPLOYED CONTRIBUTORS

The first of these groups, known as "employed contributors," is composed of those persons who are compulsorily brought under the National Health Insurance Act, 1936; this class includes all persons between the ages of 16 and 65 who are employed in Great Britain and who are employed—

1. In an occupation of a nonmanual nature at a rate of remuneration not more than £250 per annum.
2. In an occupation of a manual nature irrespective of the rate.
3. As an apprentice and receiving money payment.
4. In manual labor under a contract for the performance of such labor unless excluded by special order.
5. On any fishing or other vessel and remunerated by a share in the profits or gross earnings of the vessels unless excluded by special order.

The provisions of the act of 1936 which pertain to "employed contributors" are applicable to men and women (including married women); they apply not only to British subjects but to aliens as well.

This group includes almost all persons who work under the direction of an employer, irrespective of industry or occupation, except the more highly-paid nonmanual workers, but it does not cover such classes as independent contractors, ministers of religion, and professional men in general.

Whenever a question arises as to whether any occupation is of a manual or nonmanual character, such question is one for determination by the Minister of Health.

EXCEPTED PERSONS

There are various exceptions with respect to persons who would otherwise be liable to insurance as "employed contributors." Thus, certain persons who, in accordance with the principles previously mentioned, may be liable to be compulsorily insured, are specifically excepted from the provisions of the act if they come within any of the following classes, and no health-insurance contributions are payable by them or by their employers.

1. Persons employed as apprentices without money payment.
2. Persons employed on an agricultural holding without money payment.
3. Persons employed by their parents without money payment and persons who are fully maintained by their employer without money payment.
4. Wives employed by their husbands and husbands employed by their wives.

EXEMPT PERSONS

In the class of exempt persons are included persons who are normally liable to compulsory insurance, but who, for specific reasons, may, if they so desire, make application to remain outside the act. A person wishing to claim exemption must produce proof showing that—

1. He is in receipt of a pension or income of an annual value of £26 or upwards not dependent on his personal exertions; or
2. He is ordinarily and mainly dependent for his livelihood on some other person; or
3. He is ordinarily and mainly dependent for his livelihood on the earnings derived by him from an occupation which is not employment within the meaning of the act; or
4. He has not been employed within the meaning of the act for the prescribed number of weeks during any prescribed period.

The mere fact of belonging to one of the above groups does not of itself exempt a person from contribution payments due under the act. The individual must himself make application for and obtain a certificate of exemption from the Minister of Health.

VOLUNTARY CONTRIBUTORS

Only a very restricted class may now obtain voluntary national health insurance. Voluntary insurance under the combined health insurance and pensions scheme is, in general, limited to Great Britain, Northern Ireland, and the Isle of Man, but persons who go abroad for a temporary period may, if duly qualified, continue in insurance as voluntary contributors under the combined scheme. It is not possible to contribute for health insurance except in the special case provided for under the recently enacted Widows', Orphans' and Old-Age Contributory Pensions (Voluntary Contributors) Act, 1937.

The purpose of the voluntary insurance is to make it possible for persons ceasing to be compulsorily insured to continue the insurance should they wish to do so. A person who desires to continue insurance as a voluntary contributor must complete and present an application to this effect. Persons accepted as "voluntary contributors" under the 1936 act include those who (a) having been employed within the meaning of this act and insured as employed contributors for a period, whether continuous or not, of 104 weeks or upwards, have ceased to be so employed; (b) having become insured as employed contributors while insured as voluntary contributors, have ceased to be employed within the meaning of this act; and (c) being male persons in respect of whom not less than 104 contributions have been paid, have ceased to be employed within the meaning of this act.

A married woman cannot become a voluntary contributor under any circumstances under the National Health Insurance Act of 1936; she may, however, be eligible as a voluntary contributor for pension purposes under the 1937 Pensions Act.

PERSONS CEASING TO BE INSURED

The existing health-insurance legislation in Great Britain contains a number of provisions relating to the insurance rights of persons who cease to be insured. Under these provisions a person relinquishing insurable employment continues to remain insured until June 30 or December 31, whichever next precedes the expiration of a period of 2 years from the date of the last insurable employment. This is known as the "free insurance period." For voluntary contributors, insurance continues for a similar period after contributions have stopped. The average period of free insurance is about 21 months.

The National Health Insurance and Contributory Pensions Act, 1935, provided that an insured person who ceases to be employed is given a "free insurance period" of between 18 months and 2 years, during which period he is entitled to all health-insurance benefits. It also provided that if at the end of this period he proves within the prescribed time that throughout the period he was (except when insurably employed) either incapable of work through duly reported

sickness or was available for but unable to obtain employment, then, if he has been insured for 10 years up to the date when he ceased work, his insurance is continued for another year called an "extended insurance period." Thereafter his insurance is kept in force from year to year as long as unemployment continues and is proved. During this "extended insurance period" an insured person is not entitled to sickness and disablement benefit, but can regain title to those benefits by 26 weeks of insurable employment and the payment of 26 contributions over a period of not more than 4 consecutive contribution half years.

JUVENILE CONTRIBUTORS

The purpose of the "National Health Insurance (Juvenile Contributors and Young Persons) Act, 1937," was to enable boys and girls aged 14 to 16 years to be eligible for "medical benefit" when they left school and entered employment. This measure came into operation on April 4, 1938.

Type and Amount of Benefits and Benefit Periods

CASH BENEFITS

The British national health-insurance scheme was planned in such a way as not only to provide medical services but also to give sick people financial aid during the period of their inability to work. These cash benefits are said to be the most expensive part of the British national health-insurance scheme, costing nearly twice as much as the medical benefits.

The cash benefits fall under four headings: (a) Sickness benefit; (b) disablement benefit; (c) maternity benefit; and (d) "additional" benefits. These benefits are all administered through the approved societies.

Sickness benefit.—Normally, sickness benefit is payable only while the insured person is resident in Great Britain, Northern Ireland, or the Isle of Man. Persons temporarily absent elsewhere may continue to receive sickness benefit, if the payments commenced before the departure from Great Britain or Northern Ireland.

Cash benefits are rigidly controlled by the contribution record of the insured person. In order to qualify for receipt of sickness benefit, a person must have been insured for at least 26 weeks, and 26 contributions must have been paid. After 104 weeks of insurance have been completed and 104 contributions have been paid, benefits are payable at a higher rate. The qualifications and rates for sickness-benefit payments are as follows: For 26 and under 104 contributions and weeks of insurance, the rate of benefit for men is 9s. per week; for single women and widows, 7s. 6d.; and for married women, 7s. 6d.

For 104 weeks of insurance and over, the rate for men is 15s. per week; for single women and widows, 12s.; and for married women, 10s.

There is a waiting period of three days, after which the benefit becomes payable and may continue for not to exceed 26 weeks. Incapacity for work must have been caused by some specific disease or by bodily or mental disablement.

Disablement benefit.—Disablement benefit is a continuation of "sickness benefit" after the expiration of 26 weeks, but at a reduced rate. The rate of weekly disablement benefit payable is 7s. 6d. for men, 6s. for single women and widows, and 5s. for married women.

To qualify for disablement benefit the insured person must (a) normally be resident in Great Britain, (b) have paid 104 contributions, and (c) have been insured for 104 weeks. There is no waiting period, as the disablement benefit commences at once after the termination of the 26 weeks of sickness benefit and continues until incapacity ceases or until the insured person reaches the age of 65.

Maternity benefit.—Maternity benefit is a payment in the event of the confinement of an insured woman or the wife of an insured man, or, in the case of a posthumous child, of the widow.

The benefit consists of the payment of £2 on confinement of the wife of an insured man, or a similar amount if the woman herself is an insured person. In the event that both the husband and wife are insured, £2 is payable in respect to each insurance, or a total of £4. Moreover, if the woman is an insured person, but her husband is not, she is entitled to a double maternity benefit of £4. If either the husband or the wife are insured, but are not qualified or have been suspended on account of arrears, no benefit is payable.

The qualification for maternity benefit is 42 weeks of insurance and the payment of 42 weekly contributions.

Table 1 gives a summary of maternity-benefit payments according to the insurance status of the husband and wife, and to the Society from which the benefit should be claimed.

TABLE 1.—*Maternity Benefits, by Insurance Status and Society From Which Claimed*

Insurance status	Benefit payable by—		Total benefit
	Husband's society	Wife's society	
Husband only insured and qualified ¹	£2	.....	£2
Both husband and wife insured and both qualified.....	2	£2	4
Both husband and wife insured; wife not qualified or suspended on account of arrears.....	2	.....	2
Wife only insured and qualified ¹.....	.....	4	4
Husband a "deposit contributor," but amount standing to his credit not enough to provide £2.....	(2)	2	4

¹ If the husband only, or the wife only, is insured but not qualified, or is suspended on account of arrears, no benefits are payable.

² Dependent upon credit in D. C. fund.

³ Plus the sum needed to make the amount paid out of the D. C. fund £2.

An insured woman is entitled to sickness benefit, subject to the ordinary conditions, in respect to incapacity due to pregnancy, and also in respect to incapacity after the fourth week following her confinement. The total cost of maternity benefit in Great Britain in 1936 was £1,665,000.

Additional-treatment benefits.—The term “additional benefits” refers to certain types of benefits paid by the approved societies which may, or may not, become available to an insured person. Provision is made for periodical actuarial valuations of the assets and liabilities of every approved society. If, as a result of such valuation, there is found to be a surplus, then such surplus may be used for granting “additional benefits” to insured persons. Since July 1, 1921, most approved societies have been able to give additional benefits to members who are qualified to receive them.

In respect to additional payments, an insured person becomes entitled to “cash” benefits under this heading in January of the fifth calendar year following the year in which he last became a member of his approved society, while for treatment the waiting period is until January in the third year of membership in an approved society.

Additional benefits may take the form either of increases in the standard rates of cash benefits or of payments toward the cost of various forms of treatment, such as dental, ophthalmic, or convalescent-home treatment.

There is considerable variation in the additional treatment benefits provided by each approved society. The provision of treatment, services, or appliances is not included in these additional benefits. The whole or a part of the cost of these services is, however, paid for. The arrangements for the provision of these benefits are made by the societies themselves. In actual practice there is a wide diversity in these arrangements. Members may not claim additional benefits until after 2½ years' membership in the society granting them.

The number of approved societies granting additional benefits, the number of members of such societies, and the amount of money set aside for this purpose for the year 1937 are shown in table 2.

Each approved society has the right to determine the manner in which any surplus shall be used for granting additional benefits to its members. Proposals in this direction must, however, first be submitted to and be approved by the Minister of Health. Societies are, furthermore, permitted to provide only types of “additional” benefits specifically set forth in the National Health Insurance Act.

There are about 10,000 dentists associated with dental benefit. A considerable number of ophthalmic physicians render services in connection with ophthalmic benefits, as is also the case with several thousands of opticians.

TABLE 2.—Number and Membership of Approved Societies Granting Additional Benefits, and Amount Allocated, 1937

Name of benefit	Number of approved societies	Approximate membership	Amount allocated, 1937
Dental.....	5,434	13,056,000	£2,473,236
Ophthalmic.....	5,428	11,334,000	613,254
Convalescent-home treatment.....	2,866	11,467,000	216,878
Medical and surgical appliances.....	4,401	12,535,000	217,035
Hospitals.....	2,437	1,876,000	107,187
Convalescent-home premises.....	20	228,000	21,911
Convalescent allowances.....	52	432,000	2,350
Want or distress.....	768	6,215,000	37,739
Approved charitable institutions.....	417	7,508,000	34,625
Nursing.....	652	6,435,000	32,317
Infection.....	94	3,875,000	5,289
Not separately distinguished.....	70	945,000	6,021
Donations to charitable institutions.....	699	.....	29,782
Total.....	.....	.....	3,798,624

MEDICAL BENEFITS

Medical benefit under the National Health Insurance Act, 1936, may be placed under the three following categories: (1) Treatment and attendance by qualified doctors; (2) furnishing of adequate drugs and appliances; and (3) furnishing of medical certificates. Medical attendance is limited to such as is within the competence of an average general practitioner and does not include attendance or treatment in confinement.

There is no waiting period for medical benefit. When an insured person joins an approved society, he at once becomes entitled to medical benefit. The right to receive medical benefit does not cease at the age of 65, if the person is still insured on attaining that age.

Insured persons residing in England, Scotland, Wales, Northern Ireland, or the Isle of Man are entitled to medical benefit. The insurance committee for the area in which the insured person is residing makes the arrangements for the medical benefit. For information in respect to such an arrangement, inquiries are made directly to the clerk of the insurance company or through the member's society.

Voluntary contributors with incomes in excess of £250 a year are not entitled to medical benefit. Also, there is no provision for the extension of the benefits of the British national health-insurance scheme to dependents of insured persons.

Freedom of Choice of Physician

Special bodies known as "insurance committees" have been formed to carry out the administration of medical benefits. Committees of this kind are in existence in each county and county borough. On each committee there is a majority representation of the insured persons resident in the area. There are also representatives of insur-

ance doctors, chemists, and the county or county-borough council on each committee.

Each insurance committee is required to prepare a "panel" or list of the doctors and chemists in its area, who are prepared to give treatment and to furnish medicines for insured persons at rates of remuneration and under conditions agreed upon with the committee.

Any qualified physician may have his name entered on the panel. To do so, he must send notice to this effect to the clerk of the local insurance committee. The doctor's name is then entered on the panel of practitioners on file at all post offices. This constitutes an announcement of the doctor's readiness to receive panel patients.

Insured persons resident in the area of any registered medical practitioner have free choice among the doctors whose names appear on the list of panel practitioners for the area. They may likewise obtain any medicines or appliances prescribed for them from any chemist taking part in the service.

The insured person is supplied with a medical card by the local insurance committee. When the insured person desires to have medical attention he presents this card to the doctor he has chosen. In the event the insured person is accepted as a patient by the doctor of his choice, the doctor sends the medical card to the insurance committee. A record card is thereupon furnished the doctor by the insurance committee, which at the same time returns the medical card to the insured person.

Under this system qualified doctors may engage in panel practice if they so desire. Free choice as to the selection of a doctor is afforded the patient. Moreover, doctors have the right to refuse patients.

Orders issued by the Minister of Health under the National Health Insurance Acts limit the remuneration which doctors may receive from panel practice. The doctor's remuneration is in the form of a "capitation fee" of 9 shillings per year for each insured person on his list. Doctors in rural areas also have a mileage allowance, for use if the patient lives more than 2 miles away from the doctor. Except in very special circumstances, no doctor may have more than 2,500 insured persons on his list.

In addition to furnishing insured persons with such treatment and prescriptions as may be necessary, panel doctors are required to issue medical certificates to insured persons. These certificates are for submission to the insured person's approved society in support of sickness- or disablement-benefit claims. Physicians must also keep a record of the diseases of persons treated by them, in a prescribed form for use for clinical, administrative, and statistical purposes. Whenever an insured person avails himself of his right to change doctors his medical record is passed on to the new doctor.

Conditions Governing Payment of Benefit

There are certain rules of conduct which insured members must observe strictly while in receipt of medical or sickness benefits. These rules, which are printed on the reverse side of the medical card, are drawn up by the approved societies or the insurance committees. Penalties are prescribed for any breach of these rules.

Under the rules work is prohibited; the patient must be at home between certain hours; and he must not go away from home without the permission of the society or committee. Other provisions of various kinds are to be found in the rules.

In no case is it possible to withhold benefit from an unmarried woman who is pregnant, on the ground that misconduct was the cause of her pregnancy.

Amount or Rate of Contribution

Contributions payable under the national health acts are combined with those payable under the contributory pensions acts. Contributions are payable by the State, the employer, and the employee. The State contribution toward the cost of the National Health Insurance Scheme is in the form of the payment of a definite proportion of the cost of all benefits and of their administration. This proportion has, since 1926, been one-seventh in the case of men and one-fifth in the case of women.

Since 1926, the weekly rate of the health-insurance contribution has been 9 pence for men and 8½ pence for women, of which 4½ pence is in each case payable by the employer. The latter is obliged to pay the whole contribution in the first instance, but he is allowed to recover the employee's share by deduction from wages.

In respect to voluntary contributors the whole contribution is payable by the insured person himself.

The contribution is paid by affixing a health and pensions insurance stamp to a contribution card.

The combined health and pensions contribution is 1s. 8d. for men, and 1s. 2d. for women, of which the employer pays 10d. for men and 7d. for women.

Health- and pensions-insurance contributions are as follows: For men, total contributions for health insurance are 9d. and for pensions 11d., the employer and the employee each paying an equal amount—4½d. and 5½d., respectively. For women, total contributions for health insurance amount to 8½d. of which the employer pays 4½d. and the employee 4d., and for pensions the total is 5½d., of which the employer pays 2½d. and the employee 3d.

ARREARS IN CONTRIBUTIONS

During each contribution year at least 50 contributions must be paid or otherwise contributed by an insured person. Unless this takes place, the insured person is in arrears, and a penalty must be paid in the form of reduction or suspension of cash benefits during the succeeding benefit year, which is approximately the same as the calendar year. At the close of each contribution year the approved societies send notifications to their members of any arrears against them. The insured person may, if he so desires, pay the whole or part of his arrears; his rate of benefit will then be determined according to the extent to which his arrears have been paid. The period during which an insured person can pay his arrears is called the "period of grace," which normally ends on November 30 of each year; the rate of cash benefits payable to the insured person in the benefit year commencing in the following January is governed by the state of his arrears account. During any period when the insured person is rendered incapable of work by specific disease or by bodily or mental disablement, contributions are excused. In order to claim benefit, or to prevent arrears accruing, notice of the incapacity must be given, and evidence in the form of medical certificates must be furnished to the approved society. In assessing arrears, credit is allowed for weeks during which the insured person proves that he was available for but unable to obtain employment.

Table 3 gives an indication as to the reductions in the weekly rates of benefits for men, according to the extent of the unpaid arrears. For women there are corresponding reductions, but these start at a lower level.

TABLE 3.—*Reductions in Weekly Rates of Benefits for Employed and Voluntary Contributors (Men), According to Extent of Unpaid Arrears*

Total number of contributions credited	Corresponding reduction in weekly rate of—		Total number of contributions credited	Corresponding reduction in weekly rate of—	
	Cash benefit	Disablement benefit		Cash benefit	Disablement benefit
	s. d.	s. d.		s. d.	s. d.
50 to 52.....	1 0	1 0	39 to 41.....	7 6	3 6
48 to 49.....	1 6	0 6	36 to 38.....	9 0	4 6
46 to 47.....	3 0	1 6	35 or less.....	10	10
44 to 45.....	4 6	2 6	25 or less.....	10	10
42 to 43.....	6 0	3 0			

¹ No reduction.

² Sickness and disablement benefits suspended.

³ Maternity benefit also suspended.

Method of Settlement of Disputes

Members of approved societies may address inquiries regarding complaints or disputes to the secretary or agent of the society to which

they belong. Complaints or disputes between the member and the society are settled on the basis of the rules of the society, the proper procedure to be followed being ascertainable only by reference to these rules. Unless otherwise stated in the rules, complaints and disputes are sent directly to the secretary at the headquarters of the society.

In cases where a member of an approved society considers himself aggrieved by the society's decision, he may appeal, in the first instance, to the tribunal set up under the society's rules, with a right of further appeal to the Minister of Health, whose decision is final and conclusive.

Administration

The Minister of Health has central supervision over the national health-insurance scheme for England and Wales. In Scotland the corresponding supervision is vested in the Department of Health for Scotland; the Ministry of Labor for Northern Ireland is responsible for national health insurance in that country. There is a National Health Joint Committee which coordinates the work of these departments. The cost of the central administration is borne by the Exchequer.

General supervision over the administration of the scheme is exercised by the Minister of Health. The latter is responsible for determining all questions relating to insurability and for enforcing statutory contribution payments. The Minister of Health has the right to withdraw authority from any society which is shown by investigation to be administering the scheme in a manner prejudicial to the interests of its members.

Inspectors are appointed under the insurance acts, and it is part of their duties to enforce compliance with the provisions of the acts and to assist employers and insured persons in any difficulties. These inspectors are stationed at the important towns in the country and are easily accessible to the general public.

Many of the approved societies which originally entered the national health-insurance scheme have disappeared. The number had been reduced from 2,208 in the first years of the system to 859 in 1935. Of this total, 26 societies had "branches," the total number of which for national health-insurance purposes was 5,506. The actual number of approved society units administering the system in 1935 was 6,339. Membership in these approved societies ranged from 34 to 2,600,000. The approved societies, grouped according to size, 1932-1934, are shown in table 4.

All cash benefits and additional-treatment benefits are administered by the approved societies. In the case of medical benefit the control of the approved societies is limited to the right to elect members to the insurance committees as representatives of the insured population.

TABLE 4.—Number of Approved Health-Insurance Societies, Classified According to Size, 1932 to 1934

Number of members	Total societies	Number of societies without branches					Number of societies with branches
		United Kingdom	English	Scottish	Welsh	Northern Ireland	
All societies.....	915	134	631	71	35	18	26
Less than 100.....	34		34				
100 to 999.....	440	10	381	28	13	7	1
1,000 to 9,999.....	316	53	189	36	22	8	8
10,000 to 99,999.....	102	55	27	7		3	10
100,000 to 999,999.....	20	13					7
1,000,000 and over.....	3	3					

Each approved society has its own committee of management, office staff, sick visitors, and agents. The duties of the agents consist for the most part in the delivery and collection of about 36,000,000 contribution cards a year, and the disbursement of over 28,000,000 cash payments annually.

The Government Actuary is charged with the periodic valuation of funds belonging to the approved societies. On the other hand, the expenditure of national health-insurance funds, both by approved societies and insurance companies, must be audited by auditors appointed by the Treasury. If faulty administration is suspected, the department involved gets in touch with the approved society in question by letter, or makes arrangements for a visit from a departmental officer, in order to bring about necessary reforms.

INSURANCE COMMITTEES

The local administration of medical benefit and drugs is in the hands of insurance committees. There is one insurance committee in each county and county borough and large burgh. These insurance committees, of which there are about 200, have local offices and staffs, which are responsible for the supervision of about 19,000 doctors and 12,000 chemists.

Statistics of Operation

The estimated number of persons entitled to benefits under the health-insurance system in 1937 was 16,793,000. This was an increase of approximately 6,000,000 over the number insured in 1912, the first year the system was in operation. Table 5 shows the approximate number of persons entitled to benefits for the 10-year period, 1928 to 1937.

The receipts and expenditures under the health-insurance system are shown in table 6 for the 25 years the system has been in operation. The accumulated funds at the close of 1937 amounted to £118,788,000.

TABLE 5.—Estimated Number of Persons Entitled to Benefits Under British National Health-Insurance System, 1928 to 1937

[Figures are in thousands]

Year	Total number of men and women	Approved societies		Navy, Army, and Air force fund ¹	Deposit contributors		Exempt persons ²		Persons over age 65 ³	
		Men	Women	Men	Men	Women	Men	Women	Men	Women
1928.....	14,711	8,808	4,775	145	139	90	13	6	598	137
1929.....	14,958	8,935	4,852	135	137	96	12	7	634	150
1930.....	15,269	9,133	4,919	129	135	102	11	7	669	164
1931.....	15,426	9,229	4,939	124	132	103	10	7	704	178
1932.....	15,536	9,294	4,941	121	128	108	10	6	737	191
1933.....	15,444	9,204	4,897	118	122	113	9	6	771	204
1934.....	15,542	9,244	4,915	114	116	120	9	6	802	216
1935.....	15,776	9,379	4,962	120	115	122	8	6	835	229
1936 ³	16,398	9,764	5,139	125	120	127	7	6	866	244
1937 ³	16,793	9,975	5,274	126	126	136	6	6	889	255

¹ Insured for maternity benefit for wives only.² Entitled to medical benefit only.³ Provisional figures.

TABLE 6.—Receipts and Expenditures Under British Health Insurance System, 1912 to 1937

[Figures are in thousands of pounds]

Item	1912-27	1928	1929	1930	1931	1932	1933	1934	1935	1936 ¹	1937 ¹
Total receipts.....	421,612	32,720	33,128	33,543	33,639	31,626	31,936	33,380	33,792	35,477	36,628
Contributions.....	284,296	22,007	22,021	22,075	21,897	21,382	22,020	22,854	23,141	24,273	25,088
Interest, etc.....	40,609	4,674	4,672	5,251	5,051	5,088	4,860	5,312	5,029	5,278	5,168
Parliamentary votes and grants.....	93,515	5,989	6,435	6,197	5,956	5,156	5,056	5,214	5,622	5,926	6,051
Retransferred from N. H. I. Joint Committee.....	3,192	50	-----	20	735	-----	-----	-----	-----	-----	321
Total expenditures.....	255,971	27,219	29,231	27,804	27,773	26,773	26,790	25,637	26,148	27,454	28,642
Benefits:											
Sickness.....	94,550	9,564	11,228	9,359	9,327	9,247	9,562	8,306	8,481	9,005	9,749
Disablement.....	34,907	5,126	5,388	5,355	5,105	5,261	5,095	5,286	5,362	5,413	5,363
Maternity.....	18,547	1,443	1,428	1,484	1,448	1,405	1,296	1,311	1,328	1,383	1,406
Medical.....	94,024	8,498	8,760	8,679	9,035	8,469	8,633	8,557	8,829	9,234	9,657
Other, including sanatorium.....	13,943	2,588	2,427	2,927	2,858	2,391	2,204	2,177	2,148	2,419	2,467
Total cost of administration....	53,026	4,399	4,518	4,748	4,777	4,677	4,764	4,692	4,696	4,773	4,884
Approved societies and insurance committees.....	40,904	3,582	3,639	3,862	3,913	3,845	3,923	3,833	3,826	3,896	3,984
Central Departments.....	12,122	817	879	886	864	832	841	859	870	883	900
Transferred to N. H. I. Joint Committee (Central Fund and Unemployment Arrears Fund) etc.....	² 5,402	-----	-----	-----	-----	154	356	397	395	245	³ 2,352

¹ Provisional figures.² Includes £1,100,000 transferred to Exchequer from Navy, Army, and Air Force Insurance Fund and £384,000 transferred as a result of the severance of the Irish Free State.³ Includes £1,148,000 transferred to N. H. I. funds of other countries.

Paid Vacations

AMENDMENT OF BELGIAN LAW ON VACATIONS WITH PAY¹

THE scope of the Belgian law of July 8, 1936,² providing for vacations with pay for employed persons, was extended by a law passed August 20, 1938. The law applies to workers in mining, manufacturing and commercial enterprises, public utilities, building and public works, transportation, public services, hospitals and similar institutions, hotels and restaurants, theaters, and maritime fishing. The original law applied only to establishments or enterprises employing at least 10 persons, but was extended by a royal decree of October 2, 1937, to establishments in which at least 5 persons were employed. Under the amended law there is no limitation as to the number of workers employed in the undertakings subject to the law. Also, it is no longer required that the qualifying period of 1 year should be served under the same employer; workers are to be credited with service completed with different employers. In general, the length of the vacation period is 6 days, but it is provided that the vacation shall be doubled for young persons under the age of 18 who have acquired the right to a vacation, and if the financial condition of the National Auxiliary Holiday Fund permits, the annual vacation period may be increased for workers generally. This fund is to be established by royal decree for the purpose of financing additional days of vacation and will be formed from contributions by employers of one-half of 1 percent of wages.

During vacations, workers are entitled to receive their regular pay from the vacation funds, under a system whereby stamps equivalent to 2 percent of wages are affixed by the employer on each pay day to the "holiday cards" held by the employees.

The provisions regarding the increased vacations for young persons and extended holidays for other persons will be made effective by royal decree at a date not later than May 1, 1939. However, the extended holidays for young persons may be suspended for 1 year on the recommendation of the joint committee in a particular industry.

¹ Bulletin du Comité Central Industriel de Belgique (Brussels), September 7, 1938, p. 1164.

² Monthly Labor Review, September 1936, p. 617.

Housing Conditions

EXTENSION OF SLUM CLEARANCE IN DISTRICT OF COLUMBIA

INCREASED Federal loans to the Alley Dwelling Authority for the District of Columbia have made it possible for the Authority to undertake the construction of four projects to house 1,257 low-income families in Washington.¹ About 5,000 persons will live in these dwellings at base rentals averaging less than \$4 per room per month, exclusive of charges for gas, electricity, and heat. Residence will be limited to families having incomes of less than \$1,100 per year.

The necessary funds have been provided under a contract with the U. S. Housing Authority, approved by the President, whereby \$6,600,000 will be lent by the Federal Government, to be repaid in 60 years at the prevailing Federal interest rate, and the difference between this sum and the \$7,336,000 necessary for the projects will be raised by the Alley Dwelling Authority through the public sale of interest-bearing notes. This method of financing conforms with the provisions of the Federal Housing Act, 1937, authorizing loans of Federal funds to public-housing agencies to assist in the development, acquisition, and administration of low-rent housing or slum-clearance projects to a total not exceeding 90 percent of the development or acquisition cost of the project.²

Supplementing the loan, the U. S. Housing Authority has agreed to make annual contributions of not over 3½ percent of the total development cost of these four projects over a 60-year period. These sums are to insure low rentals to tenants by making up the differences between the amounts of rent low-income families can pay and the economic rent necessary to maintain and operate the projects, including interest and amortization of the sum loaned. The Alley Dwelling Authority will also subsidize these projects through complete exemption from taxation. As many unfit and insanitary dwelling units must be eliminated as new dwelling units are built, under the contract.

The four projects for which loans have been authorized are expected to create 1,692,000 man-hours of direct labor on the sites and 2,538,000 man-hours of labor off the sites for fabricating materials and other

¹ U. S. Housing Authority, Press Release No. 202, November 28, 1938.

² See Monthly Labor Review for October 1937 (p. 918).

work directly related to the projects. Work on the sites is expected to require the employment of 1,500 men.

Provision of Federal assistance to the Alley Dwelling Authority through the facilities of the U. S. Housing Authority follows the same principles as in other cities throughout the country. The loan contract makes it possible for the Authority greatly to extend its work. Up to the time this loan was contracted for, the Authority had operated with public funds totaling \$865,000, used to buy and sell properties, and the Authority had completed five housing projects in addition to reclaiming other slums. The original legislation³ under which the Authority operated provided for the reclamation of squares containing alley dwellings. About 200 alleys, estimated to house 2,500 low-income families, fell within this jurisdiction. The number of inhabited alleys has been reduced to 176.

In amending the enabling legislation to permit Washington to share in the benefits of the Federal housing law of 1937, Congress also extended the coverage of the Alley Dwelling Act so that operations might be extended beyond alley squares.

The Alley Dwelling Authority in its application for a Federal loan stated that the shortage of decent houses for low-income families is acute in Washington. At least 20,000 families are living in unfit, unsafe, and insanitary dwellings. Of this total 8,000 are Negro and 4,000 are white families living in alley slum areas, and 6,000 are Negro and 2,000 are white families living in substandard dwellings scattered throughout other sections of the city. Although residential construction in Washington in recent years has exceeded that in almost every other American city, there is still a shortage of accommodations renting for less than \$40 a month. The rapid growth in the population of Washington has contributed heavily to the substandard condition of housing. The existence of alley dwellings, one of the city's chief slum problems, dates back to the pre-Civil War period when domestic servants often had living quarters at the rear of their employers' dwellings. The custom of building houses in alleys spread to other families of low income.



INCREASE IN F. H. A. INSURED LOANS

THE Federal Housing Administration insured loans amounting to over \$2,000,000,000 for the purchase, refinancing, or improvement of residential properties between June 1934 and the early part of December 1938, and has stimulated home construction, according to statements of the Administrator.⁴ Coincident with the growth of insured loans the monthly income of the F. H. A. has increased to about \$1,000,000,

³ See Monthly Labor Review for March 1938 (p. 711) and March 1937 (p. 550).

⁴ Federal Housing Administration. Press Releases Nos. 341 and 342, dated December 4, 1938.

or almost enough to meet operating expenses. Net losses chargeable to the reserve funds are reported to be very slight.

Mortgages on 300,000 small dwellings in the amount of \$1,235,000,000 have been insured and placed on a premium-paying basis under the insured-mortgage system. Insured loans on 127 large-scale rental housing projects total \$60,000,000, and insured property-improvement loans total 1,775,000, in the amount of \$710,000,000.

Of the 286,000 homes with insured mortgages as of October 31, 1938, only 358 had been acquired by the F. H. A. following foreclosure by lending institutions. Almost 200 of these properties had been sold by that date. The net loss sustained amounted to \$140,688, which is deductible from the reserve fund of over \$24,000,000. The reserve is growing steadily as a result of the increase in funds accruing from appraisal fees paid by mortgage-loan applicants and from mortgage-insurance premiums paid monthly by borrowers on F. H. A. insured loans.

The Administrator cited figures of the Bureau of Labor Statistics showing the growth in the number of building permits for urban dwelling units in one- and two-family structures in comparison with the growth in the number of new small-home mortgages accepted for insurance by the F. H. A., in order to show the more rapid increase in insured mortgages. The steadily increasing proportion of total mortgages insured and the actual increase are believed, by the Administrator, to have resulted from the liberalization of the loan terms under legislation adopted in 1938.⁵



FRENCH HOUSING LAW, 1938⁶

THE need for the abolition of insanitary dwellings in France and for the improvement of housing in urban centers and in the country, which was brought out by a study of housing conditions by a special governmental committee, was recognized by the decree-laws of May 24 and June 17, 1938, providing for the closing or demolition of insanitary buildings and for the erection of cheap dwellings. Earlier laws provided for such measures, but the present decree-laws aim at reducing delays and simplifying the procedure and at the same time lay down the rules for determining the compensation to be paid to the owners and, when necessary, to the tenants. The first act is divided into three parts, i. e., slum clearance, erection of low-cost houses, and improvement of rural housing.

⁵ For amendment to the National Housing Act of 1934, see Monthly Labor Review for March 1938 (p. 707).

⁶ France. Journal Officiel (Paris), May 25, 1938 (p. 5863), and June 26, 1938 (p. 7327).

Slum Clearance

The law of May 24 provides that when a building constitutes, either in itself or because of the conditions under which it is occupied, a menace to the health of the occupants or the neighbors, the prefect, upon the report of the departmental health inspector, shall within 1 month decide upon the facts and the causes of the unhealthful conditions and the proper steps to be taken to remedy them. The owners and occupants of the property must be notified at least 8 days in advance of the meeting of the departmental health committee, and in case it is decided that the property is unfit for occupancy there is a delay of 8 days before the order to vacate is issued. This order will be a temporary one if the property can be put in proper condition. The decree by the prefect prohibiting occupancy of the premises may be appealed only to the Council of State. Penalties are provided for failure to carry out the terms of the decree within the time limit fixed.

The communes, in order to improve sanitary conditions, may require the total expropriation of one or several properties if their insanitary condition is certified by the health bureau, the sanitary commission, or other public bodies. In such cases hearings are to be held and the prefect is to issue a decree carrying out the decision of the municipal council. At the request of the prefect, the president of the court in the locality in which the property is situated shall appoint an expert to determine the value of each property, taking into account its total or partial insanitary condition, the costs of improving partially insanitary property, the value of the land on which it is situated, and the indemnity for eviction to be allowed to commercial or industrial establishments or other occupants. If more than 10 properties are involved, a sufficient number of experts must be appointed so that the matter can be settled within 2 months. If the property is totally insanitary, the indemnity must equal the value of the land alone without taking into account its rental value, but may be diminished or increased by the probable receipts or expense resulting from tearing down the buildings. If the property can be repaired, the arbitral commission in determining the value takes into consideration the unhealthful conditions which are not specially related to the property and those which are directly related to it. The cost of the necessary repairs is then deducted. The indemnity allowed is to be equal to the difference between these two elements. However, the amount allowed may not be less than the value of the land. In the valuation of either type of property no indemnity is allowable because of dispossession or reinvestment. In cases in which the insanitary condition arises from the act of the occupant, the indemnity for eviction is reduced by the amount gained as a result of the conditions which are detrimental to the public health.

The indemnity may, by special decision of the arbitral commission, be divided into two parts, of which the first, which may not be greater than two-thirds of the total amount, may be paid before the premises are vacated and the remainder afterward unless the tenant is relocated through the efforts of the commune or some other public body.

Advances to the communes by the State may be made for the purpose of abolishing slum areas if they are approved by the superior court of public hygiene. The amount of such advances may not exceed 50 percent of the cost of the proposed operations. The interest rate is fixed at 2 percent, and the period for repayment may not exceed 40 years. A committee of 14 members appointed by the Minister of Public Health will pass upon demands. The total amount advanced for this purpose may not exceed 400 million francs.

Low-Cost Homes

The housing law of July 13, 1928, which has been extended many times, the last time by the financial law of December 31, 1937, expired at the end of 1938. The law of June 17, 1938, provides that the regulations concerning the order of priority of construction to be followed shall be determined by the Ministries of Public Health, the Interior, Finances, and Agriculture, taking into consideration local needs. The amount of the advances by the State to public offices and to the housing foundations may not exceed 65 percent of the cost price of the property, but may be increased to a maximum of 85 percent when repayment is guaranteed by a Department or a commune. Exemption from payment of certain taxes levied by the Departments and communes is allowed for a period of 15 years after the completion of construction. The total funds appropriated for the housing organizations by the laws passed in 1934 and 1935 were increased by 200 million francs for 1938 and 400 million francs each for the years 1939 and 1940. A decree signed by the Ministers of Finance and Public Health will determine each year the division of these sums between the different classes of operations. Priority will be given to the construction of houses for persons evicted from slum areas.

Rural Housing

Paralleling the efforts to improve housing conditions in cities and towns, the law provides similar advantages for rural workers. However, it contemplates improvement of existing buildings rather than new construction. These measures, when taken together with the movement toward rural electrification, the provision of good drinking water, and good roads, will have the effect, it is considered, of retaining on the land a large number of workers who have become discouraged because of bad living conditions.

A national committee representing the various ministries and agricultural organizations concerned, under the presidency of the Minister of Agriculture, has general supervision of the Departmental housing committees. The program is under the technical direction of an inspector-general of rural housing. The Departmental committees are charged with assisting farmers and rural artisans, either singly or in groups, to improve both their farm buildings and their houses. For this purpose long-term loans at a reduced rate of interest may be granted. These loans are repayable by annual amortization over a period of 30 years. The maximum loan which may be made is fixed at 100,000 francs, not including the costs.

The beneficiaries of long-term loans will receive an annual rebate on the amount of the loan if they have at least three children under 16 years of age at the time the loan is made. The amount of the rebate ranges from 1 to 2 percent, according to the number of children. The maximum amount to be set aside by the National Agricultural Credit Fund for rural housing is fixed at 150 million francs.



HOUSING FOR INDUSTRIAL WORKERS IN GERMANY ¹

CONSTRUCTION of dwellings for workingmen's families in Germany has been extended through a program which has involved support by the employers and by the Government.

Employer Housing

Employees of a number of the large employers of Germany are in a specially favored position with regard to housing. Particularly extensive has been the construction undertaken by the heavy industries of Rhenish Westphalia. More has been done through private initiative in that section of Germany than elsewhere to provide adequate housing for workers. It was estimated that industrial enterprises in that area controlled 240,000 houses at the end of 1937, or sufficient dwellings to house over a million persons. In addition, employers have assisted cooperative societies; as, for example, in the mining industry where the employers gave financial aid for the construction of almost 30,000 houses after the World War.

Investigation shows that 15 percent of the employer-owned houses in Westphalia are occupied by families whose breadwinners are in no way connected with the plants of the owners, 67 percent are occupied by employees, and 18 percent by invalids and retired employees or their widows. As the Government has placed restrictions on rents,

¹ Data are from report of Franklin E. Atwood, American consul, Cologne, dated November 2, 1938.

it is not possible for owners to dispossess tenants in order to house their employees.

According to a national survey made by German chambers of commerce, 30 percent of the funds made available for housing of workers in 1937 was furnished by employers in the district of Westphalia. The contributions of these employers were in cash, building materials, land, subsidies (on which income taxes must be paid), and assistance to cooperative housing associations.

A single firm, Friedrich Krupp A. G., manufacturer of munitions in Essen, had constructed 29,000 houses up to October 1937. These buildings were largely at the Essen works. This firm aided in supplying housing for rental and purchase. The program was started in 1860 when the rapid industrial growth threatened to outstrip the labor supply. Within 4 years the management built 2,400 houses. As the plan has worked out, garden space is furnished in connection with the houses and the buildings are placed in landscaped parks. Special provision is made for invalids, and churches are available for different denominations.

In 1906 a foundation was established by a member of the Krupp family to provide additional housing. Of the dwellings erected, half were for rental to persons other than employees of the firm. This foundation was converted into a cooperative housing society in 1934, which at present controls a small town near Essen. Aid to cooperatives was a part of the Krupp policy before the Great War, and four building associations are now assisted, of which three are cooperative societies and the fourth is a limited-liability company. The firm has aided these organizations through stock purchases.

It is common for employers to assist in providing houses for workers by contributing funds to various housing societies. Among these organizations cooperative housing associations are an important source of funds for low-cost housing. In addition to aiding these private organizations employers are called upon to support the government-controlled housing companies.

Government Aid and Policies

Under German law employers are directly responsible for the social well-being of their employees as a reward for loyalty of service, and the employers therefore are cooperating closely with the Government in the housing program. In addition to the funds furnished by employers for housing, the Government is aiding by subsidizing rents, making loans at low interest, and allowing tax exemptions.

In order to facilitate the Government's homestead plan, the Society for Promotion of Workmen's Homesteads was formed in 1935. At that time difficulty was experienced in securing land. Different divisions of the society have worked to extend housing of various

kinds. Owing to these activities over a thousand workers' homes were completed during 1937 in the Cologne district alone, of which 60 percent were small homesteads and the remaining 40 percent were apartments.

In instances where the rent for living space necessary for a worker's family is out of proportion to the breadwinner's income, the Government grants assistance by rent subsidy or by providing money at low interest and in sufficient quantity to permit owners to keep the rents low. The rate of interest on public loans has been decreased since 1933 to an extent that has encouraged housing companies to make liberal use of the loan facilities. Homes erected with these funds may be rented at favorable rates.

Under the "Four-Year Plan" the cost of a house (exclusive of land, the preparation for building, and the settler's own work) may not exceed 7,000 marks² of which 2,000 marks may be obtained in a Government loan. The rate of interest is 3 percent and may be as low as 1 or 2 percent if the applicant is especially meritorious or his income unduly low. This interest rate is provisionally restricted to 5 years. In exceptional cases the settler may be required to furnish only 10 percent of the total cost of construction. The greater part of the balance required for completion of the Four-Year Plan houses has been guaranteed by the German Labor Front. Funds needed that can not be obtained through the regular lending agencies are secured by the interested industrial enterprise or by a lien on the prospective owner's savings.

Exemption from real-estate taxes was granted for 20 years on workmen's homes completed between April 1, 1937, and March 31, 1940, by the terms of the real-estate law of 1936. This exemption applies only to flats or homesteads that the Government finds suitable for the working class and which do not, in general, rent for over 40 marks a month. As most of the houses being erected are in settlements where a great variety in the types of dwellings exists, not all dwellings are covered by the tax exemption. To avoid such a complication within a single apartment house, a building in which the average rental per unit is not over 40 marks may be exempt under an amendment to the law.

Housing in 1937

A report of the German Building and Real Estate Bank, in cooperation with the German Society for Public Works, states that between 330,000 and 340,000 dwelling units were erected in 1937, or approximately as many as in 1929. In large and medium-sized cities almost four-fifths of the units constructed in 1937 had a maximum of four rooms. The Real Estate Bank, being the trustee of the Government

² Average exchange rate of mark in 1937=40.2 cents.

for granting loans, had at its disposal 397.25 million marks for low-cost housing, of which 251.8 million marks had been loaned. Low-cost construction, which declined in 1937, was believed to be on the increase in 1938 owing to the promulgation of new regulations late in 1937.

The bank found that the proportion of the total capital furnished by owners of the dwellings erected has tended to decline and equals about 30 percent of the total cost. This reduction has been compensated for by increases in Government loans and assistance given by individual employers.



BRITISH HOUSING ACT, 1938

EQUAL rates of contribution by the British Government are authorized for slum clearance and abatement of overcrowding for assisted housing provided on or after January 1, 1939.¹ This is a change from earlier procedure under which a larger subsidy was granted for slum-clearance projects than for the abatement of overcrowding. The Housing (Financial Provisions) Act, 1938, makes other changes in the terms of the consolidated housing law enacted in 1936, such as basing the amount of grants on number of dwelling units provided instead of on number of persons rehoused, extension of aid to rural housing, and new terms of contribution for local governments.

In equalizing the British Government's contributions for slum clearance and relief of overcrowding, Parliament took into account the findings of the Ministry of Health published in Circular 1696, dated April 23, 1938. The Ministry concluded that, notwithstanding the greater attention given to slum clearance by local authorities in planning projects in the past, there was a likelihood that after 1938 rehousing undertaken for slum clearance and to remedy overcrowding would be in approximately the same proportions. The 1938 law, therefore, stipulates that beginning January 1, 1939, the contributions shall be the same, and recognizes that the economic positions of those living in unfit and in overcrowded dwellings do not differ. This action enables local authorities to plan future construction in such a way that the most urgent work may be done first without reference to the comparative amount of financial aid available.

In future the basis of contribution by the central Government will be the number of houses or flats supplied and not the number of persons rehoused. The period during which the subsidy may be paid is limited to 40 years. For urban projects the normal rate of grant is £5 10s. per house per year, but for buildings in blocks of flats on expensive sites the rate ranges as high as from £11 per dwelling unit upwards. In districts where the rent level is below the national

¹ The Local Government Chronicle (London), No. 3753, November 19, 1938, p. 934.

average, the normal rate of grant may be increased from £5 10s. per dwelling unit annually to £6 10s., in order that too great a burden may not be placed on the local government.

Subsidy to rural housing is authorized, not only to replace unfit and insanitary housing, but to extend housing to meet the general needs of the agricultural population. Although rural district councils are the authorities most concerned with housing, assistance is not restricted to them under the law. The subsidy to be granted normally is £10 per house per year for 40 years, but this sum may be increased to an amount not exceeding £12 where costs are high and rents that may be charged are unusually low.

Local authorities make tax contributions to housing normally equivalent to one-half of the Exchequer contribution over the period of subsidy. However, where the Exchequer grant is £6 10s., the local authority is responsible only for the maximum sum normally allotted, amounting to £2 15s. On expensive sites the local authority is responsible for one-half the amount contributed by the central Government. This amounts to £5 10s. or more, depending upon the cost of the site and the Exchequer contribution. For housing the agricultural population, the rate of contribution of the local authority is a flat sum amounting to £1 per house per year for 40 years.

County councils are also liable for new contributions under the 1938 legislation. If a county district receives an Exchequer grant of £6 10s. per house per year, it must contribute £1 per house per year from county council funds. Special assistance for housing the agricultural population is provided in the amount of £1 per house per year, to be paid by the county council for 40 years, plus a contribution equal to the excess, if any, over £10 of the Government's contribution.

Standards and Cost of Living

SPENDING HABITS OF FACTORY WORKERS

A STUDY was recently made in which 1,665 factory wage earners and their wives or mothers, in 16 cities, were interviewed in order to obtain information on the ways and times at which their weekly earnings were spent. The findings indicated that in the majority of cases from 75 to 100 percent of the earnings had been spent by the end of the day following pay day. Expensive items were likely to be contracted for on pay day or the day after, whereas a large proportion of the small items such as food and drugs were purchased when needed, without relation to pay day. The peak purchases of these were, however, likely to occur at the end of the week.

The study¹ was made by the Ross Federal Research Corporation. In selecting the persons for interview, persons on relief, unemployed, or working in Government projects were excluded. The interviews were equally divided between males and females, and those under and over 30 years of age. The cities included were Birmingham, Ala.; New Britain, Conn.; Wilmington, Del.; East St. Louis and Peoria, Ill.; Gary and Muncie, Ind.; Dearborn and Flint, Mich.; Passaic, N. J.; Troy and New York, N. Y.; Canton, Ohio; Wilkes-Barre, Pa.; Wheeling, W. Va.; and Racine, Wis. Muncie, as the "typical American city," was tabulated separately.

The following table shows the percentage distribution of replies to each of the six questions propounded.

Distribution of 1,665 Factory Workers, in 16 Cities, by Spending Habits

Item	Muncie	15 other cities
	Percent	Percent
1. Purchases of small items (food, drugs, etc.) most likely to be made on—		
Pay day	33	18.7
Immediately following pay day	16	22.4
Immediately prior to pay day		1.5
Days not necessarily related to pay day	49	54.4
Not known	2	3.0
2. Items costing more than half the weekly salary most likely to be purchased on—		
Pay day	32	26.6
Immediately following pay day	24	35.3
Immediately prior to pay day		1.7
Days not necessarily related to pay day	24	26.2
Not known	20	10.2
3. Advertisements most likely to be noticed on—		
Pay day	9	5.9
Immediately following pay day	6	6.2
Immediately prior to pay day	18	24.5
Days not necessarily related to pay day	55	56.4
Not known	12	7.0

¹ Reported in Sales Management (New York), December 1, 1938, p. 16.

Distribution of 1,665 Factory Workers, in 16 Cities, by Spending Habits—Continued

Item	Muncie	15 other cities
4. Of money received on pay day, there is left for spending, at end of second day—	<i>Percent</i>	<i>Percent</i>
10 percent or less	32	27.5
11-25 percent	30	28.5
26-40 percent	12	15.3
41-50 percent	12	10.2
51-60 percent	4	4.9
61-80 percent	6	8.6
81-90 percent	3	2.0
91-100 percent	1	.4
5. Moderate increase in pay would be spent in—		
Moving to a better home	2	9.6
Making present home more attractive	29	26.6
Buying or building a house	17	11.1
Buying labor-saving home equipment	6	10.0
Buying something to enjoy in leisure hours	4	3.0
Increasing savings	29	34.4
Taking a trip	7	3.8
Improving personal appearance	5	14.0
Buying a car	8	10.9
Improving education	2	3.3
Paying debts	4	5.5
6. 1939 earnings expected, from present indications, to be—		
More	22	34.5
Less	5	6.1
Same	43	34.0
Not known	30	25.4

No striking differences as between the sexes were noted in the answers to questions 1 or 2. As regards question 5, however, more men than women stated that they would use an increase in salary to buy or build a house, buy articles for use in their free time, take a trip, buy a car, and improve their education. More women than men would improve the attractiveness of their present dwellings, buy labor-saving devices, improve their personal appearance, save money, and pay their debts.

Those of both sexes under 30 were more likely than those over 30 to move to better homes, improve their appearance, buy a car, and improve their education.

As regards question 6, the report states:

Males were more optimistic than females, those under 30 more so than older people, but very few in any group or city looked for less money next year. Wage earners face 1939 with confidence.



STANDARDS OF LIVING IN AN INDIAN-MEXICAN VILLAGE

THE scale of living in 37 families of farm laborers in the Indian-Mexican village of Tortugas, N. Mex., typical of other farm workers along the Rio Grande River, is the subject of a recent study by the Farm Security Administration.¹

¹ U. S. Department of Agriculture. The Farm Security Administration and the Bureau of Agricultural Economics. Standards of Living in an Indian-Mexican Village and on a Reclamation Project, by C. P. Loomis and O. E. Leonard. Washington, 1938.

These families are part of a culture probably a thousand years old. The parents of the original inhabitants of the village were for the most part native Indian, and the present villagers are more essentially Indian in their physiological make-up than are the majority of Mexicans in the valley.

Although the villagers own the small adobe houses in which they live, these people are practically "a landless proletariat," as the dwellings which they have built themselves are on public property. The fertile valley at their doors on the west and south belongs to American farmers, and the desertlike mesa on the north and east is owned by the Government. Some of the families attempt to pasture goats upon the sage and briars, and most of the families get their firewood from this neighboring land.

The male heads of these families had attended school for less than 2 years and the homemakers for less than 3 years. At the time the survey was made, 67 children over 6 years old living at home were not at school. Six were reported as never having attended school and 50 percent of those who had been at school had not more than 4 grades to their credit.

For 33 of the households no participation in any organization except the church was reported for either the male heads of the family or the homemakers. Of 135 children who lived at home only 8 are reported as attending any nonchurch or institutional gathering during the year under review.

In 1935 the total cash receipts for these families averaged \$344, of which \$268 was from wages, about one-half being earned from public works and \$76 coming from gifts, cash relief, and the production and sale of a few farm products by several of the households.

The annual total value of the family living in 1935 for these 37 families, made up of households of 5.3 full-time residents, averaged \$347, 96 percent of which represented purchases. The food averaged \$193, or 55 percent of the whole budget, one-half of this being used to buy flour, chili, and beans. The cost of clothing averaged \$50, or about 14 percent of the budget.

According to some experts on nutrition, the annual cost of a restricted diet which furnishes a minimum of protective and other foods for 5 persons is \$350. Such diet is considered inadequate for a long period. Yet the food budget of these 37 Indian-Mexican families with an average membership of 5.3 persons averaged only \$193.

The following table indicates the differences in the expenditures for small and large families. The large families had to draw in even on the necessaries of life, spending only \$47 per adult male unit for food as compared with \$64 expended by the smaller families.

Average Value of Goods and Services Consumed by 37 Farm-Laborer Families of Specified Size, Tortugas, N. Mex., 1935

Item	Average per family			Average per adult male unit		
	All families	Small families ¹	Large families ¹	All families	Small families ¹	Large families ¹
Number of families	37	18	19	-----	-----	-----
Number of persons per room	0.4	0.6	0.3	-----	-----	-----
Size of family in adult male units	3.7	2.4	4.8	-----	-----	-----
Size of household in persons	5.3	3.7	6.9	-----	-----	-----
Total value of family living	\$347	\$298	\$394	\$95	\$122	\$81
Furnished	15	16	14	4	6	3
Purchased	332	282	380	91	116	78
Food, total	193	158	226	52	64	47
Furnished	2	1	2	(²)	(²)	1
Purchased	191	157	224	52	64	46
Housing and maintenance, total	55	54	57	15	23	11
Furnished	13	15	12	4	7	2
Purchased	42	39	45	11	16	9
Clothing	50	35	63	14	14	13
Health, births, deaths	20	21	20	5	9	4
Advancement	6	10	3	2	4	1
Automobile	10	5	13	3	2	3
Incidentals and other	13	15	12	4	6	2

¹ Small families are those having fewer than 5 members, and large families, 5 or more members.

² Less than 50 cents.

Cooperation

SOME NEW COOPERATIVE PROCEDURES

DURING the past year several new variants in cooperative procedure by local associations have been noted. These innovations affect such widely varying points as accounting, share capital, patronage refunds, and life insurance.

Joint bookkeeping.—In September 1937 three local cooperative oil associations in western Minnesota undertook to have their bookkeeping done jointly. They felt that this would enable them to obtain at moderate cost more expert service than would ordinarily be possible, and would release the manager's time for his other duties. This was found to work out so well that three other local associations in the same region joined the plan, and it is reported that a seventh association will enter in January 1939. The Midland Cooperator of November 21, 1938, summarizes the benefits that have resulted, as follows:

Perhaps the advantages of cooperative bookkeeping to the associations taking part can best be summarized like this: A competent, full-time bookkeeper; accurate, timely, and informative monthly and yearly reports; and operating efficiency which has been improved to an almost unbelievable degree.

There was one association, for instance, which had been unable to show earnings for 3 years. Things were in terrible shape. Then came co-op bookkeeping service. After 6 months, the same co-op showed earnings of \$883, and most of it could be credited definitely to the replacement of disorderly with orderly bookkeeping.

Such arrangements are being fostered by the Midland Cooperative Wholesale, which reports that similar plans are under way for groups of associations in and around Jackson and Minneapolis, Minn.

Share capital.—Mention was made in a previous issue of the Monthly Labor Review¹ of the "revolving fund" and "rotating capital" plans adopted by organizations in the Middle West, in order to increase the capital stock. Under these plans part of the patronage refund is retained for either a fixed or varying period as share capital. The reports indicate that an increasing number of associations are adopting one or the other of these plans. A novel variant reported recently in Wisconsin was that of an association which adopted a measure intended to insure that the members who made the most use of the association's services should provide working capital in proportion. Its annual meeting decided that hereafter every member must have

¹ Monthly Labor Review, May 1937 (pp. 1186-1188).

one \$10 share for every \$100 worth of goods purchased from the association in any one year. The extra shares are to be paid for by accrual of patronage refunds.¹

A dividend-exchange plan was inaugurated in a small way among a few of the associations in Wisconsin, and is under consideration in others. In order to induce traveling cooperators to seek out and patronize cooperative associations wherever they go, the participating associations agree to keep records of such purchases and to remit the patronage refunds on them to the cooperator's home association for distribution.

Life insurance based on patronage.—Another new patronage benefit in the United States, recently reported, is that of the purchase of low-cost term life insurance. The pioneer in this move is the Isanti County Cooperative Association, Cambridge, Minn. This association, which handles petroleum products, automobile tires and accessories, hardware, and farm machinery, has over 1,400 members and its business in the year ending January 31, 1938, amounted to nearly \$273,000.

Its plan, arrived at with the Cooperators' Life Association, became effective November 1, 1938. The plan is open only to paid-up shareholders, in reasonably good health, who have bought and paid for at least \$50 worth of goods during the last fiscal year. The amount of insurance will be based upon the amount of the member's purchases and upon his age. It is stated² that the present average purchases will cover about \$200 of insurance per member.

The auditor of the Northern States Cooperative League calculates that an increase of as much as 7 percent in the Isanti Association's business, as the result of the scheme's appeal, will increase the operating efficiency sufficiently to cover the premium on the policy. The plan is therefore expected to pay for itself.



COOPERATIVE FUNERAL AID IN STATE OF WASHINGTON

THERE are a number of cooperative burial associations in the Middle West which provide undertaker's service and interment.³ In the State of Washington, under Grange auspices, there has been developed a type of funeral association which is a combination of contract undertaking service and mutual aid.

The Grange News⁴ reports that the county granges in Grays Harbor, Kitsap, Okanogan, Spokane, and Yakima Counties have

¹ Midland Cooperator, July 1938.

² Cooperative Builder (Superior, Wis.), September 24, 1938.

³ See Monthly Labor Review, March 1938 (p. 647).

⁴ Grange News (Seattle), issues of July 30, September 17, October 22, and November 5, 1938.

formed "cooperative mortuary funds," membership in which is restricted to grange members in good standing. These are mutual benefit associations, operated on an assessment basis. The rate of membership fee and of assessment may vary. In the Spokane County organization, however, each applicant pays two assessments of 30 cents each, plus 25 cents which is placed in a reserve fund—a total of 85 cents at the time of joining. The applicant "must also give his word of honor that he is in good health" at the time he joins. The plan does not go into operation until there are 350 members. Under this plan, when a member dies his family receives the total amount of the previous assessments, minus 5 cents per member for administrative costs. A new assessment of 30 cents is then collected from each member.

A member failing to pay his assessment within 30 days forfeits not only his right to benefit but also the money he has already paid in. The same occurs if he loses his good standing in the grange.

The State grange has made a contract with the Washington State Undertakers' Association whereby private undertakers (members of the association) who ratify the contract agree to provide "complete funeral service" for \$165. It was stated that 44 undertakers had ratified the plan by the middle of September.

The contract plan, although not representing an extension of cooperative effort, makes available low-cost service to the grange members. By utilizing the services of private undertakers it avoids controversies such as have arisen in Minnesota, Iowa, and Wisconsin. In all of those States, however, the cooperative associations have won the right to operate.

Self-Help Among Unemployed

FEDERAL AID TO SELF-HELP COOPERATIVES

THE Federal Relief Act of 1938 contained a clause authorizing the Works Progress Administration again to make grants to self-help groups of unemployed. Such grants had been made under the Relief Act of 1933 but were discontinued in September 1935.

Regulations under which funds will again be made available were issued by the Works Progress Administration November 21, 1938. Under the terms of these regulations Federal funds will be used to pay the wages of W. P. A. workers detailed to serve in key positions in self-help projects, and to pay for equipment, quarters, and materials to be used by the groups for productive purposes. In contrast to the earlier procedure, it appears that all funds will be disbursed by the State W. P. A., not by the cooperative groups themselves.

The new regulations permit the disposal of services or goods in the following four ways: (1) To their own members, (2) in exchange with other associations, (3) in exchange with or sale to relief agencies, and (4) by sale on the open market, "provided the prices at which items are sold do not result in unfair competition with privately produced items of the same type."

Qualifications

In order to qualify as a "self-help or cooperative association for the benefit of needy persons," the association must show that (1) it operates under the sponsorship of some public agency; (2) allows each participant an equal voice in the determination of policies, "provided that this requirement does not preclude such provision for supervision as the sponsor feels necessary to insure proper management and the safeguarding of public funds"; (3) every member is certified as needy on the basis of W. P. A. approved standards; and (4) the participants share in the products or income of the association in proportion to the value of their labor. It must also show that it is not eligible for grants or loans from any other Federal agency.

Assistance Provided

Two kinds of assistance are provided for:

- (1) The payment of wages for key workers in the self-help groups—
 - i. e., persons in executive, supervisory, clerical, or teaching positions,

or persons with needed special skills. This assistance will be provided as a regular W. P. A. work project and must be passed upon by the Federal Works Progress Administration. Such employment will be included in the State's employment quota.

The personnel in self-help organizations shows considerable turnover as members obtain paid jobs in regular employment; this is likely to be especially true of the leaders. The payment of wages to the latter therefore acts as an inducement to their remaining in the organization, tends to stabilize the policies of the organization, and promotes greater efficiency in operation. It also provides additional employment for W. P. A. workers.

(2) Limited nonlabor assistance to self-help groups to which W. P. A. key personnel are assigned. This assistance will consist of (a) capital equipment to be loaned to qualified groups, (b) payment of rent for quarters occupied by them, and (c) purchase of materials needed by them.

Applications for such assistance also must be made by the State to the Federal W. P. A., but expenditures authorized will not be included in the State's nonlabor budget but will be additional to it.

The capital equipment loaned to an association must ultimately be purchased by the association or returned, but no repayment is required for expenditures for rent or materials. A new cooperative association, regardless of size, may borrow \$1,000 worth of equipment, and an association already in operation may borrow equipment not exceeding \$50 per man-month of active participation during the preceding month. After the end of a probationary period of 3 months, the amount of equipment loans will depend on the man-months of participation. Thus additional equipment to the value of \$50 may be borrowed for each man-month of active participation above the number of man-months on which the previous loan was based. Loans are to be reduced proportionately when active participation for 3 successive months declines to the point where the value of the equipment exceeds \$50 per man-month of participation.

Expenditure for rent may not exceed an average of \$1 per man-month of active participation in the preceding month; or, in the case of new associations, \$1 for each estimated man-month of active participation during the ensuing 3 months.

Materials purchased for the use of an association may not exceed a monthly average of \$5 per man-month of active participation in the preceding month (during the ensuing 3 months, for new associations). Gasoline and servicing of trucks are to be regarded as "materials," for the purpose of this provision.

It is specifically provided that no assistance under the 1938 act shall be given to any association which still has in its possession unexpended balances from funds granted under the 1933 act, until an

agreement has been made between the State administrator and any controlling State organization that all cash balances will be completely expended or returned to the Federal Treasury within 30 days after assistance is first made available. Satisfactory agreement must also be reached as to the disposition of other assets acquired under the early statute.

State Responsibility and Sponsorship

No group is eligible for assistance unless it is sponsored by some public agency. When such sponsorship is obtained and application is made to the State W. P. A. administrator, the latter must satisfy himself that the association is competent in both production and accounting, and that adequate provision has been made for permanence and continuity of operations. If the administrator believes it advisable he may, with the consent of the sponsor, provide a manager for any group, and in such case the manager will be responsible to the State administrator.

Education and Training

W. P. A. TRAINING FOR HOUSEHOLD EMPLOYMENT

DURING the last 2 years two types of programs for the training of women as household workers have been carried out by the Division of Women's and Professional Projects of the Works Progress Administration. The first scheme known as "household workers' training" was inaugurated in February 1936 in 17 States, New York City, and the District of Columbia. About July 1937 a somewhat different plan, designated the "household service demonstration project," was launched. While the first scheme was established largely for training, the second offered not only training but employment in W. P. A. demonstration centers.

A brief account of the operation of these programs is given by Ellen S. Woodward, Assistant Administrator of the Works Progress Administration, in the December 1938 issue of *Occupations—The Vocational Guidance Magazine* (New York), from which the data in this article are taken.

Under the earlier scheme 9,272 young women were registered in the Works Progress Administration centers by January 1, 1937, of whom 5,685 had been trained and placed with private employers. Some of the remaining trainees were still following their courses when this report was made. As these women came from relief families, a substantial number of them did not stay long enough at the centers to secure their certificates but left to take paying jobs, the reports indicating that 1,085 who did not finish their training left to take positions as household workers.

The household training and service demonstration centers had 5,963 enrollees in 1937. At the beginning of 1938 about 2,616 of these had received certificates of proficiency, while 347 others had accepted employment as household workers before receiving certificates.

Data on 604 placements from household service demonstration projects in 17 States indicated that the median cash weekly wage received by these workers in private employment was \$8.53.

From February 1936 to January 1, 1938, the number of women who received training totaled 15,235. The following table gives the number of enrollees, the number who received certificates and were placed, and the number of trainees who left before completing their training.

W. P. A. Household Service Programs—1936 and 1937

Item	1936	1937	Total
Number of persons enrolled.....	9,272	5,963	15,235
Number of persons certificated.....	5,113	2,616	7,729
Withdrawals prior to certification.....	3,625	2,253	5,878
Withdrawals to take household jobs.....	1,085	347	1,432
Withdrawals for other reasons.....	2,540	1,906	4,446
Placements in private household work.....	5,685	2,399	8,084
Certificated workers.....	4,600	2,052	6,652
Noncertificated workers.....	1,085	347	1,432

Extracts from a memorandum with reference to a new W. P. A. operating procedure set up October 10, 1938, are quoted below:

Training centers may be operated where (1) there is a recognized shortage of qualified workers for household employment, and (2) proper training facilities either do not exist or the existing facilities require extension. Training centers shall be located at points readily accessible to the trainees and a minimum of 20 trainees shall be assured prior to operation of a center.

Enrollment in training centers shall be open to persons referred by the United States Employment Service or other approved public agencies and selected by the local works progress administration. It should be clearly understood at the time of enrollment that each enrollee is expected to accept an offer of a position in household employment at the end of the training period, provided the offer is reasonable from the standpoint of wages and conditions of work.

On October 15, 1938, training centers operated by the W. P. A. were established in the District of Columbia and the following 23 States: California, Florida, Illinois, Kansas, Kentucky, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Jersey, North Carolina, Pennsylvania, Rhode Island, South Dakota, Tennessee, Virginia, Washington, West Virginia, and Wisconsin.

A survey of last year by the United States Employment Service showed that 400,000 jobs were available for trained persons in household employment, while 125,000 applicants were registered for household jobs, 64,000 of whom were from relief rolls. These persons, the Federal Placement Service reported, lacked the training requisite to make them eligible for the jobs applied for.

The projects of the W. P. A. here reviewed cannot supply a sufficient number of trained household workers to meet the general demand nor assure adequate wages and conditions for household workers in general. Such projects, however, "do help to alleviate conditions in various communities and generally point the way toward a solution of the problem—the establishment of standards of efficiency to be met by household workers; and standards of wages, hours, and conditions in household employment to be met by employers."

Industrial Accidents and Safety

MEETING OF NATIONAL SAFETY COUNCIL, 1938

THAT the reduction in the occupational death rate for the United States during the past 25 years means the saving of the lives of some 285,000 industrial workers, was brought out at the annual meeting of the National Safety Council, held at Chicago in October 1938. In 1913, when the organized safety movement first got under way, it was estimated that approximately 35,000 workers were killed. The estimate for 1937 was 19,500, about 56 percent of the number for 1913.

Data were also presented at the meeting showing that the efforts of organized safety in connection with public and home accidents have brought tangible results as well as proof that such accidents can be reduced. In 1913 the total accidental death rate for the United States was 85.5 per 100,000 population. The total number of accidental deaths from 1913 to 1937 was 2,231,000, but if the 85.5 death rate for 1913 had continued this number would have been 2,441,000. This meant a saving of 210,000 lives.

Although traffic safety problems occupied a very prominent position among the subjects under consideration by the meeting, great interest was also displayed in the further reduction of industrial injuries. In addition to the sectional meetings of various industries, sessions dealing with particular topics covered the following: Dust, fumes, gases, and vapors; falls of workers; industrial accident investigations; industrial explosion hazards; occupational disease; off-the-job accidents; safe use of electricity; and safety fundamentals. One special session was devoted to problems of governmental officials.

The following officers were reelected for the coming year: President—D. D. Fennell, vice president, Burton-Dixie Corporation, Chicago; and managing director and secretary—W. H. Cameron, Chicago.

ACCIDENT EXPERIENCE OF STEAM RAILROADS IN 1937¹

ACCIDENTS occurring in the operation of steam railroads in the United States during 1937 were responsible for 5,350 deaths (5.83 per

¹ U. S. Interstate Commerce Commission. Bureau of Statistics. Accident Bull. No. 106: Summary and Analysis of Accidents on Steam Railways in the United States Subject to the Interstate Commerce Act, Calendar Year 1937. Washington, 1938.

million train-miles) and 36,692 nonfatal injuries (40 per million train-miles), including 666 deaths (0.25 per million man-hours worked) and 23,629 injuries (8.70 per million man-hours worked) to employees on duty. In 1922 the total number of deaths was 6,325 and the total number of injuries 134,871, of which 1,587 deaths and 116,514 injuries were incurred by employees on duty.

The total number of persons and the number of employees on duty killed and injured in 1936 and 1937 are shown in table 1 by type of accident.

TABLE 1.—Persons Killed and Injured in Steam-Railway Accidents in the United States, 1936 and 1937, by Type of Accident

Type of accident	Total persons				Employees on duty			
	Killed		Injured		Killed		Injured	
	1936	1937	1936	1937	1936	1937	1936	1937
Train accidents:								
Collisions.....	63	57	702	553	58	48	230	224
Derailments.....	133	119	682	674	42	51	237	229
Locomotive-boiler accidents.....	12	7	8	6	12	7	8	6
Other locomotive accidents.....	2	0	6	10	2	0	5	9
Miscellaneous.....	67	127	149	124	5	21	57	30
Total, train accidents.....	277	310	1,547	1,367	119	127	537	498
Train-service accidents:								
Coupling or uncoupling cars or locomotives.....	24	22	329	376	24	22	329	376
Coupling or uncoupling air hose.....	8	7	157	174	8	7	157	174
Operating locomotives.....	9	8	1,135	1,130	9	8	1,135	1,130
Operating hand brakes.....	16	13	694	747	16	13	694	747
Operating switches.....	0	0	310	287	0	0	310	287
Contact with fixed structures.....	42	31	193	252	22	17	157	194
Getting on or off cars or locomotives.....	313	319	3,543	3,722	21	41	1,696	1,912
Accidents at highway grade crossings.....	1,676	1,748	4,780	4,996	15	16	48	64
Struck or run over, not at public crossings.....	1,926	1,788	1,086	1,089	148	114	181	166
Miscellaneous.....	883	872	5,818	6,009	165	151	3,602	3,597
Total, train-service accidents.....	4,897	4,808	18,045	18,782	428	389	8,309	8,647
Total, train and train-service accidents.....	5,174	5,118	19,592	20,149	547	516	8,846	9,145
Total nontrain (including industrial accidents).....	224	232	15,114	16,543	122	150	13,025	14,484
Grand total, all accidents.....	5,398	5,350	34,706	36,692	669	666	21,871	23,629
Percent of increase or decrease in total accidents, 1936 to 1937.....								
Accident rate per 1,000,000 train-miles.....	6.06	5.83	39.0	40.0	0.26	0.25	8.46	8.70
Accident rate per 1,000,000 man-hours worked.....								

The 1937 experience, when compared with similar data for 1936, showed a slight reduction in both the total number of deaths and deaths to employees on duty, which was further emphasized by an increase in the number of train-miles run (891 million in 1936 and 918 million in 1937), and in man-hours worked by employees (2,586 million in 1936 and 2,717 million in 1937).

The total nonfatal injuries, however, showed a larger increase than the train-miles (5.72 and 3.03 percent, respectively), and the nonfatal injuries to employees showed a larger increase than the man-hours worked (8.04 and 5.07 percent, respectively).

Table 2 shows a distribution of injuries to employees on duty in 1936 and 1937, by nature of injury, and the actual or probable number of days of disability resulting from these injuries. Time losses for permanent injuries were computed according to the standards adopted by the International Association of Industrial Accident Boards and Commissions.

TABLE 2.—*Injuries to Employees on Duty in Accidents in Train Operation, Classified According to Severity of Injury, Years 1936 and 1937*

Nature of injury	Number		Actual or probable number of days' disability			
			Number of days		Average per injury	
	1936	1937	1936	1937	1936	1937
Temporary disability:						
Bruise.....	2,013	2,169	36,689	38,327	18	18
Sprain or strain.....	2,206	2,319	41,437	41,493	19	18
Cut or laceration.....	1,164	1,160	22,415	21,348	19	18
Electric shock or burn.....	3	12	151	381	50	32
Other burn.....	285	282	6,236	6,961	22	25
Dislocation.....	144	144	4,731	4,888	33	34
Cinder or other foreign substance in eye.....	288	298	3,290	3,250	11	11
Fracture.....	2,178	2,245	128,156	127,381	59	57
Amputation of toe.....	4	5	238	277	60	55
Not otherwise classified.....	203	178	9,347	8,074	46	45
Total, temporary.....	8,488	8,812	252,690	252,380	30	29
Permanent disability, nonfatal:						
Loss of eye.....	1	7	1,800	11,700	1,800	1,671
Fracture.....	3	1	9,500	4,500	3,167	4,500
Amputation:						
Arm or hand.....	50	50	184,490	193,700	3,690	3,874
Finger.....	94	74	40,325	37,185	429	503
Leg or foot.....	89	86	318,600	305,050	3,580	3,524
Toe.....	22	26	6,350	7,900	289	304
Permanent loss of use of arm or hand.....	0	2	-----	5,250	-----	2,625
Total, permanent, nonfatal.....	259	246	561,065	563,285	2,166	2,290
Permanent disability, subsequently fatal:						
Electric shock or burn.....	1	1	-----	-----	-----	-----
Other burn.....	6	7	-----	-----	-----	-----
Dislocation.....	1	0	-----	-----	-----	-----
Fracture.....	43	40	-----	-----	-----	-----
Amputation.....	16	19	-----	-----	-----	-----
Not otherwise classified.....	32	20	-----	-----	-----	-----
Total.....	99	87	-----	-----	-----	-----

SICKNESS AND NONINDUSTRIAL ACCIDENTS AMONG RAILROAD EMPLOYEES ¹

THE frequency of recorded disabilities lasting 8 calendar days or longer from sickness and nonindustrial accidents among about 60,000 white male railroad employees was the subject of a recent study by the United States Public Health Service. The disability data for

¹ U. S. Public Health Service. Frequency of Sickness and Nonindustrial Accidents Causing Disability Lasting Eight Calendar Days or Longer Among 60,000 White Male Railroad Employees, 1930-34, Inclusive. By William M. Gafafer. Reprint No. 1924 from the Public Health Reports. Washington, 1938.

this group of railroad workers were secured from the medical records of sick-benefit associations of six railroads and form part of the occupational morbidity and mortality study of the National Health Survey. During the years 1930-34 the 60,000 male employees averaged about 50 months of membership in their respective sick-benefit organizations. For cases lasting 8 days or longer over 3 million days of disability were recorded. The average daily percentage of employees disabled was 3.7.

The sickness data do not represent the entire morbidity experience of the group because of the special regulations governing the organizations. Thus, industrial accidents are not included nor are all disabling illnesses and nonindustrial accidents, since most of the associations do not pay benefits for disability resulting from the "improper use of stimulants or narcotics," "immoral practices," venereal disease, voluntary self-injury, the violation of any civil law, and fighting, while one association did not accept applicants with chronic ailments. An age limit for membership of 45 years in four of the associations, it was considered, might result in fewer employees in the older ages in these groups than among railroad employees in general. For these reasons, therefore, the sickness frequencies shown in the report are regarded as lower than those that actually existed.

Four of the companies had company-managed relief associations, one an association jointly managed by the company and the employees, and one had group insurance. Physical examinations were required of applicants for membership. Some form of medical service was provided by all the railroads, and periodic examinations were required by four, while one provided free examinations to all employees when desired.

Disabilities were classified according to the relation of their onset and termination to the period covered by the study, and fall logically into three groups, i. e., those whose onset and termination in recovery or death occurred during the study period, 1930-34, those whose onset occurred during the study period but whose termination was unknown, and those whose onset was prior to the study period and continued into or beyond it. The disabilities classified in the first and second groups were called cases and the third illnesses. In the three groups there were respectively 30,612 cases, 1,882 cases, and 1,296 illnesses. The days of disability reported relate only to those occurring within the study period.

The average daily percentage of employees disabled varied, according to age group, from 1.2 at ages less than 25 years to 10.7 at ages 65 years and over, while the annual number of days of disability per employee progressed steadily in each age group from 4.3 days at ages less than 25 years to 39.1 days at ages 65 and over.

Total Days of Disability, Average Daily Percentage of Railroad Employees Disabled, and Annual Number of Days of Disability per Employee

Age group	Total days of disability	Number of person-years of disability	Number of person-years of exposure	Average daily percentage of employees disabled	Annual number of days of disability per employee
All ages.....	3,339,814	9,150	246,383	3.7	13.6
Less than 25 years.....	29,484	81	6,910	1.2	4.3
25-34 years.....	341,505	936	49,163	1.9	6.9
35-44 years.....	752,599	2,062	77,094	2.7	9.8
45-54 years.....	1,014,148	2,778	71,364	3.9	14.2
55-64 years.....	1,033,620	2,832	37,084	7.6	27.9
65 years and over.....	163,222	447	4,171	10.7	39.1
Unknown.....	5,236	14	597	2.4	8.8

In the group of employees less than 25 years of age 41 percent of the cases were of 8 to 14 days in duration. Although the number of cases of this duration constituted the largest percentage in each age group up to the group 65 years and over, the percentage gradually decreased as age increased, dropping to 24 percent at ages 65 years and over. In the latter age group the largest number of cases—28.8 percent—lasted from 15 to 28 days, and the percentage of cases with durations of 50 days or more, and particularly those of duration greater than 98 days, were found to increase markedly with increasing age.

There were 1,882 disabling cases that began during the study period but whose termination was unknown. Of these cases 722 had lasted 373 days and over. To obtain the incidence of disabilities these cases were added to the number of cases that began and ended during the study period. Because of the high frequency of long-duration cases in the age groups 55-64 years and 65 years and over, the effect of combining these two classes of cases is reflected largely in these higher age groups. Of the 1,296 disabilities designated as illnesses which began prior to the study period 355 continued throughout the study period. Of this number 131 were in the 45-54 age group, 115 in the 55-64 age group, and 6 were 65 years or older.

Labor Laws and Court Decisions

NATIONAL LABOR RELATIONS BOARD MAY NOT ABROGATE UNION CONTRACTS

THE United States Supreme Court, in a divided opinion, recently held that the National Labor Relations Board did not have power to invalidate a contract between the Consolidated Edison Co. of New York and the International Brotherhood of Electrical Workers, an affiliate of the American Federation of Labor.¹ The Court, however, did hold that a public utility company primarily engaged in furnishing electricity to residents of a city was subject to the National Labor Relations Act.

The case arose out of a charge filed with the National Labor Relations Board on May 5, 1937, by the United Electrical and Radio Workers of America, affiliated with the Committee for Industrial Organization, that the Consolidated Edison Co. of New York and its affiliated companies were interfering with the right of their employees to join a labor organization of their own choosing and further that the company was contributing financial and other support to the International Brotherhood of Electrical Workers, an affiliate of the American Federation of Labor. The Board issued a complaint and the employing companies challenged its authority on the ground that the companies were not engaged in interstate commerce. The request that the jurisdictional question be decided prior to the hearings was denied and, following the preliminary hearing before a trial examiner, the case was heard by the Board.

The Board directed the companies to discontinue violating provisions of the act which restrain an employer from interfering with or coercing employees in the exercise of their rights guaranteed by section 7. The companies were also ordered not to discriminate in the matter of hiring or in regard to tenure of employment or any term or condition of employment in order to encourage or discourage membership in any labor organization.

From the facts in the case, it appeared that the companies had entered into agreements with the International Brotherhood of Electrical Workers and its local unions for the recognition of the Brotherhood as the collective-bargaining agency for those employees

¹ *Consolidated Edison Co. of New York, Inc. v. National Labor Relations Board; International Brotherhood of Electrical Workers v. National Labor Relations Board*, 59 Sup. Ct. 206.

who were its members, and which contained various stipulations as to hours, working conditions, wages, etc., and for arbitration in the event of disputes. The Board found that these contracts were executed under such circumstances that they were invalid and ordered the companies to refrain from giving them effect. At the same time the Board decided that the companies had not engaged in unfair labor practices within the meaning of section 8 (2) of the act, which makes it unlawful for an employer "to dominate or interfere with the formation or administration of any labor organization or contribute financial or other support to it."

The companies thereupon petitioned the Circuit Court of Appeals to set aside the order, and were joined by the Brotherhood and its locals. These labor organizations had not been parties to the proceeding before the Board but intervened in the Court of Appeals as parties aggrieved by the invalidation of their contracts. The Board in turn asked the court to enforce the order and was supported by the United Electrical and Radio Workers of America. The Board's petition was subsequently granted by the court.

Majority Opinion

The United States Supreme Court, in reviewing the case, first took under consideration the contention of the companies that the Board was without jurisdiction. Mr. Chief Justice Hughes, in delivering the opinion of the Court, pointed out that although the companies supply 3,500,000 customers in New York City and adjoining Westchester County with electrical power, it did not necessarily follow that while these operations of the utilities were of such concern to the people of New York, they did not also involve interstate and foreign commerce to such a degree that the Federal Government was entitled to intervene.

In support of this view the Court observed that the Edison Co. and its subsidiaries supply electricity to the major railroads operating out of New York, to the Port of New York Authority, the Holland Tunnel, various steamship piers, telegraph and radio corporations, and to Government agencies, including the postoffice. As to this, the Court said that "it cannot be doubted that these activities, while conducted within the State, are matters of Federal concern. In their totality they rise to such a degree of importance that the fact that they involve but a small part of the entire service rendered by the utilities in their extensive business is immaterial in the consideration of the existence of the Federal protective power."

The employing companies also argued that since the State of New York had enacted measures to protect against the interruption of business through labor disputes, the National Labor Relations Board

was without jurisdiction. The Court, in answer, said that the enactment of this State law could not override the constitutional authority of the Federal Government, and that the State "could not add to or detract from that authority."

THE FAIRNESS OF THE HEARINGS

In discussing the contentions of the companies that the hearings were unfair and that the procedure denied to them due process of law, the Court declared that the companies had not been denied any rights, and the Chief Justice pointed out several instances in proof. Although the refusal to receive the testimony of two witnesses was "unreasonable and arbitrary" and an "abuse of discretion," the Court said that nevertheless the companies could have asked the Court of Appeals for leave to present additional evidence and failing to do so, they were not denied due process of law.

As to another contention of the company that the Court of Appeals misconceived its power to review the findings and, instead of observing as to whether they were sustained by "substantial" evidence, merely considered whether the record was "wholly barren of evidence" to support them, the Court agreed that the statute which provided that the findings of fact by the Board, if supported by evidence, shall be conclusive, meant that they should be supported by substantial evidence. It was the view of the Supreme Court, however, that the Court of Appeals in stating that the record was not "wholly barren of evidence" to sustain the finding of discrimination, referred to substantial evidence.

Again, it was urged by the companies that the Board received "remote hearsay" evidence. The Court concluded, however, that the Board's findings had a proper foundation. With respect to industrial espionage, it was asserted that the employment of "outside investigating agencies" of any sort had been voluntarily discontinued prior to November 1936. It was declared by the Court, however, that the Board was entitled to bar any future use of such agencies. In relation to the other charges of unfair labor practices, the companies pointed to the statement of a Mr. Carlisle at a meeting of the employees in April 1937, when the recognition of the Brotherhood was under discussion, that the employees were free to join any labor organization. In this connection, the Court said that—

Despite this statement and assuming, as counsel for the company urges, that where two independent labor organizations seek recognition it cannot be said to be an unfair labor practice for the employer merely to express preference of one organization over the other, by reason of the former's announced policies, in the absence of any attempts at intimidation or coercion, we think there was still substantial evidence that such attempts were made in this case.

DISCUSSION OF CONTRACTUAL RELATIONSHIP

The Court next discussed the order of the Board holding the contracts with the Brotherhood invalid in the light of several considerations. The first was that the Brotherhood and its locals were labor organizations independently established as affiliates of the American Federation of Labor and not under control of the employing companies. Another consideration was that the contracts recognized the right of employees to bargain collectively, and considered the Brotherhood as the collective-bargaining agency, and further that the Brotherhood agreed not to intimidate or coerce employees into joining and not to solicit membership on the time or property of the employers. The third consideration was that the contracts contained provisions with regard to hours, working conditions, wages, etc., and against strikes or lockouts as well as for the adjustment and arbitration of labor disputes.

The Brotherhood contended that it and its locals were indispensable parties to the contract and that in the absence of notice to appear, the Board had no authority to invalidate the contracts. The Court agreed with this contention, and stated that the Brotherhood and its locals were entitled to notice and hearing before the contracts could be set aside, since they had valuable and beneficial interests in them. It was urged by the Board in this connection that the unions had availed themselves of the opportunity to petition for review of the case in the early stages of the proceedings, and that due process did not require an opportunity to be heard before judgment, if defenses may be presented upon appeal. In refusing to accept this view, the Court pointed out that this rule assumes that the appellate review does give an opportunity to present all available defenses, including lack of proper notice to justify the judgment or the order complained of.

Apart from the question of notice to the unions, it was shown by the Court that at the hearings before the Board both the companies and the unions contended that the Board was without authority to invalidate the contract. It was argued by the Board, however, that the contracts were necessarily in issue because of the charge of unfair labor practices made against the companies. This contention was without substance, the Court said. The companies amended their answer by stating that the making of the contracts had rendered the proceeding moot, and the Board necessarily regarded this action as putting the contracts in issue. The Court, however, did not consider that this action had that result, but declared that "we think that the fair construction of the position thus taken on the last day of the hearings was entirely consistent with the view that the validity of the contracts had not been, and was not, in issue."

It was observed in this connection that the National Labor Relations Act gave no express authority to the Board to invalidate con-

tracts with independent labor organizations. "That authority," the Court said, "if it exists, must rest upon the provisions of section 10 (c)." This section authorizes the Board, when it has found the employer guilty of unfair labor practices, to require him to stop such practices "and to take such affirmative action, including reinstatement of employees with or without back pay, as will effectuate the policies of this act." The Court declared that this authority does not confer a punitive jurisdiction enabling the Board to inflict any penalty upon the employer because he is engaged in unfair labor practices, even though the Board is of the opinion that "the policies of the act might be effectuated by such an order."

The majority opinion made it clear that the 80 percent of the employees who were members of the Brotherhood and its locals had the right to join labor organizations and to bargain collectively through representatives of their own choosing. "They had the right," the Court said, "to choose the Brotherhood as their representative for collective bargaining and to have contracts made as the result of that bargaining." Continuing, it was noted by the Court that "nothing that the employers had done deprived them of that right. Nor did the contracts make the Brotherhood and its locals exclusive representatives for collective bargaining." "On this point the contracts speak for themselves," the Court opined, and "they simply constitute the Brotherhood the collective bargaining agency for those employees who are its members."

It was insisted by the Board, however, that the contracts were invalid because they were made during the pendency of the proceeding. The Court declared that while the effect of the pendency would extend to the practices of the employers to which the complaint was addressed, it would not "reach so far as to suspend the right of the employees to self-organization or preclude the Brotherhood as an independent organization chosen by its members from making fair contracts on their behalf."

Finally, the Chief Justice said that the Board, instead of proving that membership in the Brotherhood was due to unfair labor practices, left this merely as a matter of guesswork. "The main contention of the Board," he asserted, "is that the contracts were the fruit of the unfair labor practices of the employers; that they were 'simply a device to consummate and perpetuate' the companies' illegal conduct and constituted its culmination." The Court was of the opinion that this conclusion was entirely too broad to be sustained, and therefore concluded that the Board was without authority to require the Consolidated Edison Co. and its affiliates to desist from giving effect to the contracts with the International Brotherhood of Electrical Workers.

Dissenting Opinions

Mr. Justices Butler and McReynolds dissented on the ground that the entire order should have been set aside. In a written opinion by Mr. Justice Butler it was agreed that the Board was without authority to require employers to cease giving effect to the contracts made with the Brotherhood, and it was contended that the Board was without jurisdiction as the employers were engaged solely in intrastate activities, and therefore outside the purview of the act. The minority argued that the case was not different from that of *Schechter Corp. v. United States*² (295 U. S. 495), and *Carter v. Carter Coal Co.*³ (298 U. S. 238), previously decided by the Court. In those cases, as here, Mr. Justice Butler said, "the activities of the employers and their employees were exclusively local." In referring to the New York State Labor Relations Act as being in substance precisely the same as the National Labor Relations Act, the minority opinion declared that the State's interest, purpose, and ability to safeguard against possible interruption of production and service by labor disputes are not less than those of the Federal Government. It was said that "the State's need of continuous service is immediate, while the effect of interruption on interstate or foreign commerce would be mediate, indirect, and relatively remote."

The dissenting opinion declared, finally, that the right of the States, consistently with national policy and law, to exert freely the powers safeguarded to them by the Federal Constitution was essential to the preservation of the Government. In support of this declaration, the opinion stated that—

Asseveration of need to uphold our dual form of government and the safeguards set for protection of the States and the liberties of the people against unauthorized exertion of Federal power, does not assure adherence to, or conceal failure to discharge, duty to support the Constitution.

A separate opinion was delivered by Mr. Justice Reed, concurred in by Mr. Justice Black. These justices contended that the provision of the order of the Board requiring the Edison companies to cease from giving effect to the contracts was proper. The evidence showed, the opinion pointed out, that a "consistent effort" by the officers and foremen of the Edison Co. and its affiliates had been made to further the development of the Brotherhood by various acts of the company.

They further declared that the evidence was clearly sufficient to support the conclusion that the companies entered into the contracts as a part of a coercive plan to interfere "with the self-organization of their employees," and that this justified "the Board's prohibition against giving effect to the contracts" between the company and the Brotherhood.

² See analysis of decision in Monthly Labor Review, June 1935, p. 1466.

³ *Idem*, July 1936, p. 68.

RECENT COURT DECISIONS OF INTEREST TO LABOR

Railroad Retirement Acts as Applied to State-Owned Railroad

THE State of California was not entitled to an injunction to restrain the enforcement against a State-owned railroad of provisions of the Federal Railroad Retirement Acts and the Federal Carriers Taxing Act, according to a decision of the United States Supreme Court. Relief was denied solely on the ground of want of equity, as "there was adequate opportunity to test at law the applicability and constitutionality of the Acts of Congress."

The Court declared that the alleged threat of the Railroad Retirement Board to require the railroad to gather and keep records of its employees did not expose it to irreparable injury, as the Board is not empowered to enforce its regulations except by suit, and in the event of litigation ample opportunity would be afforded the State to defend on the ground that the railroad is not subject to the Railroad Retirement Act. With regard to the payment of taxes required by the Federal Carriers Taxing Act, the Court was of the opinion that such payment also would not expose the State to irreparable injury, since the amount paid could be recovered in an action at law. In response to the allegation that in order to raise the money to pay the tax, it would be necessary to adjust the tariffs of the railroad, the Court said that "mere inconvenience to a taxpayer in raising money with which to pay taxes is not uncommon, and is not a special circumstance which entitles one to resort to a suit for an injunction in order to test the validity or applicability of the tax." (*State of California v. Latimer et al.*, 59 Sup. Ct. 166.

Compensation Denied Because of Disobedience of Instructions

In a recent case decided by the Supreme Court of North Carolina it was held that the death of a painter by drowning was not compensable, since the death did not "arise out of the employment." The painter was employed by the State highway and public works commissions and while engaged in painting a bridge, he dropped his paint brush into the water. The foreman told him not to go into the water after it, but in violation of this instruction he went into the river for the purpose of recovering the paint brush and was drowned.

The industrial commission found that the deceased had left the usual scope of his employment and was doing something contrary to the command of his foreman and superior. The commission therefore concluded that his death did not arise out of the employment, and denied compensation. The supreme court upheld the commission, declaring that "there was evidence to support the findings of fact by the industrial commission," and agreeing with the conclusion

of the commission that the injury did not arise out of the employment. (*Morrow v. State Highway & Public Works Commission*, 199 S. E. 265.)

Determination That Electric Railroad Is not "Interurban" Upheld

The United States Supreme Court in a recent decision upheld a determination of the Interstate Commerce Commission that an electric railroad was not an "interurban" electric railway within the provisions of the Railway Labor Act excepting interurban electric railways unless operating as a part of a general steam-railroad system of transportation. The Court stated that such a determination is reviewable, but the extent of the review is limited to the question of whether the Commission in arriving at its determination after hearing departed from the applicable rules of law, and to the question of whether its finding had a basis in substantial evidence or was arbitrary and capricious.

It was pointed out by the Court that as Congress was free to establish categories which should be excepted from the act, Congress could bring to its aid an administrative agency "to determine the question of fact whether a particular railroad fell within the exception, and Congress could make that factual determination, after hearing and evidence, conclusive." As the evidence disclosed that over 81 percent of the line was located on privately owned right-of-way, that the bulk of its revenue was received from handling freight, and that a large portion of the freight handled was interchanged with other carriers, the Court declared that "it cannot be said from this evidence, and the related facts summarized in the Commission's report, that the Commission's determination lacked support or was arbitrary or capricious." (*Shields v. Utah Idaho Central Railroad Co.*, 59 Sup. Ct. 160.)

Injury at Union Meeting not Compensable

An injury received by a machine operator while attending a union meeting on the premises of her employer was held by the Second District Court of Appeal of California not to be compensable as "arising out of and occurring in the course of her employment." The employee had designated the union to represent her in negotiations with her employer under the National Labor Relations Act, and permission was granted the union to hold meetings on the premises, with the understanding that the employer would be excluded from the meeting.

In deciding that the employee was not entitled to compensation, the court declared that an industrial injury is compensable only

when received as a natural incident of his work, and while he is doing the duty he was employed to perform. At the time of the injury, the employee "was not acting for her employer nor engaged in his service." Instead, she was "attending a meeting of an organization of which she was a member and the purposes of which were clearly for her own interests and not necessarily in any way for the benefit of her employer." Under the National Labor Relations Act, the employer "was by law prohibited from interfering with her actions," and the court therefore concluded that at the time of her injury the employee "was engaged in an activity clearly beyond the scope of her employment." (*Pacific Indemnity Co. v. Industrial Accident Commission*, 81 Pac. (2d) 572.)

Compensation for Blood Poisoning Resulting From Pimple

A teamster whose arm became infected with blood poisoning as a result of a pimple which appeared on his forearm shortly after he had trimmed the horses' manes was entitled to compensation, according to a decision of the Supreme Court of Utah. Part of the duties of the injured employee was to curry the horses, and occasionally to roach their manes, which consisted of trimming them with sheep shears. In doing this, pieces of horsehair would fall and cover his hand, arm, face, and clothing. The teamster wore a woolen sweater while at work and particles of the horsehair fell upon and even penetrated the sweater. He discovered a pimple on his forearm with horsehair the color of his team's manes in the center, and inflammation spread from the pimple and resulted in blood poisoning. The industrial commission found that the employee was not injured by an accident arising out of and in the course of his employment, and refused to award compensation.

In holding that compensation should have been awarded, the court declared that an order of the industrial commission which is against the undisputed competent evidence cannot be upheld. The court observed that there was unmistakable evidence showing that the germ which caused the infection was prevalent around barns and stables and did not come from human beings. In this connection the court said: "The weakness of the imputation of some possible cause of the incision, other than the horsehair, lies not only in the lack of evidence to support it but in the positive evidence of the presence in the wound of an agency competent to produce it, and in surroundings of proved general prevalence of the germ." (*Adams v. Industrial Commission of Utah*, 82 Pac. (2d) 693.)

FIFTH NATIONAL CONFERENCE ON LABOR LEGISLATION

DISCUSSION of the administration of the Fair Labor Standards Act of 1938 was an important item on the agenda of the Fifth National Conference on Labor Legislation held in Washington, D. C., November 14 to 16, 1938. Conferences have been convened by the Secretary of Labor for five successive years in order to give Federal and State departments of labor and persons interested in the work of these departments an opportunity to discuss their mutual problems. The recent session was one of particular significance, as the Wage and Hour Division of the United States Department of Labor was seeking to work out a basis for cooperation with the States for enforcement of the new wage and hour law.

In all, 10 committee reports were made to the members of the conference and 11 resolutions were adopted. Of the resolutions, nine, presented by the resolutions committee, covering child labor, apprenticeship, State wage and hour legislation, industrial home work, workmen's compensation, wage collection, conferences of administrative officials, State labor departments, and freight rate differentials are here reproduced in full. The two remaining resolutions were presented by delegates. They provided for cooperation between State departments of labor and the Wage and Hour Division of the United States Department of Labor according to a plan outlined by the Administrator of the wage and hour law; and expressed the satisfaction of the States with the results of the conferences held and voted to make them annual events in future.

Child labor

Whereas Federal child-labor legislation covers only a part of the child labor now existing in the United States; therefore be it

Resolved, That the Fifth National Conference on Labor Legislation recommend supplemental State legislation to perfect the cooperation of the States in the administration of the child-labor provisions of the Fair Labor Standards Act and to raise all State child-labor standards to those of the Fair Labor Standards Act; and be it further

Resolved, That the Fifth National Conference on Labor Legislation urge that every effort be made to complete the ratification of the pending Federal Child Labor Amendment.

Apprenticeship

Whereas apprenticeship is vital to youth, to management and to labor; and

Whereas all groups concerned have recognized the significance of apprenticeship to them; and

Whereas standards for the training of apprentices set up by the Federal Government can best be effectuated by legislation giving State departments of labor authority in this field; therefore be it

Resolved, That the Fifth National Conference on Labor Legislation strongly urge the States to enact legislation placing the administration of apprenticeship labor standards within their labor departments; and be it further

Resolved, That pending such legislation, each commissioner of labor appoint a representative apprenticeship council, consisting of an equal number of representatives of workers and management and a representative each from other agencies having an interest in apprenticeship, to promote the development of sound apprenticeship and to perform the service called for in the administration of apprenticeship under the Fair Labor Standards Act and the apprenticeship regulations of other Federal agencies.

State wage and hour legislation

Whereas the Fair Labor Standards Act of 1938 provides minimum wages and basic maximum hours for workers employed in interstate industries; and

Whereas most workers employed in intrastate industries, in which many of the worst abuses are known to exist, are without similar protection; therefore be it

Resolved, That the Fifth National Conference on Labor Legislation recommend and urge prompt State action to extend the benefits provided by the Federal law to all workers, either by amendment to existing statutes or by the introduction of new legislation; and be it further

Resolved, That this conference express its appreciation to the Secretary of Labor for appointing a committee of State labor-law administrators and representatives of organized labor to prepare suggested language for a bill adapting the wage and hour provisions of the Federal act for the use of States taking steps to enact wage and hour legislation.

Industrial home work

Whereas home work is a method of industrial production which exploits the workers engaged therein, competes unfairly with factory production, and tends to evade wage, hour, and child-labor regulations; and

Whereas this and other conferences of State labor-law administrators and of organized labor have gone on record repeatedly urging the complete elimination of the industrial home-work practice; therefore be it

Resolved, That the Fifth National Conference on Labor Legislation express its gratification that the Fair Labor Standards Act has been interpreted to apply to industrial home work and recommend that each wage order issued thereunder prohibit industrial home work in the industry involved, as a means of safeguarding the wage standards established; and be it further

Resolved, That this conference recommend and urge that all States, not yet having adequate legislation looking toward the ultimate elimination of the industrial home-work practice, take immediate steps to enact such legislation to be administered by the State departments of labor.

Workmen's compensation

Whereas the benefits of workmen's compensation acts are not now available to a large number of workers, due to limited scope of application, as well as to elective feature of many acts; and

Whereas it seems desirable that workmen's compensation should be afforded at the lowest possible cost and benefits made available with the least possible amount of litigation; and

Whereas the extension of workmen's compensation benefits for disabilities due to occupational diseases is essential for the more complete protection of industrial workers; therefore be it

Resolved, That the Fifth National Conference on Labor Legislation strongly urge the States to make workmen's compensation coverage mandatory, and to extend its benefits to all workers and all employments, public and private; and be it further

Resolved, That this Conference recommend exclusive State funds as the best and most economical medium for providing workmen's compensation insurance; and be it further

Resolved, That the Conference further recommend the inclusion of all occupational diseases or disabilities under workmen's compensation acts.

Wage collection

Whereas the failure to pay wages earned continues to be a serious abuse, particularly in States where labor departments are not equipped to enforce such payments; and

Whereas a worker's right to his wages is indisputable and public opinion condemns the employer who defrauds his employees or who, lacking the ability to pay, continues to employ workers; and

Whereas the experience of State labor departments in 11 States has demonstrated the effectiveness of properly drafted wage-payment and wage-collection laws; therefore be it

Resolved, That the Fifth National Conference on Labor Legislation go on record as urging the adoption by all States that do not yet have this legislation of (1) a law requiring all employers to pay wages in full on regular, specified pay days; and (2) a law authorizing the labor commissioner to assist workers in collecting valid unpaid wage claims, and to take assignments of such claims for court collection.

Conferences of administrative officials

Whereas small working conferences of officials engaged in administering different types of labor laws have been extremely helpful in promoting sound and uniform methods of administration; and

Whereas such conferences have been held for officials engaged in administering industrial home work, minimum wage, and industrial health and safety laws; therefore be it

Resolved, That the Fifth National Conference on Labor Legislation urge the extension of the practice to new fields, and suggests the holding in the near future of such a conference for officials engaged in wage collection.

State labor departments

Whereas division of responsibility for the administration of labor laws and laws designed to protect and promote the welfare of workers jeopardizes the effectiveness of enforcement and is more costly; and

Whereas centralization of responsibility within a single administrative agency prevents unnecessary duplication, tends to promote efficient and coordinated enforcement practices and methods, and is conducive of a sound and more consistent policy with respect to labor problems; therefore be it

Resolved, That the Fifth National Conference on Labor Legislation reaffirm its belief in the importance of coordinating the administration of such laws within a single department of labor of the State or Federal Governments, as the case may be; and be it further

Resolved, That in furtherance of centralized administration of laws for the protection of workers, this conference recommend that industrial hygiene activities be centered in the agency of the State which administers labor laws, and that any funds appropriated by the Federal Government for assistance in this field be made available to the State labor departments, meeting suitable standards as to organization, effectiveness, and program; and be it further

Resolved, That this Conference stress the necessity of appropriations for labor departments, both State and Federal, which are adequate and commensurate with their duties and responsibilities.

Freight-rate differentials

Resolved, That the United States Department of Labor be asked to appoint a committee to study the effect on wage earners of the alleged inequalities in freight rates for the shipment of manufactured goods.



OREGON ANTIPICKETING LAW

IN THE general election of November 8, 1938, the people of Oregon approved an initiative petition which regulates the rights of employees in labor controversies. Measures of a somewhat similar nature were proposed but defeated by the electorate in California and Washington. Opponents of the measure contend that the law is in conflict with the National Labor Relations Act and the Norris-LaGuardia anti-injunction law, as well as with recent decisions of the Supreme Court of the United States.

The new Oregon law prohibits picketing in controversies which are not strictly within the purview of the term "labor dispute." A labor dispute, as defined by the act, includes "only an actual bona fide controversy" concerning matters directly pertaining to wages, hours, or working conditions of the employees of a particular employer directly involved in the controversy. Also, the dispute must be between an employer and the majority of his employees. A controversy between rival labor unions, or a dispute involving demands for union recognition, is not classed as a labor dispute under the act.

Picketing is permitted whenever a bona fide labor dispute exists, but limitations have been placed on this right in the case of the "lawful buying, selling, transporting, receiving, delivering, manufacturing, harvesting, processing, handling, or marketing of any agricultural or other products." Boycotting of any employer not directly involved as a party to a labor dispute is prohibited, and no person or organization may "by any direct or indirect means" prevent any person from working for an employer.

The law also provides that it shall be unlawful for an organization named as a collective-bargaining agency to make any charge for dues, etc., that will create a fund in excess of the ordinary and legitimate requirements of such organization. The organization must also keep accurate books, itemizing all receipts and expenditures, and any member shall be entitled to inspect the books of the organization and to have an accounting of all money and property.

In the enforcement of the new law, the Oregon Legislature has conferred upon the circuit courts of the State the power to issue injunc-

tions and other orders. A person violating any provision of the law shall be deemed guilty of a misdemeanor, and upon conviction shall be punished according to the law of the State.

The text of the law follows:

SECTION 1. *Definition of labor dispute.*—Whenever in any statute or other law of this State the term "labor dispute" is used, such term is hereby defined for all purposes to mean and include only an actual bona fide controversy in which the disputants stand in proximate relations of employer and the majority of his or its employees and which directly concerns matters directly pertaining to wages, hours, or working conditions of the employees of the particular employer directly involved in such controversy. Disputes between organizations or groups of employees as to which shall act for the employees in dealing with the employer shall not be classed as labor disputes, and the refusal of an employer to deal with either party to any such jurisdictional controversy shall not operate to make the dispute a labor dispute within the meaning of this act.

SEC. 2. *Restrictions on picketing.*—It shall be unlawful for any person, persons, association, or organization to obstruct, or attempt to obstruct or prevent, the lawful buying, selling, transporting, receiving, delivering, manufacturing, harvesting, processing, handling, or marketing, of any agricultural or other products.

SEC. 3. *Unlawful picketing.*—It shall be unlawful for any person, persons, association, or organization, to picket or patrol, or post pickets or patrols, in or near the premises or property owned, occupied, controlled, or used by an employer or employers unless there is an actual bona fide existing labor dispute between said employer or employers and his or their employees. It shall also be unlawful to boycott directly or indirectly any employer, or the business of such employer, not directly involved as a party in a labor dispute.

SEC. 4. *Limitation of union dues.*—It shall be unlawful for any organization, association, or person, legally authorized to act as collective-bargaining agent or representative of laboring people, to make any charge, or exaction for initiation fees, dues, fines, or other exactions, which will create a fund in excess of the legitimate requirements of such organization, association, or person, in carrying out the lawful purpose or activities of such organization, association, or person. Every such organization, association, and person shall keep accurate books itemizing all receipts and expenditures and the purpose of such expenditures. Any members of any labor organization or association shall be entitled at all reasonable times to inspect the books, records, and accounts of such association, or organization, or any agent or representative thereof, and to have an accounting of all money and property thereof.

SEC. 5. *Prevention of employment.*—It shall be unlawful for any association, organization, or person by any direct or indirect means to prevent, hinder, or molest any person from seeking to engage or engaging his services to any person, firm, corporation, or association desiring to employ him.

SEC. 6. *Injunctions.*—The circuit courts of this State, and the judges thereof, shall have full power, authority, and jurisdiction to enforce this act, including full power to issue restraining orders and temporary and permanent injunctions, and such other and further orders as may be necessary or appropriate to carry out and enforce each and every provision of this act.

SEC. 7. *Violations.*—Any person who shall violate any of the provisions of this act shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be punished accordingly.

SEC. 8. *Repeal.*—All acts and parts of acts in conflict with this act are hereby repealed.

NATIONALIZATION OF COAL-MINING RIGHTS IN GREAT BRITAIN, 1938

COAL mines in Great Britain are placed under Government control by the terms of the Coal Act, 1938, which was approved on July 29. This was accomplished by the purchase of royalties by the Government. In this way the Government assumes control of mines but the actual operation of the properties will continue to be carried on by companies which lease the mines. Provision is made for establishment of a Coal Commission empowered to reduce the number of mines in the interest of efficiency and to compensate existing owners of coal royalties for the acquisition of their interests by the Government. As regards the importance of this law to labor the London Economist stated that "None of those associated with the industry can prosper in the future unless determined and wholehearted efforts are made without delay to introduce a much greater measure of economic efficiency than hitherto into the organization of British coal mining."¹

This new law is the latest in a series designed to stabilize the coal industry. Introduction of the reforms under the 1938 legislation will be facilitated by the central selling schemes provided under the 1930 law giving support to the price structure of the coal industry. The selling schemes are among the more important provisions of earlier legislation that have been retained, but some sections of these laws have been either repealed or superseded by the terms of the 1938 statute.

The Coal Commission created to administer this law is a body corporate with perpetual succession and power to hold land without license in mortmain. The holdings of the Commission may be administered in such way as its members consider best for promoting the interests, efficiency, and better organization of the coal industry. Leases must be granted for ordinary coal-mining operations, and the only mining that the Commission may itself carry on is restricted to prospecting. On matters affecting the national interest, including safety, the Board of Trade may give the Commission general directions as to the exercise of its functions.

Duties formerly performed by the Coal Mines Reorganization Commission constituted by the Coal Mines Act, 1930, are transferred to the newly organized Coal Commission.

In cases where the Coal Commission finds that the number of separate mine undertakings under lease in any area is so great as to be detrimental to the economical and efficient working, treatment, or disposition of the product, it is required to make an effort to reduce the

¹ Great Britain, Laws, 1 and 2 Geo. 6, ch. 52, Coal Act, 1938; *The Economist* (London), July 9, 1938; and reports from Foreign Service Officers of the United States in London, Herschel V. Johnson, and Douglas Jenkins.

number of such undertakings. Amalgamations may not be given final effect without approval of Parliament.

Land ownership and mining rights are held by different groups in Great Britain. Under the 1938 law the Government has not nationalized the mine lands, but has purchased the mining rights by providing compensation to the owners of the mining rights for the loss of royalties which they formerly received from the operators who leased the properties.

A special arbitration board fixed the amount of remuneration to be paid to owners of royalties at £66,450,000, and this sum was written into the law as the amount of compensation to be apportioned among royalty owners. The Central Valuation Board established under the act is required to establish valuation regions and to allocate to each the proportion of the total payment for the purchase of royalties to which the respective regions are entitled. Each valuation region will have a regional valuation board to fix the value of individual properties within its jurisdiction.

The valuation of mines for the purpose of this law is the value as of January 1, 1939. The vesting date, i. e., the time when the mines pass from private to governmental control, is July 1, 1942. In the period between these two dates, when it is anticipated that the process of valuation will be completed, each owner of royalties will be in the same position as the owner of land which is under contract for sale. The value of a holding is defined as the amount it might have brought on the open market at the time, if the existing owners wished to sell.

All sums received by the Coal Commission must be placed in a special fund and all payments by the Commission are to be made out of that fund. A reserve fund is required to be established each year after the accounts have been balanced. Sums in excess of the reserve requirements may be used to redeem debts incurred under the law. If the estimated surplus is likely to exceed requirements in future years, the Commission is empowered to reduce the rents of lessees operating mines where the work is more onerous than the average for lessees working under similar conditions.

The Commission may borrow money and create and issue stock for the purpose of raising funds. Payment of principal and interest on any loan of the Commission may be guaranteed by the Treasury.

A section of the law deals with the use of land for the benefit of workpeople employed in or about coal mines. It continues the provisions of earlier legislation by conferring the right to use and occupy lands for buildings to house facilities such as baths and rooms for drying clothes.

MODIFICATION OF FRENCH 40-HOUR LAW¹

THE Daladier-Reynaud decree-laws for the economic rehabilitation of France were issued November 12, 1938. The report submitting these decrees to the President of the Republic which dealt with the financial and economic problems of the country states that although the social laws of 1936² have marked an appreciable progress for the working classes, the experience of more than 2 years has shown the necessity of modification. The stated objectives of the new laws, "within the framework established by the laws of June 1936", are to increase production, to insure respect for the social laws, and to improve the material condition of the workers. The Government received a vote of confidence on the recovery program on December 10, 1938.

For the attainment of the primary objective—increased production—the most important measure, and one judged to be indispensable, relates to the duration of work. Article 1 of this decree stipulates that "the legal duration of work for all enterprises in France remains fixed at 40 hours a week", but Article 2 provides that "by reason of the gravity of the economic situation", for a period of 3 years, the workweek is to be increased from 5 to 6 days, and heads of establishments are authorized to require the extra hours necessary to do the work on hand, up to a maximum of 50 hours, merely upon notifying the labor inspector. Extensions of overtime above the 50 hours may be requested in sections of 40 hours at a time and if not refused by the authorities within 10 days, the extension may be considered as accepted.

The decree provides for overtime pay as follows: 10 percent increase for the first 250 hours within 1 year in establishments employing more than 50 persons and from 5 to 10 percent in others; 15 percent in all establishments up to 400 hours; and 25 percent thereafter.

The employer must pay a 10-percent tax on profits resulting from overtime.

All provisions of collective agreements, and of laws and regulations, which diminish the output of enterprises are voided by the decree.

A second decree provides that the paid vacations may, at the order of the Minister of Labor or the Prefect, be spread out, or rotated in order to avoid the simultaneous shutting down of all plants of the same branch of commerce or industry in the same region. The purpose of this measure, it is pointed out, is not only to promote continuity in production, but also to prevent overcrowding on railroads and in vacation resorts.

¹ Data are from reports of Edwin C. Wilson, Charge d'Affaires ad interim, Paris, dated November 25 and 26; and *Journal Officiel* (Paris), November 12 and 13, 1938.

² See *Monthly Labor Review*, September 1936 (p. 621).

The third and fourth decrees deal with infractions of the laws and regulations regarding the duration of work by employers and employees.

The fifth decree is designed to introduce improvements in the existing procedures of conciliation and arbitration, as established by the laws of December 31, 1936, and March 4, 1938, for the settlement of labor disputes, which procedures, it is stated, have already given the most favorable effects.

The sixth decree deals with the status of employees' delegates, the election of delegates concerned with the security of workmen in mines, and union rights of professional groups. The seventh decree provides funds for the occupational classification of the unemployed with a view to securing skilled workers, especially for armaments, and to spread employment. The eighth decree provides that an additional 200 million francs shall be appropriated annually to increase the bonuses and allowances given to large families in order to stimulate a higher birth rate. These three decrees are similar in purpose, inasmuch as they provide benefits to the workmen to offset the increase in hours and the penalties for refusal to work overtime, etc. The ninth and final decree of the "social measures," with its accompanying regulations, introduces into the railroads new conditions of work along the lines of the modifications of the 40-hour week being applied to other industries, but with other changes which the experience of the nationalization of railroads and the special character of the railroads as distinct from other enterprises, have suggested as expedient.

The report accompanying the text of the decree-laws also stresses the need for increased production, which is essential to financial recovery, and greater labor efficiency. It particularly advocates in this connection the extension of industrial standardization (*normalisation*). It further recommends the creation of an Institut de Conjoncture for the purpose of collecting and diffusing information of an economic character, operating independently of the general statistical office and complementing its work. On the basis of these recommendations the new act provides for the creation of an interministerial commission for the control of industrial standardization operations, and outlines the functions of this commission. It also provides for the creation of an Institut de Conjoncture, associated with the Ministry of National Economy but enjoying civil and financial autonomy. Its duties are to be as follows: The study of the evolution of the economic situation in France and abroad by means of statistical data, and the expression of opinions in regard to future developments in this field; the investigation of economic problems and particularly of those relating to domestic and foreign economic policy; the information of public bodies, economic organizations, and

private individuals on questions pertaining to national economy, and the promotion of economic sciences; official French representation at international congresses on economic matters. The decree-law requires, under penalty, the heads of industrial enterprises to furnish the Institut de Conjoncture with any data, except those relating to profits, which may be required to throw light on economic conditions. Such information is to be considered as confidential and may be published only if it is of a general and impersonal statistical nature, covering a branch of industry or trade, or a specific economic region.

Industrial Disputes

TREND OF STRIKES

PRELIMINARY estimates indicate that there were only about 85 percent as many strikes in November 1938 as in the preceding month. Also, there were only 80 percent as many workers involved and about 65 percent as many man-days of idleness because of strikes in November as in October. There were no extremely large strikes in November, the largest in terms of number of workers involved being the short stoppages at the Plymouth plant of the Chrysler Corporation and at the Chevrolet gear and axle plant, both in Detroit.

Trend of Strikes, 1933 to November 1938 ¹

Year and month	Number of strikes					Workers involved in strikes		Man-days idle during month or year
	Continued from preceding month	Beginning in month or year	In progress during month	Ended in month	In effect at end of month	Beginning in month or year	In progress during month	
1933.....	-----	1, 695	-----	-----	-----	1, 168, 272	-----	16, 872, 128
1934.....	-----	1, 856	-----	-----	-----	1, 466, 695	-----	19, 591, 949
1935.....	-----	2, 014	-----	-----	-----	1, 117, 213	-----	15, 456, 337
1936.....	-----	2, 172	-----	-----	-----	788, 648	-----	13, 901, 956
1937.....	-----	4, 740	-----	-----	-----	1, 860, 621	-----	28, 424, 857
<i>1937</i>								
January.....	100	171	271	132	139	108, 621	214, 268	2, 720, 281
February.....	139	211	350	204	146	99, 335	226, 329	1, 491, 268
March.....	146	614	760	510	250	290, 324	358, 155	3, 288, 979
April.....	250	535	785	512	273	221, 572	394, 178	3, 377, 223
May.....	273	604	877	547	330	325, 499	445, 170	2, 982, 735
June.....	330	610	940	582	358	281, 478	474, 954	4, 998, 408
July.....	358	472	830	533	297	143, 678	353, 682	3, 007, 819
August.....	297	449	746	451	295	143, 033	238, 828	2, 270, 380
September.....	295	361	656	393	263	88, 967	160, 241	1, 449, 948
October.....	263	320	583	378	205	67, 242	127, 109	1, 181, 914
November.....	205	262	467	265	202	68, 929	118, 632	981, 697
December.....	202	131	333	213	120	21, 943	60, 518	674, 205
<i>1938</i>								
January.....	120	151	271	155	116	34, 865	55, 386	470, 138
February.....	116	175	291	167	124	52, 307	76, 419	503, 875
March.....	124	239	363	209	154	52, 621	101, 275	737, 455
April.....	154	242	396	234	162	78, 278	107, 965	791, 994
May.....	162	257	419	261	158	80, 753	120, 820	1, 122, 509
June.....	158	192	350	215	135	51, 045	91, 392	805, 664
July.....	135	175	310	176	134	46, 634	78, 725	694, 712
August.....	134	207	341	215	126	45, 048	74, 228	748, 808
September.....	126	176	302	187	115	90, 887	123, 772	905, 149
October ¹	115	220	335	200	135	50, 000	100, 000	900, 000
November ¹	135	185	320	195	125	40, 000	65, 000	575, 000

¹ Strikes involving fewer than 6 workers or lasting less than 1 day are not included in this table nor in the following tables. Notices or leads regarding strikes are obtained by the Bureau from more than 650 daily papers, labor papers, and trade journals, as well as from all Government labor boards. Letters are written to representatives of parties in the disputes asking for detailed and authentic information. Since answers to some of these letters have not yet been received, the figures given for the late months are not final. This is particularly true with regard to figures for the last 2 months, and these should be considered as preliminary estimates.

As compared with November a year ago the figures for November 1938 indicate that there were only about 70 percent as many strikes, 58 percent as many workers involved, and 59 percent as many man-days of idleness.

The figures given in the preceding table for October and November are preliminary estimates, based on newspaper reports and other information available as this goes to press. An analysis of strikes in each of these months, based on detailed and verified information, will appear in subsequent issues of the Monthly Labor Review.



ANALYSIS OF STRIKES IN SEPTEMBER 1938¹

THERE was some decrease in the number of strikes beginning in September as compared to August, although the number of workers involved was about double the number involved in the August disputes. The 90,000 workers involved in the 176 September strikes for which detailed information has been received were more than were involved in the strikes of any preceding month of 1938. The 905,000 man-days idle represented more idleness because of strikes in September than in any preceding month of this year except May, when the figure was over a million.

There were several fairly large strikes in September. The largest, in terms of number of workers involved, was the trucking strike which began in New York City September 15 in an attempt to reduce weekly hours from 47 to 40 without decreasing the weekly pay. On September 22 the drivers returned to work under a 4-day truce, during which negotiations were to be carried on for a new contract to replace the one which had expired August 31. On September 26, no agreement having been reached, the teamsters' union authorized a continuation and spread of the strike, which became quite general among local and long-distance trucking employees in New York City and also extended into New Jersey. An agreement between the union and the Merchant Truckmen's Bureau of New York, an association of local trucking firms, was reached September 28, by the terms of which the workers were to receive 47 hours' pay for a 44-hour week. The Highway Transport Association, the association of long-distance haulers, signed a similar agreement on October 3. The strike was practically at an end on this date when another agreement was signed in New Jersey by the Associated Express and Truck Owners of New Jersey, Inc., in which the drivers were granted a wage increase of about \$4 a week. Many individual firms had signed contracts with the union in the meantime.

¹ Detailed information on a few strikes has not yet been received. (See footnote to preceding table.) Data on missing strikes will be included in the annual report.

In San Francisco, Calif., the strike of department-store workers which began September 7 continued through the remainder of the month and was not settled until November 1, when it was terminated by a signed agreement. In Detroit, Mich., more than 9,000 workers at the Briggs Manufacturing Co. were idle from September 14 to 17 because of a dispute over the speed-up question. In New Orleans, La., a large number of construction workers were idle for about 3 days in protest against the delivery of materials by a trucking firm considered to be unfair by the teamsters' union. In Wisconsin the automobile plants of the Nash-Kelvinator Corporation were idle from September 27 to October 9 because of a dispute over the discontinuance of operations at the Racine plant.

There were more strikes (24) in the textile industries than in any other industry group. There were 22 in building and construction, the same number in trade, and 19 in transportation and communication. The largest number of workers involved in strikes were in transportation and communication (23,000), transportation-equipment manufacturing (16,000), textiles (14,000), and building and construction (13,000). The greatest number of man-days of idleness were in transportation and communication (199,000), trade (169,000), textiles (106,000), and mining (77,000).

TABLE 1.—*Strikes in September 1938, by Industry*

Industry	Beginning in September		In progress during September		Man-days idle during September
	Number	Workers involved	Number	Workers involved	
All industries.....	176	90,887	302	123,772	905,149
Iron and steel and their products, not including machinery	3	80	12	2,790	30,852
Bolts, nuts, washers, and rivets.....			1	87	783
Cutlery (not including silver and plated cutlery), and edge tools.....	1	64	1	64	384
Plumbers' supplies and fixtures.....	1	8	2	23	55
Steam and hot-water heating apparatus and steam fittings.....			1	1,357	9,499
Stoves.....			1	394	5,122
Structural and ornamental metalwork.....	1	8	4	396	5,160
Wire and wire products.....			2	469	9,849
Machinery, not including transportation equipment	7	2,003	14	5,266	53,545
Electrical machinery, apparatus, and supplies.....	2	681	2	681	2,574
Foundry and machine-shop products.....	4	1,217	6	1,392	25,420
Radios and phonographs.....			3	2,817	18,981
Other.....	1	105	3	376	6,570
Transportation equipment	5	15,944	6	16,416	50,666
Automobiles, bodies and parts.....	4	15,719	5	16,191	45,941
Other.....	1	225	1	225	4,725
Nonferrous metals and their products	4	829	5	1,022	10,990
Jewelry.....	1	600	1	600	6,000
Lighting equipment.....	2	50	2	50	400
Smelting and refining—copper, lead, and zinc.....			1	193	4,053
Other.....	1	179	1	179	537
Lumber and allied products	10	857	20	2,624	38,206
Furniture.....	5	351	8	604	5,022
Millwork and planing.....			2	834	17,514
Sawmills and logging camps.....	3	398	5	816	11,364
Other.....	2	108	5	370	4,306
Stone, clay, and glass products	2	215	5	950	17,205
Brick, tile, and terra cotta.....	1	15	2	165	3,885
Glass.....	1	200	1	200	2,400
Marble, granite, slate, and other products.....			1	175	2,310
Other.....			1	410	8,610

TABLE I.—Strikes in September 1938, by Industry—Continued

Industry	Beginning in September		In progress during September		Mandays idle during September
	Number	Workers involved	Number	Workers involved	
Textiles and their products.....	24	14, 105	39	17, 968	105, 966
Fabrics:					
Carpets and rugs.....	1	17	1	17	102
Cotton goods.....	2	1, 525	3	2, 025	16, 250
Cotton small wares.....	1	135	1	135	2, 383
Dyeing and finishing textiles.....	2	7205	2	205	2, 405
Silk and rayon goods.....	2	3, 550	3	3, 800	21, 150
Other.....	1	210	3	281	2, 147
Wearing apparel:					
Clothing, men's.....	1	3, 000	2	3, 044	4, 100
Clothing, women's.....	7	231	12	1, 257	4, 823
Hats, caps, and millinery.....			1	110	2, 310
Shirts and collars.....	2	347	3	1, 047	17, 311
Hosiery.....	2	4, 425	2	4, 425	12, 925
Knitgoods.....	1	175	3	737	6, 230
Other.....	2	285	3	885	13, 830
Leather and its manufactures.....	1	318	4	577	6, 580
Boots and shoes.....			2	195	3, 330
Leather.....			1	64	1, 024
Other leather goods.....	1	318	1	318	2, 226
Food and kindred products.....	12	4, 944	20	5, 297	29, 571
Baking.....	2	267	5	453	5, 559
Beverages.....			2	31	211
Canning and preserving.....	3	1, 364	4	1, 379	8, 530
Confectionery.....	3	1, 230	4	1, 343	9, 552
Slaughtering and meat packing.....	2	1, 975	2	1, 975	3, 950
Other.....	2	108	3	116	1, 769
Tobacco manufactures.....	1	385	2	1, 025	11, 780
Cigars.....			1	640	10, 240
Other.....	1	385	1	385	1, 540
Paper and printing.....	5	435	6	656	2, 275
Boxes, paper.....	4	202	4	202	1, 146
Paper and pulp.....			1	221	663
Other.....	1	233	1	233	466
Chemicals and allied products.....	6	461	7	682	4, 098
Paints and varnishes.....	3	101	3	101	1, 261
Petroleum refining.....			1	221	442
Other.....	3	360	3	360	2, 395
Rubber products.....	1	400	4	909	8, 480
Other rubber goods.....	1	400	4	909	8, 480
Miscellaneous manufacturing.....	10	1, 836	16	2, 732	12, 758
Electric light, power, and manufactured gas.....			1	175	3, 675
Broom and brush.....	1	42	1	42	420
Furriers and fur factories.....	3	48	3	48	108
Other.....	6	1, 746	11	2, 467	8, 555
Extraction of minerals.....	4	1, 650	10	5, 440	76, 695
Coal mining, anthracite.....			2	2, 872	60, 312
Coal mining, bituminous.....	4	1, 650	7	2, 508	15, 278
Quarrying and nonmetallic mining.....			1	65	1, 105
Transportation and communication.....	19	22, 931	26	25, 356	199, 315
Water transportation.....	3	188	4	211	2, 022
Motor truck transportation.....	11	22, 313	13	22, 343	142, 088
Motorbus transportation.....	3	295	3	295	760
Taxicabs and miscellaneous.....	1	125	4	1, 386	26, 620
Electric railroad.....			1	1, 111	27, 775
Radio broadcasting and transmitting.....	1	10	1	10	50
Trade.....	22	5, 241	40	9, 459	169, 645
Wholesale.....	7	666	10	2, 485	53, 388
Retail.....	15	4, 575	30	6, 974	115, 257
Domestic and personal service.....	7	462	17	1, 356	6, 906
Hotels, restaurants, and boarding houses.....	6	423	12	1, 203	4, 165
Laundries.....	1	39	3	104	1, 366
Dyeing, cleaning, and pressing.....			2	51	1, 275
Professional service.....	2	239	3	261	3, 020
Recreation and amusement.....	2	239	2	239	2, 558
Semiprofessional, attendants, and helpers.....			1	22	462
Building and construction.....	22	13, 211	31	13, 788	50, 840
Buildings, exclusive of P. W. A.....	16	12, 798	22	13, 279	48, 383
All other construction (bridges, docks, etc., and P. W. A. buildings).....	6	413	9	509	2, 457
Agriculture and fishing.....	4	4, 060	6	8, 410	14, 180
Agriculture.....	4	4, 060	5	4, 410	10, 190
Fishing.....			1	4, 000	4, 000
W. P. A., relief, and resettlement projects.....	2	190	4	363	1, 726
Other nonmanufacturing industries.....	3	91	5	423	940

New York, with 42 new strikes in September, had more than double the number in any other State. There were 20 in Pennsylvania, 11 each in California and New Jersey, 9 in Illinois, and 8 in Wisconsin. The greatest number of man-days of idleness because of strikes was in New York, Pennsylvania, and California. Some of the other States had rather large numbers of workers involved, but most of the workers were in comparatively short strikes and consequently the amount of idleness was not so great.

Five of the 176 strikes beginning in September extended into two or more States and are shown under "interstate" at the end of table 2. The largest of these was the trucking strike in New York and New Jersey, referred to previously. The others were a stoppage of hosiery workers in Pennsylvania and New Jersey; a trucking strike in Nebraska and neighboring States; a strike of cotton pickers in Arkansas and Missouri; and a small strike of the crews on three steamships in California and Washington ports.

TABLE 2.—*Strikes in September 1938, by States*

State	Beginning in September		In progress during September		Man-days idle during September
	Number	Workers involved	Number	Workers involved	
All States.....	176	90,887	302	123,772	905,149
Alabama.....	5	695	9	1,368	14,737
Arkansas.....	1		1	50	50
California.....	11	6,815	18	9,955	139,375
Colorado.....	1	182	1	182	739
Connecticut.....	1	48	2	64	848
District of Columbia.....	1	86	1	86	860
Florida.....			1	18	378
Georgia.....			1	65	1,105
Illinois.....	9	970	11	1,580	19,364
Indiana.....	7	3,229	8	3,829	18,809
Iowa.....	2	625	2	625	2,500
Kansas.....	1	1,600	2	1,700	3,400
Kentucky.....			1	308	308
Louisiana.....	3	7,167	4	11,167	26,734
Maryland.....	2	2,220	2	2,220	10,920
Massachusetts.....	4	146	11	1,555	6,120
Michigan.....	5	10,027	8	10,600	37,490
Minnesota.....	7	216	9	279	2,606
Mississippi.....	1	30	1	30	120
Missouri.....	4	616	9	1,789	13,617
Montana.....			2	223	4,803
Nebraska.....			1	46	1,150
New Jersey.....	11	4,536	21	5,162	36,284
New York.....	42	13,527	72	17,042	123,861
North Carolina.....	3	167	3	167	1,910
North Dakota.....	1	16	1	16	32
Ohio.....	5	304	12	1,219	17,364
Oklahoma.....	2	335	2	335	440
Oregon.....	1	30	4	1,017	7,877
Pennsylvania.....	20	3,273	40	13,223	149,099
Rhode Island.....	1	150	1	150	1,800
South Carolina.....	2	1,525	3	1,700	8,060
Tennessee.....	1	52	7	1,066	17,726
Texas.....	6	545	9	598	4,889
Virginia.....	1	385	1	385	1,540
Washington.....	2	386	3	1,036	15,652
West Virginia.....	1	105	1	105	420
Wisconsin.....	8	5,064	11	5,886	43,377
Interstate.....	5	25,815	6	26,926	168,785

The average number of workers involved in the 176 strikes beginning in September was 516. About 56 percent of the strikes, however, involved fewer than 100 workers each; 33 percent involved from 100 to 1,000 workers each; and 11 percent involved more than 1,000 workers each. Only one strike, as shown in table 3, involved more than 10,000 workers. This was the trucking strike in New York and New Jersey.

TABLE 3.—*Strikes Beginning in September 1938, Classified by Number of Workers Involved*

Industry group	Total	Number of strikes in which the number of workers involved was—						
		6 and under 20	20 and under 100	100 and under 500	500 and under 1000	1,000 and under 5,000	5,000 and under 10,000	10,000 and over
All industries.....	176	33	65	52	6	17	2	1
<i>Manufacturing</i>								
Iron and steel and their products, not including machinery.....	3	2	1					
Machinery, not including transportation equipment.....	7	2		4		1		
Transportation equipment.....	5			1	1	2	1	
Nonferrous metals and their products.....	4	1	1	1	1			
Lumber and allied products.....	10	2	6	2				
Stone, clay, and glass products.....	2	1		1				
Textiles and their products.....	24	3	9	7	2	3		
Leather and its manufactures.....	1			1				
Food and kindred products.....	12	1	3	5		3		
Tobacco manufactures.....	1			1				
Paper and printing.....	5		4	1				
Chemicals and allied products.....	6	1	4	1				
Rubber products.....	1			1				
Miscellaneous manufacturing.....	10	2	5	2		1		
<i>Nonmanufacturing</i>								
Extraction of minerals.....	4			3	1			
Transportation and communication.....	19	3	9	4		2		1
Trade.....	22	6	8	7		1		
Domestic and personal service.....	7	2	3	2				
Professional service.....	2		1	1				
Building and construction.....	22	6	6	6	1	2	1	
Agriculture and fishing.....	4		2			2		
W. P. A., relief and resettlement projects.....	2		1	1				
Other nonmanufacturing industries.....	3	1	2					

Union-organization matters—recognition, closed shop, discrimination, etc.—were the major issues in 47 percent of the strikes beginning in September. This group of strikes included about 32 percent of the total workers involved. Wages and hours were the major issues in 36 percent of the strikes, including 39 percent of the workers involved. In about 17 percent of the strikes, including 29 percent of the workers involved, the major issues were other matters, including questions of jurisdiction and union rivalry, seniority, delayed pay, speed-up, vacations with pay, plant removal, and other grievances.

The duration of the 187 strikes which ended in September is indicated in table 5, where they are classified by industry groups. Thirty-five percent of the strikes were ended in less than a week after they began, 45 percent lasted from a week to a month, and 20 percent lasted for a month or more—10 strikes in the latter group having

been in progress for 3 months or more. The largest of these was the dispute which had kept the plant of the Philadelphia Storage Battery Co. (Philco radio manufacturers) at Philadelphia, Pa., idle since May 1. This dispute was settled September 7 by a contract with the United Electrical, Radio and Machine Workers Union, by the terms of which the hours of work were increased from 36 to 40 per week and a reduction in wages was put into effect.

TABLE 4.—Major Issues Involved in Strikes Beginning in September 1938

Major issues	Strikes		Workers involved	
	Number	Percent of total	Number	Percent of total
All issues.....	176	100.0	90,887	100.0
Wages and hours.....	63	35.8	35,704	39.3
Wage increase.....	36	20.5	9,829	10.8
Wage decrease.....	13	7.4	5,024	5.5
Wage increase, hour decrease.....	9	5.1	18,879	20.8
Wage decrease, hour increase.....	2	1.1	1,650	1.8
Hour decrease.....	3	1.7	322	.4
Union organization.....	82	46.6	28,779	31.6
Recognition.....	19	10.8	2,023	2.2
Recognition and wages.....	21	11.9	7,934	8.7
Recognition, wages, and hours.....	11	6.2	3,071	3.4
Closed shop.....	22	12.6	9,528	10.4
Discrimination.....	6	3.4	3,086	3.4
Other.....	3	1.7	3,137	3.5
Miscellaneous.....	31	17.6	26,404	29.1
Sympathy.....	1	.6	3,000	3.3
Rival unions or factions.....	3	1.7	1,346	1.5
Jurisdiction.....	6	3.4	730	.8
Other.....	21	11.9	21,328	23.5

TABLE 5.—Duration of Strikes Ending in September 1938

Industry group	Total	Number of strikes with duration of—					3 months or more
		Less than 1 week	1 week and less than 1½ month	½ and less than 1 month	1 and less than 2 months	2 and less than 3 months	
All industries.....	187	66	48	35	16	12	10
<i>Manufacturing</i>							
Iron and steel and their products, not including machinery.....	9	1	2	3	2	1	-----
Machinery, not including transportation equipment.....	5	1	1	1	-----	-----	2
Transportation equipment.....	4	3	-----	-----	1	-----	-----
Nonferrous metals and their products.....	1	-----	1	-----	-----	-----	-----
Lumber and allied products.....	10	3	3	4	-----	-----	-----
Stone, clay, and glass products.....	1	-----	-----	-----	1	-----	-----
Textiles and their products.....	23	6	10	5	2	-----	-----
Leather and its manufactures.....	3	-----	1	-----	1	1	-----
Food and kindred products.....	13	3	5	2	2	1	-----
Paper and printing.....	5	4	1	-----	-----	-----	-----
Chemicals and allied products.....	6	1	3	1	-----	-----	1
Rubber products.....	2	1	-----	-----	-----	1	-----
Miscellaneous manufactures.....	9	3	3	1	-----	1	1
<i>Nonmanufacturing</i>							
Extraction of minerals.....	7	4	-----	-----	-----	2	1
Transportation and communication.....	14	8	4	1	1	-----	-----
Trade.....	27	13	2	6	1	2	3
Domestic and personal service.....	11	1	2	3	2	2	1
Professional service.....	1	-----	-----	1	-----	-----	-----
Building and construction.....	26	12	5	6	1	1	1
Agriculture and fishing.....	3	-----	2	1	-----	-----	-----
W. P. A., relief, and resettlement projects.....	4	1	2	-----	1	-----	-----
Other nonmanufacturing industries.....	3	1	1	-----	1	-----	-----

As indicated in table 6, settlements of 46 percent of the strikes ending in September were negotiated directly by employers and representatives of organized workers. These strikes included 41 percent of the total workers involved. Government conciliators or labor boards assisted in negotiating settlements of 42 percent of the strikes, in which 46 percent of the total workers were involved. Union officials represented the workers in most of these cases.

Approximately 10 percent of the strikes, including a similar proportion of workers involved, were terminated without formal settlements. Most of these strikes were lost when the workers returned to work under the employers' terms or when employers hired new workers to fill the vacancies, moved their plants, or went out of business.

TABLE 6.—*Methods of Negotiating Settlements of Strikes Ending in September 1938*

Negotiations toward settlements carried on by—	Strikes		Workers involved	
	Number	Percent of total	Number	Percent of total
Total.....	187	100.0	67,281	100.0
Employers and workers directly.....	1	.5	30	(¹)
Employers and representatives of organized workers directly.....	86	46.0	27,570	41.0
Government conciliators or labor boards.....	78	41.7	30,972	46.0
Private conciliators or arbitrators.....	2	1.1	1,667	2.5
Terminated without formal settlement.....	20	10.7	7,042	10.5

¹ Less than 1/10 of 1 percent.

In about 39 percent of the strikes ending in September the workers (41 percent of the total) obtained substantially all of their demands. Approximately 36 percent of the strikes, including 35 percent of the workers involved, resulted in partial gains or compromises, and 16 percent of the strikes, which included 9 percent of the total workers involved, resulted in little or no gains to the workers. The results insofar as 10 percent of the workers were concerned were indeterminate.

TABLE 7.—*Results of Strikes Ending in September 1938*

Results	Strikes		Workers involved	
	Number	Percent of total	Number	Percent of total
Total.....	187	100.0	67,281	100.0
Substantial gains to workers.....	73	39.1	27,756	41.3
Partial gains or compromises.....	68	36.4	23,773	35.3
Little or no gains to workers.....	30	16.0	5,852	8.7
Jurisdiction, rival union or faction settlements.....	10	5.3	2,107	3.1
Indeterminate.....	4	2.1	7,183	10.7
Not reported.....	2	1.1	610	.9

In terms of number of strikes, the disputes over wage-and-hour issues appear to have been more successful from the workers' viewpoint than the disputes primarily over union-organization matters. In terms of the number of workers involved, however, the opposite was true.

Of the wage-and-hour strikes, the workers substantially won 43 percent, compromised 41 percent, and lost 16 percent, as compared, respectively, with 39, 37, and 20 percent of the union-organization strikes. Of the workers involved in the wage-and-hour strikes, 32 percent won substantially all of their demands, 52 percent obtained compromise settlements, and 16 percent gained little or nothing. The corresponding percentages of workers involved in the union-organization strikes were 41, 44, and 12.

TABLE 8.—Results of Strikes Ending in September 1938, in Relation to Major Issues Involved

Major issues	Total	Strikes resulting in—					
		Substantial gains to workers	Partial gains or compromises	Little or no gains to workers	Jurisdiction, rival union or faction settlements	Indeterminate	Not reported
Number of strikes							
All issues.....	187	73	68	30	10	4	2
Wages and hours.....	56	24	23	9			
Wage increase.....	34	11	17	6			
Wage decrease.....	13	9	3	1			
Wage increase, hour decrease.....	2	1	1				
Wage decrease, hour increase.....	2		1	1			
Hour decrease.....	5	3	1	1			
Union organization.....	97	38	36	19		2	2
Recognition.....	17	4	5	5		1	2
Recognition and wages.....	20	8	7	5			
Recognition, wages and hours.....	16	9	5	2			
Closed shop.....	29	9	16	3		1	
Discrimination.....	9	3	3	3			
Other.....	6	5		1			
Miscellaneous.....	34	11	9	2	10	2	
Sympathy.....	1					1	
Rival unions or factions.....	4				4		
Jurisdiction.....	6				6		
Other.....	23	11	9	2		1	
Number of workers involved							
All issues.....	67,281	27,756	23,773	5,852	2,107	7,183	610
Wages and hours.....	17,430	5,614	9,076	2,740			
Wage increase.....	10,187	1,433	8,568	186			
Wage decrease.....	4,119	3,732	210	177			
Wage increase, hour decrease.....	168	127	41				
Wage decrease, hour increase.....	2,482		250	2,232			
Hour decrease.....	474	322	7	145			
Union organization.....	25,457	10,362	11,213	3,089		183	610
Recognition.....	2,168	787	315	303		153	610
Recognition and wages.....	5,994	4,285	877	832			
Recognition, wages and hours.....	3,331	1,813	389	1,129			
Closed shop.....	10,365	893	9,023	419		30	
Discrimination.....	3,325	2,450	609	266			
Other.....	274	134		140			
Miscellaneous.....	24,394	11,780	3,484	23	2,107	7,000	
Sympathy.....	3,000					3,000	
Rival unions or factions.....	1,354				1,354		
Jurisdiction.....	753				753		
Other.....	19,287	11,780	3,484	23		4,000	

ACTIVITIES OF UNITED STATES CONCILIATION SERVICE, NOVEMBER 1938

THE United States Conciliation Service in November disposed of 342 situations involving 97,965 workers. The services of this agency were requested by employees, employers, and other interested parties.

There were 164 labor disputes which involved 89,161 workers and were in the form of strikes, threatened strikes, lockouts, and controversies. The remaining 178 situations, involving 8,804 workers, included information furnished, adjustment of complaints, conferences regarding labor conditions, etc.

Activities of the Service were utilized by employees and employers in 42 States and District of Columbia (table 1).

The facilities of the Service were used in 25 major industrial fields, such as automobile, building trades, foods, iron and steel, textiles, etc. (table 2).

TABLE 1.—Situations Disposed of by U. S. Conciliation Service, by States, November 1938

State	Disputes		Other situations		Total	
	Number	Workers involved	Number	Workers involved	Number	Workers involved
All States.....	164	89,161	178	8,804	342	97,965
Alabama.....	3	342	1	850	4	1,192
California.....	6	17,193	5	6	11	17,199
Connecticut.....	2	4,100	2	3,201	4	7,301
District of Columbia.....	14	764	37	278	51	1,042
Florida.....	1	2,400	—	—	1	2,400
Georgia.....	3	530	3	804	6	1,334
Hawaii.....	1	400	—	—	1	400
Idaho.....	1	195	—	—	1	195
Illinois.....	20	1,930	5	6	25	1,936
Indiana.....	10	1,753	3	86	13	1,839
Iowa.....	2	1,615	—	—	2	1,615
Kansas.....	1	102	1	1	2	103
Kentucky.....	—	—	1	1	1	1
Louisiana.....	4	2,665	1	2	5	2,667
Maine.....	1	250	1	35	2	285
Maryland.....	2	502	—	—	2	502
Massachusetts.....	7	1,312	1	1	8	1,313
Michigan.....	3	1,330	6	6	9	1,336
Minnesota.....	3	2,260	7	43	10	2,303
Mississippi.....	—	—	1	47	1	47
Missouri.....	3	1,706	5	5	8	1,711
Montana.....	1	226	—	—	1	226
Nebraska.....	2	1,399	—	—	2	1,399
Nevada.....	1	108	—	—	1	108
New Hampshire.....	1	400	—	—	1	400
New Jersey.....	7	5,517	5	5	12	5,522
New Mexico.....	3	1,058	2	2	5	1,060
New York.....	10	6,823	21	432	31	7,255
North Carolina.....	1	15	12	17	13	32
Ohio.....	13	17,082	13	18	26	17,100
Oklahoma.....	1	1,109	1	1	2	1,110
Oregon.....	—	—	4	212	4	212
Pennsylvania.....	19	4,079	10	485	29	4,564
Rhode Island.....	3	705	1	500	4	1,205
South Carolina.....	1	900	6	736	7	1,636
Tennessee.....	4	4,710	3	3	7	4,713
Texas.....	2	255	5	5	7	260
Utah.....	—	—	1	400	1	400
Virginia.....	—	—	2	5	2	5
Washington.....	2	1,308	10	108	12	1,416
West Virginia.....	1	92	2	503	3	595
Wisconsin.....	5	2,026	—	—	5	2,026

TABLE 2.—Situations Disposed of by U. S. Conciliation Service, November 1938, by Industries

Industry	Disputes		Other situations		Total	
	Number	Workers involved	Number	Workers involved	Number	Workers involved
All industries.....	164	89,161	178	8,804	342	97,965
Agriculture.....	3	16,980	1	1	4	16,981
Automobile.....	9	4,270	4	4	13	4,274
Building trades.....	13	4,129	13	598	26	4,727
Chemicals.....	5	626	1	1	6	627
Communications.....	1	200	2	2	3	202
Domestic and personal.....	13	293	3	3	16	296
Food.....	15	4,068	3	3	18	4,071
Iron and steel.....	11	7,859	9	11	20	7,870
Leather.....	5	654	1	1	6	655
Lumber:						
Furniture.....	5	543	3	4	8	547
Other.....	10	2,044	5	6	15	2,050
Machinery.....	13	4,852	4	9	17	4,861
Maritime.....	2	2,341	13	33	15	2,374
Mining.....	1	5	1	1	2	6
Motion pictures.....	1	8			1	
Nonferrous metals.....	12	1,173	1	25	13	1,198
Paper and printing.....	8	1,985	3	4	11	1,989
Petroleum.....	1	310	3	86	4	396
Professional.....	2	329	1	1	3	330
Public utilities.....	3	4,650			3	4,650
Rubber.....	3	891			3	891
Stone, clay, and glass.....	3	405	2	401	5	806
Textile:						
Cotton.....	1	250	10	1,671	11	1,921
Other.....	16	7,734	24	3,752	40	11,486
Trade.....	2	6,023	14	545	16	6,568
Transportation.....	5	16,524	10	11	15	16,535
Unclassified.....	1	15	47	1,631	48	1,646

Minimum Wages and Maximum Hours

INTERPRETATIONS AND REGULATIONS UNDER FAIR LABOR STANDARDS ACT, 1938

THE interpretations and regulations promulgated as a guide to members of industry covered by the terms of the Fair Labor Standards Act of 1938, from the date when the administrative machinery was established in the United States Department of Labor until December 8, 1938, are summarized in this article.¹ It has been necessary for the Wage and Hour Division of the Department of Labor, which is primarily responsible for the administration of the legislation, to clarify many points in connection with operations under the law.

The Fair Labor Standards Act was passed in June 1938 in order to provide minimum working standards for workers engaged in interstate commerce or in the production of goods for interstate commerce.² During the first year, under the terms of the law, the workweek without payment of overtime may not exceed 44 hours and the rate of pay may not fall below 25 cents an hour. The maximum standard workweek will be reduced to 42 hours in the second year and to 40 hours thereafter. Work in excess of the prescribed hours must be compensated at not less than one and one-half times the regular rate at which the worker is employed. Minimum wages will increase from 25 cents during the first year to 30 cents for the following 6 years. At the end of 7 years the minimum hourly wage will be increased to 40 cents or such rate, not less than 30 cents an hour, as may be prescribed under special powers delegated to the Administrator of the statute. Lower rates may be prescribed for learners, apprentices, messengers, and for persons whose earning capacity is impaired by age, physical or mental deficiency, or injury. Certain industries and occupations are specifically exempt, and child labor is forbidden. Provision is made for advancing the minimum wage rate toward 40 cents, on an industry basis, through wage orders of the Administrator promulgated after recommendation by special industry committees which are to be set up for each industry subject to the act.

Interpretations and regulations issued deal with the coverage of the law, records required of employers, definitions of exempt classes

¹ Data are from press and other releases of the U. S. Department of Labor, including the Children's Bureau and the Wage and Hour Division.

² For a summary of the Fair Labor Standards Act of 1938, see *Monthly Labor Review*, July 1938 (p. 107).

of labor, and tolerances allowable in fixing the terms of employment for special groups of workers. Since not all questions have been ruled on, the Administrator has enlisted the cooperation of those affected by the law to facilitate the introduction of its provisions and to join in working out problems. Where employers are in doubt as to whether their employees are subject to the law, they are advised to comply.

Interpretations of Terms of Act

Coverage.—The general counsel of the Wage and Hour Division issued an interpretation declaring that the statute does not confer upon the Administrator any general power to state that particular industries are covered by the law or to exclude others. Inclusion or exclusion depends upon interpretations of the courts and not upon administrative action. Since only employees engaged in interstate commerce or in the production of goods for interstate commerce are entitled to benefits under the law, some employees in a given industry or plant may not be subject to the law while others are. However, the general counsel states that it was the intention of Congress to give the statute the widest possible application.

The test for applicability of the act, as summed up in Interpretative Bulletin No. 5, is whether or not "the employer intends or hopes or has reason to believe that the goods or any unsegregated part of them will move in interstate commerce."

If, however, the employer does not intend or hope or have reason to believe that the goods in production will move in interstate commerce, that the goods ultimately do move in interstate commerce would not bring employees engaged in the production of these goods within the purview of the act. The facts at the time that the goods are being produced determine whether an employee is engaged in the production of goods for commerce and not any subsequent act of his employer or of some third party. Of course, the fact that goods do move in interstate commerce is strong evidence that the employer intended, hoped, or had reason to believe that the goods would move in interstate commerce.

Workers engaged in interstate commerce include, typically but not exclusively, those in the telephone, telegraph, radio, and transportation industries. Typical of workers producing goods for interstate commerce are those engaged in manufacturing processing, or distributing plants, a part of whose goods move out of the State where the work is done. The benefits of the law extend to employees such as maintenance men, watchmen, clerks, stenographers, and messengers, when they may be considered engaged in processes necessary to the production of goods for interstate commerce. Persons working on raw materials derived from within a State and in cases where none of the product moves in interstate commerce are not covered. If

employees are subject to the law, it is immaterial whether they work at home, in the factory, or elsewhere.

Piece workers, as well as hourly employees, are subject to the law and must receive remuneration sufficient to bring their hourly rates up to the required minimum.

Status of District of Columbia and Territories.—Congress might have extended the terms of the law to purely local commerce in the District of Columbia or within a Territory or possession, by virtue of existing legislative power. As this was not done, only such employees in these areas as are engaged in interstate commerce or in the production of goods for interstate commerce, as already defined, are covered. The Administrator announced that such employees in the District of Columbia, Alaska, Hawaii, Puerto Rico, the Canal Zone, Guam, Guano Islands, Samoa, and the Virgin Islands are thus eligible for the same benefits as employees in the different States.

Wages in lieu of cash.—Excessive deductions from wages for the purpose of evading the minimum-wage requirements are not permissible. A minimum hourly rate of 25 cents, a 44-hour week, and time and a half the regular rate of pay for overtime hours are required. Where the employers furnish board, lodging, or other facilities, and make a charge against wages, the charge must not exceed the actual cost thereof to the employer or to any affiliated person. In no case may the value of wages in cash and kind, when taken together, be less than the guaranteed minimum.

Currency or checks payable at par are accepted mediums of wage payment. Generally speaking, scrip is not a proper medium of payment under the act, except that the actual cost to the employer of facilities furnished in exchange for scrip issued prior to the end of the pay period may be considered as wages for that period.

Overtime pay.—The act does not justify any employer in reducing the hourly wage rate of an employee in order to lower remuneration for overtime hours. The hourly overtime rate of pay must be at least one and one-half times the regular rate paid to the employee, not one and one-half times the minimum hourly rate established by the wage and hour legislation. The intent of Congress was clearly to penalize overtime work and any other interpretation of the overtime-pay provision would defeat this purpose. The act does not prescribe an 8-hour day but limits hours on the basis of a normal workweek. Time lost in 1 week may not be made up in the next.

Partial exemption from this overtime provision up to 12 hours in any workday or 56 hours in any workweek is granted, under the statute, where an agreement, made as a result of collective bargaining by representatives of employees certified as bona fide by the National Labor Relations Board, provides for employment for not more than 1,000 hours in any 26 consecutive weeks, or 2,000 hours within a year.

It is also granted, for not more than 14 workweeks in the aggregate in any calendar year, in the case of an industry found by the Administrator to be of a seasonal nature. The word "seasonal" does not apply to an industry operating throughout the year, even though there is a peak in activity. Seasonality is regarded as existing only where an industry operates only a part of the year owing to natural conditions affecting the supply of materials.

Regulations Issued

Apprentices.—To the extent necessary to prevent curtailment of employment opportunities, the Administrator may provide for the employment of apprentices at less than the minimum wage rates applicable under the act. An apprentice is defined as a person at least 16 years old who has a written apprenticeship agreement that has been approved by the proper State authority or by the Federal Committee on Apprenticeships and which provides for not less than 4,000 hours of reasonably continuous employment and at least 144 hours per year of related supplemental instruction. (Regulations, pt. 521.)

Applications for employment at rates below the applicable minimum must be filed with the Administrator on official forms signed by both the employer and the apprentice. If approval is granted after examination of the application and the accompanying apprenticeship agreement, a special certificate is issued setting forth the rate of pay and the term specified in the agreement.

Appeal from a decision affecting an apprentice is permitted within 15 days after action is taken or within any further time allowed by the Administrator. If the request for review is granted, all interested persons are afforded an opportunity of being heard.

Pending the time when normal procedure is fully operative a temporary certificate authorizing employers to employ apprentices at wage rates below the minimum has been issued. It permits such employment from October 24, 1938, to February 1, 1939, provided the worker is a bona fide apprentice, covered by an agreement, and is paid at a rate not less than that specified in the agreement. This does not exempt the parties from filing an application immediately in the form already outlined. If the apprenticeship certificate is granted on the basis of the application, it supersedes the temporary certificate; if denied prior to February 1, 1939, the temporary certificate becomes inoperative immediately upon notice to the employer.

Area of production.—The act exempts from both wage and hour provisions persons employed in the "area of production" to handle or prepare or can agricultural or horticultural commodities for market or to make dairy products. It exempts from the maximum hour provisions employees of employers engaged in the first processing within

the "area of production" of agricultural or horticultural commodities during seasonal operations for a total of not more than 14 weeks each year. These definitions are given in the regulations to cover work done on a farm on commodities produced on that farm, or work performed in a plant on commodities obtained from farms in the immediate locality, where the plant does not employ more than seven employees. (Regulations, pt. 536.)

Board, lodging, and other facilities.—Under regulations determining the reasonable cost of board, lodging, and other facilities "reasonable cost" is determined to be not more than the actual cost to the employer and does not include a profit to the employer or to any affiliated person. The reasonable cost of company houses rented to the employee and of any other capital investments used to furnish facilities is calculated to be the cost of operation and maintenance, including any depreciation due to wear and tear, plus interest not to exceed 5½ percent on the depreciated amount of capital invested. Capital and depreciation are ordered computed pursuant to Regulation 94 of the Bureau of Internal Revenue. No cost in excess of the fair rental value of the property is recognized as reasonable.

If facilities are primarily for the benefit or convenience of the employer, they may not be charged as wages. Typical of such facilities are tools of the trade, the cost of any construction by and for the employer, and uniforms if the employees are required to wear them.

Either the Administrator or his representative may notify an employer that he intends to hold a hearing to determine the reasonable cost of board, lodging, or other facilities. Such hearings must be held as near the employer's place of business as possible. Employees must be notified by means of notices to be posted by the employer of the place, date, and purpose of the hearing. (Regulations, pt. 531.)

Child labor.—The act provides a minimum age of 16 years for employment in all occupations, with the exception of (1) children working for their parents in nonmining or nonmanufacturing occupations, (2) children between 14 and 16 in nonmining and nonmanufacturing occupations outside school hours and under conditions held not to interfere with their health and well-being, and (3) minors between 16 and 18 years of age in occupations determined to be hazardous or detrimental to their welfare, to which an 18-year minimum applies. The Children's Bureau in administering these provisions of the act provides for certificates of age for all employees of these classes.

The employment of a minor is not deemed oppressive if the employer has on file an unexpired certificate issued in accordance with regulations of the Children's Bureau, showing that the minor meets the age requirement for employment in the particular occupation. In order to avoid unwitting violation of the statute, an employer should have age certificates for minors in his employ who are 16 or 17 years old if

employed on ordinary tasks and 18 or 19 years if engaged in occupations which have been by order declared hazardous.

Federal certificates of age must contain complete information on name and address, place and date of birth, sex, and color, and related facts. Proof of age is required in the form of a birth certificate, or record of baptism, etc. A State certificate may be substituted for a Federal certificate of age, provided the system of issuing permits is in accord with the national regulations. If after investigation it appears that the age of a minor is incorrectly reported, the certificate may not be revoked until ample opportunity has been given the employer and the minor to prove its validity. Once revoked or suspended, a certificate is of no effect, unless such action is reversed and a new certificate issued.

In States that do not issue certificates of age, a birth certificate or attested transcript thereof, a signed statement by the registrar of vital statistics, or a record of baptism or attested transcript thereof, was declared acceptable as a temporary certificate of age until January 23, 1939.

For the 6 months beginning October 24, 1938, certificates of the following States and the District of Columbia were declared acceptable in place of Federal certificates of age by the Children's Bureau: Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Kansas, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Utah, Vermont, Virginia, Washington, West Virginia, and Wisconsin.

Before an occupation may be declared hazardous to minors a study is required, as well as conferences with members of the industry and others, and public hearings. An order must be made on the basis of the findings, and it may be revised if indicated.

Handicapped persons.—Persons whose earning capacity is impaired by age or physical or mental deficiency or injury may be employed at wage rates below the minimum requirements, to the extent necessary to prevent curtailment of opportunities for employment if, after applications have been submitted on official forms signed by both the handicapped worker and his employer, a special certificate is issued. If necessary, an investigation of the case may be ordered. In no case may the wage authorized be less than 75 percent of the applicable minimum wage until approved by the Administrator after investigation. All certificates issued prior to July 1, 1939, will terminate on September 1, 1939, unless sooner revoked. In addition the employment of handicapped persons in sheltered workshops is the subject

of a special temporary certificate recently issued by the Administrator. Although no minimum wage has been set in this regard, the Administrator has ordered that compensation must be computed on the basis of the actual earning capacity of the handicapped workers involved. An advisory committee is to make recommendations to the Administrator as to the proper method of providing for the employment of handicapped workers in such organizations at wages below the applicable minimum. Inexperienced or slow workers may not be placed in this class unless handicapped. No employer may give false evidence in order to place employees in a lower wage category, or pay a handicapped worker less than the special certificate issued specifies. Aggrieved persons are entitled to have their cases reviewed. (Regulations, pt. 524.)

A temporary certificate of exemption permits the employment of handicapped persons, without a special certificate, at less than the minimum rates of pay, until February 1, 1939. This group of exempt workers includes persons who were on the pay roll on or before October 17, 1938, and paid at rates below the minimum and lower than the rates paid nonhandicapped employees doing similar work. The rate of pay may not be less than 75 percent of the normal minimum rate under the law. Exemption is denied if, prior to October 17, 1938, more than 5 percent of the employees of any employer performing similar work received the same rate of pay as the alleged handicapped worker, but this limitation is not applicable in the case of employment by nonprofit or semicharitable organizations. A special temporary provision has been made for employment by certain charitable nonprofit organizations carrying on recognized programs for the rehabilitation of handicapped persons.

The temporary exemption was ordered terminated on December 1, 1938, as to any particular employee, unless an application was filed with the Administrator prior to that time. In case a special certificate is issued, it supersedes the temporary certificate.

Learners.—Special provisions governing the pay of learners permit the Administrator to authorize wages below the minimum rate prescribed. Applications for employment at lower rates may be filed by an employer or employee or groups of employers or employees and will be dealt with on an industry basis. Such applications must give specified data on conditions in the industry. Hearings are required and witnesses may be called.

Although the burden of proof rests on the applicants, the regulations in this respect have been amended relieving them of the responsibility of showing whether experienced workers are available for employment in the occupation or occupations in question. The facts in this connection may be required by the Administrator. If a lower wage is found necessary to prevent curtailment of opportunities for employ-

ment, the Administrator will issue regulations providing for employment of learners in the industry under special certificates at a lower wage. Decisions are, however, subject to review on application. (Regulations, pt. 522.)

Messengers.—The regulations governing employment of messengers at rates below the minimum fixed under the act are similar to those for learners, summarized above. In fixing wages, the needs of an entire industry must be considered. (Regulations, pt. 523.)

Administrative and professional employees and outside salesmen.—Regulations defining and delimiting the terms "any employee employed in a bona fide executive, administrative, professional, or local retailing capacity or in the capacity of outside salesman," deal with each of these classes of workers separately. (Regulations, pt. 541.)

An executive or administrative employee is any employee whose primary duty is managerial, who customarily and regularly directs the work of other employees, hires and fires other employees, exercises discretionary powers, does no substantial amount of work of the same nature as that performed by nonexempt employees, and is paid at not less than \$30 per week, exclusive of board, lodging, or other facilities.

A professional is defined as any employee engaged in work predominantly intellectual and varied in character, requiring the use of discretion and judgment both as to the manner and the time of performance, and which cannot be standardized in relation to a given period of time. Such work requires educational training in a specially organized body of knowledge, as distinguished from either a general academic education or from apprenticeship or training in the performance of routine mental, manual, mechanical, or physical processes.

Employees engaged in a local retailing capacity are those customarily and regularly making sales the greater part of which are in intrastate commerce. This exemption is not to be confused with that provided in Section 13 (a) (2) of the Act to the effect that "any employee engaged in any retail or service establishment the greater part of whose selling or servicing is in intrastate commerce" shall not be subject to the wage and hour provisions of the Act. According to an interpretation made by the Administrator two factors are to be considered in determining whether the greater part of the selling or the servicing of a given enterprise is in intrastate commerce (i. e., more than 50 percent of the servicing or selling): "(1) The number of sales made within the State in which the establishment is located as compared with the total number of sales of the establishment; (2) The gross income derived from sales made or services performed within the State as compared with the total gross income of the establishment."³

³ See Interpretative Bulletin No. 6, for further details and for determinations as to the meanings of "retail," "service" and "establishment."

Outside salesmen include those performing work away from the employer's place of business, who regularly make sales and do no substantial amount of work of the same nature as that performed by nonexempt employees. Routine deliveries are not classed as sales.

Seasonal industries.—The law provides an exemption from the overtime provisions, for a period of not more than 14 workweeks in the aggregate in any calendar year, for workers engaged in industries of a seasonal nature. Such employees may work 12 hours per day and 56 hours per week during this period without overtime pay.

A seasonal industry is one in which handling, extracting, or processing of materials occurs regularly during the same part or parts of the year, and in which production ceases, except for maintenance, repair, clerical, and sales work, in the remainder of the year, owing to natural conditions making the materials unavailable during the remainder of the year.

Any industry or employer, or employer group, may apply in writing for exemption, preferential consideration being given to applications of groups or organizations representative of the whole industry or branch thereof. The Administrator may deny or grant a preliminary exemption, subject to reconsideration upon application for a hearing. The procedure for hearings is outlined in detail and all persons interested are entitled to be heard.

Pending the time when this procedure is in full effect, provision has been made for the temporary exemption of seasonal industries, for the period ending January 31, 1939, provided, however, that at least 50 percent of their annual output is produced in a period of not more than 14 workweeks. (Regulations, pt. 526.)

Administration and Procedure

To facilitate administration of the Fair Labor Standards Act of 1938, general rules and regulations applicable to industry committees have been issued. The Administrator has also issued regulations dealing with the records which employers are required to keep.

Industry committees.—The powers of the Administrator include appointment of the members of an industry committee and designation of its chairman. Subcommittees may be appointed by the chairman of the industry committee, unless a different procedure is adopted by majority vote. Meetings may be convened by the Administrator, and orders calling the membership together must be published in the Federal Register and otherwise made public. Meetings may be called by the Administrator or the chairman in Washington, D. C., unless otherwise specified. Two-thirds of the membership constitutes a quorum and decisions require a majority vote of all members.

An industry committee, when in session, must hear testimony presented by the Administrator and interested parties, and is required to keep a journal of all meetings. Subpenas and orders for depositions may be issued only by the chairman of the committee or of a subcommittee, on forms furnished by the Administrator. Reports must be furnished to the Administrator on request. The committee may recommend that the scope of the industry as defined be modified, enlarged, or restricted.

In order to reach the objective of a universal 40-cent minimum hourly wage as soon as economically feasible, each committee is to study conditions in the industry over which it has jurisdiction and recommend to the Administrator the highest minimum wage rates (not to exceed 40 cents an hour) consistent with economic and competitive conditions.

No wage may be fixed solely on a regional basis, but competitive conditions as affected by transportation and other costs must be taken into account, as well as wages for comparable work. No classifications are permissible on the basis of age or sex.

After making a report containing its recommendations and the reasons therefor, the committee must deposit all its records and documents with the Administrator. If a committee fails to act or unreasonably delays its work, the Administrator may dissolve it. Once a committee has completed its work and made recommendations, it ceases to perform any further functions until reconvened by the Administrator, or it may be dissolved by him. (Regulations, pt. 511.)

Industry Committee No. 1 for the cotton, silk, and rayon textile industry was the only body established by the end of November 1938.

Records.—Employers subject to any provisions of the law are required to make and preserve records concerning each of their employees. The individual record must contain the name in full; home address; date of birth if under 19; hours worked each day and week; if overtime is worked, the regular rate of pay and basis of wage payment, wages excluding extra compensation for overtime, and extra wages due to the excess of the overtime rate over the regular rate; additions to cash wages at cost or deductions from the stipulated wages in the amount deducted or at the cost of the item for which deduction is made, whichever is less and only if the cash wage actually paid is less than the minimum required; total wages paid for each week; and date of payment.

For administrative and professional employees, retail salesmen engaged primarily in intrastate commerce, outside salesmen, etc., it is necessary only to keep a record of the name, address, and occupation.

No particular record form is required, but the Wage and Hour Division has prepared a model blank for the guidance of employers,

giving detailed instructions as to the data to be furnished under each heading. (Regulations, pt. 516.)

Law not retroactive.—The wage and hour provisions of the Fair Labor Standards Act are not retroactive. However, all goods produced and handled in interstate commerce under substandard conditions on or after October 24, 1938, became "outlaw" goods on that date.

Wages and Hours of Labor

ENTRANCE RATES OF COMMON LABORERS, JULY 1938

By EDWARD K. FRAZIER and JACOB PERLMAN, *Bureau of Labor Statistics*

HOURLY entrance rates of adult male common laborers in 20 industries averaged 50.8 cents for the country as a whole in July 1938. Of the total number of common laborers, 3.3 percent had entrance rates under 25 cents, 8.0 percent under 30 cents, and as many as 16.6 percent under 40 cents.

The 1938 figures are based on the 13th annual survey of entrance rates of common laborers as of July 1, recently completed by the Bureau of Labor Statistics. The sample covered 150,617 common laborers working at entrance rates in 16 important manufacturing industries, 3 public-utility industries, and building construction.

Scope and Method of Survey

As in previous surveys, a common laborer was defined as one who "performs physical or manual labor of a general character and simple nature, requiring no special training, judgment, or skill." The term includes only unskilled workers, omitting machine operators as well as learners and apprentices. The former have had and the latter are in the process of acquiring various degrees of training, and both can therefore be regarded as semiskilled workers. The common laborers, on the other hand, do not have to undergo any course of training, and a verbal order from a foreman or supervisor is generally sufficient to enable them to perform their tasks satisfactorily.

The entrance rate was defined as the lowest rate paid to common laborers when newly hired. In most establishments, all common laborers are paid a single rate, which is also the entrance rate. Some plants have several entrance rates, which are based on the kind of duties performed, such as dangerous, unpleasant, and extraordinarily heavy work. In a number of establishments, however, there are several rates in existence—an entrance rate and one or more higher rates, varying in accordance with length of service, efficiency, and

seniority. The survey did not include any workers who received more than the entrance rate.

For the sake of comparability with previous years, the data in this survey were obtained as of July 1, 1938. This antedates considerably October 24, when the Fair Labor Standards Act of 1938 went into effect, providing for a minimum of 25 cents an hour for workers in industries engaged in interstate commerce. The present survey covered the same industries as were included in 1937 and 1936.

The Bureau's survey was again confined to adult male laborers, since very few females and minors are to be found doing the kind of work usually performed by common laborers. The classification by race—white, Negro, and "other"—was likewise maintained.

The data were secured by mail questionnaire, and reports showing one or more common laborers working at the entrance rate were received from 4,944 establishments scattered over 48 States and the District of Columbia. This is a somewhat smaller number of plants than the 5,238 from which such reports were received in July 1937. In terms of employees, the reduction in coverage is considerably greater, the number amounting to 150,617 in 1938 as against 222,555 in 1937. This decrease may be accounted for largely by the general decline in employment throughout 1938, in view of the recession in business activity.

In view of the reduction in coverage between 1937 and 1938, the comparisons for the 2 years in this article are based on identical establishments. Of course, this had the effect of reducing still further the coverage for each year. In all 20 industries 3,686 identical establishments were included in both years, the number of employees reported being 182,128 in 1937 and 121,725 in 1938.

Entrance Rates for the Country as a Whole

In July 1938, if a relatively few extreme cases are excluded, the range in entrance rates of adult male common laborers in the 20 industries combined for the country as a whole was from 12.5 cents to \$1.10 (table 1). However, by far the great majority of the laborers, namely 77.9 percent, had entrance rates between 40 and 67.5 cents. As many as one-sixth (16.6 percent) were paid under 40 cents, but only 5.5 percent received 67.5 cents and over.

Even using a uniform 5-cent interval, the simple distribution of common laborers according to hourly entrance rates is fairly irregular. The principal concentration appears in the class of 62.5 and 67.5 cents. However, there are a number of secondary concentrations in other classes, as the data are influenced by a variety of factors, such as State or region, race, industry, etc.

TABLE 1.—*Distribution of Adult Male Common Laborers According to Hourly Entrance Rates in 20 Industries, July 1938*

Hourly entrance rate	La- borers at en- trance rate	Sim- ple per- cent- age	Cu- mula- tive per- cent- age	Hourly entrance rate	La- borers at en- trance rate	Sim- ple per- cent- age	Cu- mula- tive per- cent- age
Total.....	150,617	100.0	-----	42.5 and under 47.5 cents.....	13,918	9.2	35.4
Under 12.5 cents.....	49	(1)	(1)	47.5 and under 52.5 cents.....	20,927	13.9	49.3
12.5 and under 17.5 cents.....	939	0.6	0.6	52.5 and under 57.5 cents.....	19,256	12.8	62.1
17.5 and under 22.5 cents.....	2,713	1.8	2.4	57.5 and under 62.5 cents.....	19,214	12.8	74.9
22.5 and under 25.0 cents.....	1,327	.9	3.3	62.5 and under 67.5 cents.....	29,526	19.6	94.5
25.0 and under 27.5 cents.....	6,246	4.1	7.4	67.5 and under 72.5 cents.....	4,045	2.7	97.2
27.5 and under 30.0 cents.....	942	.6	8.0	72.5 and under 77.5 cents.....	1,820	1.2	98.4
30.0 and under 32.5 cents.....	5,181	3.4	11.4	77.5 and under 82.5 cents.....	830	.3	98.7
32.5 and under 35.0 cents.....	1,207	.8	12.2	82.5 and under 90.0 cents.....	866	.6	99.3
35.0 and under 37.5 cents.....	3,452	2.3	14.5	90.0 and under 100.0 cents.....	533	.4	99.7
37.5 and under 40.0 cents.....	3,111	2.1	16.6	100.0 and under 110.0 cents.....	443	.3	100.0
40.0 and under 42.5 cents.....	14,507	9.6	26.2	110.0 cents and over.....	15	(1)	106.0

¹ Less than one-tenth of 1 percent.

Geographical Differences in Entrance Rates

The average hourly entrance rates by States for all industries are shown in table 2. The State averages range from 24.6 cents in Georgia to 62.0 cents in Washington. Even within more homogeneous wage areas there are substantial differences. Thus for 34 States, as a whole, including the Pacific coast and the States north of Arizona, New Mexico, Oklahoma, Arkansas, Kentucky, and Virginia, the average rate is 55.4 cents. The average in most of these States is more than 50 but less than 60 cents. The Pacific Coast States constitute a relatively high wage region with Washington averaging 62.0 cents, Oregon 59.5 cents, and California 57.3 cents. The only other State above 60 cents is Illinois with an average of 60.6 cents. A number of other States approximate but do not quite equal the average for California. The Pacific coast has been lumped with other northern and western States in the subsequent analysis primarily because the number of workers in the sample is not large enough in this region to give a stable distribution.

No other subdivision of this area gives rise to distinctive wage differences that obtain over an extensive contiguous territory. For example, Maine and Vermont had averages of 45.8 cents and 42.3 cents respectively, while other New England States averaged 52 to 54 cents. South Dakota averaged 44.3 cents, while surrounding States averaged 49 to 57 cents. Utah averaged 44.8 cents, while surrounding States are either substantially higher or lower. The sample is too small to support an analysis of a detailed distribution of the low wage areas within the northern and western States. Low averages appear among those States with relatively little industrial development, or whose urban centers are relatively small.

TABLE 2.—Average Hourly Entrance Rates of Adult Male Common Laborers in 20 Industries, by State and Region, July 1938

Region and State	Estab-lish-ments	Labor-ers at en-trance rate	Aver-age hourly en-trance rate	Region and State	Estab-lish-ments	Labor-ers at en-trance rate	Aver-age hourly en-trance rate
United States.....	4, 944	150, 617	\$. 508	North and West—Cont.			
North and West.....	3, 869	116, 905	. 554	Oregon.....	102	4, 180	\$. 595
California.....	281	8, 404	. 573	Pennsylvania.....	411	17, 726	. 555
Colorado.....	49	1, 077	. 566	Rhode Island.....	36	418	. 523
Connecticut.....	91	1, 471	. 536	South Dakota.....	9	129	. 443
Delaware.....	48	790	. 448	Utah.....	24	452	. 448
District of Columbia.....	57	1, 179	. 478	Vermont.....	21	248	. 423
Idaho.....	16	962	. 559	Washington.....	164	5, 730	. 620
Illinois.....	247	9, 936	. 606	West Virginia.....	82	3, 956	. 531
Indiana.....	184	7, 920	. 567	Wisconsin.....	131	3, 680	. 503
Iowa.....	80	2, 259	. 516	Wyoming.....	5	81	. 499
Kansas.....	78	1, 590	. 505	South and Southwest.....	1, 075	33, 712	. 348
Maine.....	61	2, 015	. 458	Alabama.....	85	3, 440	. 394
Maryland.....	85	3, 368	. 496	Arizona.....	20	340	. 325
Massachusetts.....	174	3, 075	. 542	Arkansas.....	44	2, 598	. 280
Michigan.....	234	5, 643	. 548	Florida.....	80	2, 335	. 272
Minnesota.....	79	3, 014	. 558	Georgia.....	91	1, 485	. 246
Missouri.....	120	2, 904	. 550	Kentucky.....	66	1, 145	. 471
Montana.....	19	527	. 570	Louisiana.....	92	4, 799	. 338
Nebraska.....	33	825	. 525	Mississippi.....	22	1, 722	. 328
Nevada.....	7	65	. 527	New Mexico.....	12	603	. 304
New Hampshire.....	37	1, 174	. 519	North Carolina.....	61	1, 157	. 274
New Jersey.....	157	3, 994	. 539	Oklahoma.....	74	1, 477	. 421
New York.....	295	7, 998	. 540	South Carolina.....	41	1, 201	. 253
North Dakota.....	10	164	. 488	Tennessee.....	86	2, 268	. 323
Ohio.....	442	9, 951	. 563	Texas.....	201	6, 913	. 414
				Virginia.....	100	2, 229	. 354

TABLE 3.—Simple Percentage Distribution of Adult Male Common Laborers According to Hourly Entrance Rates in 20 Industries, by Race and Region, July 1938

Hourly entrance rate	North and West				South and Southwest			
	All	White	Negro	Others	All	White	Negro	Others
Total.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Under 12.5 cents.....	(¹)	(¹)	.....	.....	. 1	. 1	. 2	.....
12.5 and under 17.5 cents.....	.....	.....	.....	.....	2.8	1.8	3.6	2.5
17.5 and under 22.5 cents.....	(¹)	(¹)	. 1	.....	8.0	3.6	11.9	1.2
22.5 and under 25.0 cents.....	(¹)	(¹)	.....	.....	3.9	3.8	4.3	. 2
25.0 and under 27.5 cents.....	. 2	. 1	1. 1	.....	17.8	12.7	22.4	8. 2
27.5 and under 30.0 cents.....	(¹)	(¹)	.....	.....	2.7	1.7	3.5	1. 3
30.0 and under 32.5 cents.....	. 7	. 7	. 8	. 3	13.0	10.6	12.4	42. 3
32.5 and under 35.0 cents.....	. 3	. 2	. 7	.....	2.6	2.6	2.7	3. 0
35.0 and under 37.5 cents.....	1. 2	1. 1	1. 0	4. 2	6. 2	6. 7	5. 6	8. 0
37.5 and under 40.0 cents.....	1. 3	1. 4	. 5	2. 5	4. 6	4. 2	4. 3	11. 3
40.0 and under 42.5 cents.....	7. 8	7. 8	9. 2	2. 7	16. 0	17. 4	15. 6	7. 7
42.5 and under 47.5 cents.....	9. 4	9. 2	10. 7	11. 8	8. 8	11. 0	7. 5	2. 8
47.5 and under 52.5 cents.....	16. 3	16. 5	15. 9	12. 1	5. 5	8. 1	3. 7	3. 9
52.5 and under 57.5 cents.....	15. 1	14. 7	18. 5	13. 7	4. 9	8. 3	2. 1	7. 1
57.5 and under 62.5 cents.....	16. 3	16. 3	15. 3	20. 1	. 6	1. 4	. 1	.....
62.5 and under 67.5 cents.....	24. 9	25. 7	17. 1	31. 0	1. 3	3. 0	. 1	. 5
67.5 and under 72.5 cents.....	3. 3	3. 0	6. 3	1. 1	. 5	1. 3	.....	.....
72.5 and under 77.5 cents.....	1. 3	1. 3	1. 8	. 3	. 7	1. 7	(¹)	.....
77.5 and under 82.5 cents.....	. 3	. 3	. 3	. 2	.....	.....	.....	.....
82.5 and under 90.0 cents.....	. 7	. 8	. 4	(¹)	.....	.....	.....	.....
90.0 and under 100.0 cents.....	. 5	. 5	. 1	.....	.....	.....	.....	.....
100.0 and under 110.0 cents.....	. 4	. 4	. 2	.....	.....	.....	.....	.....
110.0 cents and over.....	(¹)	(¹)	.....	.....	.....	.....	.....	.....

¹ Less than one-tenth of 1 percent.

In general, there is a contrast between average entrance rates in these northern and western States and in States in the southern and

southwestern regions, which on the whole are more largely agricultural and less industrialized than are the northern States. Maryland and the District of Columbia had average entrance rates distinctly above that of Virginia and a little higher than that of Kentucky. Kentucky had an average well above those of other southern States, but less than those of States north of the Ohio River. Although the Kentucky average is above those of Maine, Vermont, Delaware, South Dakota, and Utah, Texas and Oklahoma have averages of 41.4 cents and 42.1 cents, respectively, or distinctly less than those for Kansas, Missouri, and Colorado, but well above those of adjoining States in the southern region. In the southern and southwestern regions, as in the North and West, the sample is inadequate to make subgroupings. In these regions, the lowest wage level appears in a group of southeastern States, comprising North Carolina, South Carolina, Georgia, and Florida. The strip of territory including Virginia, Tennessee, Alabama, Mississippi, and Louisiana has a much higher level, but the highest level outside of Kentucky is found in Texas and Oklahoma. The average entrance rate per hour in the South and Southwest as a whole was 34.8 cents.

According to the distribution in table 3, very few common laborers in the North and West were paid less than 30 cents an hour, and only 3.7 percent received under 40 cents. About one-sixth of the total, namely 17.2 percent, were paid between 40 and 47.5 cents, but the greatest concentration, amounting to 72.6 percent, was found within the 20-cent spread from 47.5 to 67.5 cents. Only 6.5 percent received as much as 67.5 cents and more.

In the southern and southwestern regions, about one-seventh (14.8 percent) of the total received under 25 cents an hour. Moreover, approximately one-third, or 35.3 percent, were paid less than 30 cents, and three-fifths (61.7 percent) received under 40 cents. Around another third, or 35.2 percent, were found between 40 and 57.5 cents, but only 3.1 percent were paid 57.5 cents and over.

Differences in Entrance Rates, by Race

Of the 116,905 common laborers covered in the northern and western region, 103,783 were white, 10,766 Negro, and 2,356 of other races, the proportion of each in the total amounting to respectively 89, 9, and 2 percent. The distribution, by race, was considerably different in the South and Southwest, where the Negroes constituted a majority of the coverage. Of the 33,712 common laborers, 14,008, or 42 percent, were white, 18,195, or 54 percent, Negro, and 1,509, or 4 percent, were of other races.

There was very little difference in the average hourly entrance rates on the basis of race in the northern and western region. The averages were 55.5 cents for whites, 54.5 cents for Negroes, and 54.9 cents for

others. On the other hand, in the southern and southwestern territory wide differences appear among the averages, the figures being 39.0 cents for whites, 31.6 cents for colored, and 34.3 cents for others. The margins in rates are, therefore, 7.4 cents between whites and Negroes and 4.7 cents between whites and other races.

In the northern and western region, establishments reporting whites only averaged 53.6 cents, or about 3 cents higher than the average of 50.2 cents for plants reporting Negroes only. On the other hand, establishments reporting both whites and Negroes averaged 56.6 cents, or 3 cents higher than even those reporting whites only. Likewise, plants reporting both whites and races other than white averaged 55.6 cents, but those reporting all 3 colors averaged 60.3 cents.

TABLE 4.—Average Hourly Entrance Rates of Adult Male Common Laborers in 20 Industries, by Race and Region, July 1938

Color or race	Number of common laborers at entrance rate			Average hourly entrance rate		
	All	North and West	South and South-west	All	North and West	South and South-west
All races.....	150,617	116,905	33,712	\$0.508	\$0.554	\$0.348
Establishments reporting—						
Whites only.....	65,496	61,971	3,525	.528	.536	.388
Negroes only.....	4,765	504	4,261	.303	.502	.279
Other races only.....	173	37	136	.289	(¹)	.271
Whites and Negroes.....	56,334	35,292	21,042	.481	.566	.339
Whites and "others".....	4,924	4,070	854	.517	.556	.334
Negroes and "others".....	127	12	115	.345	(¹)	.327
Whites, Negroes, and "others".....	18,798	15,019	3,779	.571	.603	.444

¹ Fewer than 50 employees; no average computed.

In the South and Southwestern territory, plants reporting whites only averaged 38.8 cents, as compared with 27.9 cents for establishments reporting Negroes only, the number of common laborers found in both types of plants being fairly large. This is a difference of 11 cents. Establishments reporting both whites and Negroes averaged 33.9 cents, or 5 cents less than those reporting whites only but 6 cents more than those reporting Negroes only. Plants reporting "other" races only averaged 27.1 cents, as compared with about 33 cents for those reporting either whites and Negroes or whites and "others", but those reporting all races averaged 44.4 cents.¹

Although the difference in hourly entrance rates between white and Negro common laborers in the South and Southwest explains part of the variation between the North and West and South and Southwest wages, it does not obviate the fact that substantial differences also exist in the North and West over the South and Southwest for workers of each color. These differences amounted to 16.5

¹ This relatively high average is due largely to the fact that it covers plants in the higher-paid industries.

cents for whites, 22.9 cents for colored, and 20.6 cents for others. Similar differences are found when a comparison is made of the North and West and South and Southwest distributions for each color.

Differences in Entrance Rates, by Industry

The average hourly entrance rates for each of the 20 industries covered are presented on a regional basis in table 5.

TABLE 5.—Average Hourly Entrance Rates of Adult Male Common Laborers, by Industry and Region, July 1938

Industry	Average hourly earnings of all wage earners ¹	Common laborers								
		Establishments reporting			Number of laborers at entrance rates			Average hourly entrance rates		
		Total	North and West	South and South-west	Total	North and West	South and South-west	Total	North and West	South and South-west
All 20 industries.....	(²)	4, 944	3, 869	1, 075	150, 617	116, 905	33, 712	\$0. 508	\$0. 554	\$0. 348
Manufacturing.....	(²)	3, 360	2, 696	664	119, 869	92, 702	27, 167	. 504	. 550	. 347
Automobile parts.....	(²)	44	44		768	768		. 539	. 539	
Brick, tile, and terra cotta.....	\$0. 511	311	263	48	7, 800	6, 689	1, 111	. 456	. 483	. 290
Cement.....	. 690	119	93	26	3, 633	2, 786	847	. 522	. 558	. 405
Chemicals.....	. 787	133	103	30	3, 756	2, 619	1, 137	. 525	. 595	. 363
Fertilizers.....	. 487	238	111	127	3, 433	1, 544	1, 889	. 359	. 468	. 270
Foundry and machine-shop products.....	. 710	662	549	113	10, 003	8, 988	1, 015	. 495	. 511	. 351
Glass.....	. 707	99	89	10	5, 913	5, 617	296	. 529	. 533	. 439
Iron and steel.....	. 836	237	216	21	23, 853	21, 395	2, 458	. 581	. 597	. 438
Leather.....	. 628	109	96	13	2, 922	2, 604	318	. 495	. 508	. 391
Lumber (sawmills).....	. 502	347	224	123	20, 926	11, 486	9, 440	. 409	. 547	. 241
Paints and varnishes.....	. 707	173	141	32	1, 561	1, 411	150	. 524	. 544	. 334
Paper and pulp.....	. 619	466	424	42	20, 918	15, 757	5, 161	. 485	. 513	. 396
Petroleum refining.....	. 988	135	85	50	4, 302	2, 597	1, 705	. 634	. 675	. 571
Rubber tires and inner tubes.....	. 945	23	(³)	(³)	284	(³)	(³)	. 505	(³)	(³)
Slaughtering and meat packing.....	. 691	195	169	26	8, 990	7, 385	1, 605	. 567	. 583	. 495
Soap.....	. 736	69	(³)	(³)	807	(³)	(³)	. 590	(³)	(³)
Public utilities.....	(²)	658	504	154	15, 396	12, 484	2, 912	. 480	. 508	. 357
Electric light and power.....	(⁴)	322	234	88	5, 784	4, 175	1, 609	. 459	. 489	. 380
Electric street railways and city motorbus operation and maintenance.....	. 711	209	169	40	6, 561	5, 850	711	. 502	. 526	. 308
Manufactured and natural gas.....	(⁴)	127	101	26	3, 051	2, 459	592	. 471	. 499	. 354
Building construction.....	. 895	926	669	257	15, 352	11, 719	3, 633	. 566	. 635	. 347

¹ These are United States totals, based on monthly reports on employment and pay rolls collected by the Bureau.

² Not available.

³ Regional figures are not given, in order not to disclose plant identity.

⁴ The average for electric light and power and manufactured gas combined was 85.3 cents in July 1938.

In the northern and western territory, the manufacturing industry averages ranged from 46.8 cents for fertilizers to 67.5 cents for petroleum refining. With the exception of fertilizers, only one other industry, namely brick, tile, and terra cotta, averaged less than 50 cents. On the other hand, petroleum refining ranked first by a considerable margin, the next highest averages being 59.7 cents for iron and steel, 59.5 cents for chemicals, and 58.3 cents for slaughtering and meat packing. The range of averages in the 9 remaining industries for which figures

are shown was from 50.8 cents for leather to 55.8 cents for cement. The average for all manufacturing industries combined amounted to 55.0 cents. It is interesting to note that the 3 public-utility industries combined averaged only 50.8 cents, the figures ranging from 48.9 cents for electric light and power to 52.6 cents for electric street railways and city motorbus operation and maintenance. The average for building construction was 63.5 cents, or 4 cents less than the figure reported for petroleum refining.

The spread in averages in the southern and southwestern territory was from 24.1 cents in lumber (sawmills) to 57.1 cents in petroleum refining. Outside of lumber, only 2 other industries, namely fertilizers (27.0 cents) and brick, tile, and terra cotta (29.0 cents) averaged under 30 cents. As in the northern and western area, the southern and southwestern average for petroleum refining ranked first by a wide margin, the next highest figure being 49.5 cents for slaughtering and meat packing. Only 3 other industries averaged over 40 cents, namely glass (43.9 cents), iron and steel (43.8 cents), and cement (40.5 cents). The remaining 6 industries for which figures are shown ranged from 33.4 cents for paints and varnishes to 39.6 cents for paper and pulp. For all manufacturing industries combined, the average was 34.7 cents, which may be compared with 35.7 cents for the 3 public-utility industries combined, and 34.7 for building construction.

In every case, the average entrance rate per hour was substantially higher in the northern and western than the southern and southwestern region. For all manufacturing industries combined, the difference was 20.3 cents, ranging from 8.8 cents in slaughtering and meat packing to 30.6 cents in lumber. The difference amounted to 15.1 cents for the public-utility industries combined, but it was as high as 28.8 cents for building construction.

For the country as a whole, it is possible to compare the average hourly entrance rates of common laborers with the corresponding average hourly earnings of all wage earners in a number of industries. The differences were between 5 and 10 cents in brick, tile, and terra cotta and lumber; between 10 and 15 cents in fertilizers, leather, paper and pulp, slaughtering and meat packing, and soap; between 15 and 20 cents in cement, glass, and paints and varnishes; between 20 and 25 cents in foundry and machine-shop products and electric street railways and city motorbus operation and maintenance; between 25 and 30 cents in chemicals and iron and steel; between 30 and 35 cents in building construction; between 35 and 40 cents in petroleum refining; and over 40 cents in rubber tires and inner tubes. The extent of these differences depends in part on the proportion of common laborers found in each industry.

From table 6, which presents the distributions for the various industries on a regional basis, it is possible to determine the extent to which each of the industries had to adapt itself with respect to the 25-cent minimum provided by the Fair Labor Standards Act. In the northern and western region, hardly any common laborers were paid under 25 cents an hour in each of the industries. A somewhat different situation, however, was found in the southern and southwestern territory. In some industries, such as cement, chemicals, iron and steel, paper and pulp, petroleum refining, and electric light and power, there were either no common laborers or very few receiving less than 25 cents. In certain other industries, the number paid under 25 cents was relatively small, namely 1.2 percent in slaughtering and meat packing, 2.5 percent in leather, 2.7 percent in glass, 3.0 percent in manufactured and natural gas, 3.1 percent in building construction, 5.1 percent in foundry and machine-shop products, and 7.3 percent in paints and varnishes. On the other hand, the proportion was considerable in the remaining industries, 11.6 percent in electric street railways and city motorbus operation and maintenance; 16.7 percent in fertilizers; 26.7 percent in brick, tile, and terra cotta; and 42.8 percent in lumber.

TABLE 6.—Cumulative Percentage Distribution of Adult Male Common Laborers According to Hourly Entrance Rates, by Industry and Region, July 1938

Hourly entrance rate	Automobile parts			Brick, tile, and terra cotta			Cement		
	Total	North and West	South and South-west	Total	North and West	South and South-west	Total	North and West	South and South-west
Under 12.5 cents.....				(¹)		0.1			
12.5 and under 17.5 cents.....				1.1		7.9			
17.5 and under 22.5 cents.....	1.0	1.0		3.2	0.1	22.0			
22.5 and under 25.0 cents.....	1.0	1.0		3.9	.1	26.7			
25.0 and under 27.5 cents.....	1.3	1.3		5.6	.5	35.9			
27.5 and under 30.0 cents.....	1.3	1.3		7.1	.5	46.5	1.4		6.1
30.0 and under 32.5 cents.....	3.3	3.3		11.4	1.7	69.8	2.3		10.0
32.5 and under 35.0 cents.....	3.3	3.3		15.0	3.5	84.4	2.3		10.0
35.0 and under 37.5 cents.....	3.3	3.3		18.7	6.3	93.8	8.5		36.8
37.5 and under 40.0 cents.....	3.3	3.3		23.7	12.1	94.0	11.8	1.2	47.1
40.0 and under 42.5 cents.....	6.0	6.0		36.0	26.3	94.5	14.4	1.2	58.1
42.5 and under 47.5 cents.....	18.2	18.2		50.5	43.1	94.8	28.6	8.3	95.7
47.5 and under 52.5 cents.....	56.9	56.9		70.3	66.2	94.8	42.8	26.2	97.9
52.5 and under 57.5 cents.....	71.9	71.9		80.5	77.2	100.0	80.6	74.6	100.0
57.5 and under 62.5 cents.....	84.0	84.0		97.7	97.3		86.5	82.3	
62.5 and under 67.5 cents.....	86.7	86.7		99.0	98.8		98.9	98.5	
67.5 and under 72.5 cents.....	86.7	86.7		99.6	99.5		99.6	99.4	
72.5 and under 77.5 cents.....	100.0	100.0		99.9	99.9		100.0	100.0	
77.5 and under 82.5 cents.....				100.0	100.0				
82.5 and under 90.0 cents.....									
90.0 and under 100.0 cents.....									
100.0 and under 110.0 cents.....									
110.0 cents and over.....									

¹ Less than one-tenth of 1 percent.

TABLE 6.—Cumulative Percentage Distribution of Adult Male Common Laborers According to Hourly Entrance Rates, by Industry and Region, July 1938—Con.

Hourly entrance rate	Chemicals			Fertilizers			Foundry and machine-shop products		
	Total	North and West	South and South-west	Total	North and West	South and South-west	Total	North and West	South and South-west
Under 12.5 cents.....				0.6		1.1			
12.5 and under 17.5 cents.....				4.4		8.1	(1)		0.3
17.5 and under 22.5 cents.....				9.0	0.7	15.9	0.3		2.9
22.5 and under 25.0 cents.....	0.2		0.8	9.4	.7	16.7	.5		5.1
25.0 and under 27.5 cents.....	4.0		13.2	39.0	8.2	64.0	1.9	(1)	18.4
27.5 and under 30.0 cents.....	8.8		29.0	39.5	8.2	65.0	1.9	(1)	18.9
30.0 and under 32.5 cents.....	11.2	0.3	36.3	48.6	9.4	80.6	3.8	0.2	35.4
32.5 and under 35.0 cents.....	11.2	.3	36.3	48.6	9.4	80.6	4.5	.4	40.5
35.0 and under 37.5 cents.....	13.3	.9	41.8	56.6	13.0	92.2	6.6	1.0	56.0
37.5 and under 40.0 cents.....	20.2	.9	64.5	56.7	13.2	92.2	8.3	1.3	69.8
40.0 and under 42.5 cents.....	24.4	2.2	75.6	66.0	26.6	98.1	21.4	14.0	86.4
42.5 and under 47.5 cents.....	33.0	4.8	97.9	74.0	42.1	100.0	37.1	30.8	93.1
47.5 and under 52.5 cents.....	40.2	14.7	98.9	90.0	77.7		65.5	61.8	97.2
52.5 and under 57.5 cents.....	48.2	26.2	98.9	93.1	84.6		79.8	77.6	98.3
57.5 and under 62.5 cents.....	67.6	54.0	98.9	98.9	97.5		90.1	88.9	100.0
62.5 and under 67.5 cents.....	95.9	94.1	100.0	99.5	98.9		98.9	98.7	
67.5 and under 72.5 cents.....	100.0	100.0		100.0	100.0		99.6	99.5	
72.5 and under 77.5 cents.....							100.0	100.0	
77.5 and under 82.5 cents.....									
82.5 and under 90.0 cents.....									
90.0 and under 100.0 cents.....									
100.0 and under 110.0 cents.....									
110.0 cents and over.....									

Hourly entrance rate	Glass			Iron and steel			Leather		
	Total	North and West	South and South-west	Total	North and West	South and South-west	Total	North and West	South and South-west
Under 12.5 cents.....									
12.5 and under 17.5 cents.....									
17.5 and under 22.5 cents.....	0.1		2.7						
22.5 and under 25.0 cents.....	.1		2.7					0.3	2.5
25.0 and under 27.5 cents.....	.7		14.2	(1)		0.1	1.6	(1)	13.8
27.5 and under 30.0 cents.....	.7		14.2	0.2		2.5	1.6	(1)	13.8
30.0 and under 32.5 cents.....	1.1		22.6	.7		7.4	1.9	0.3	13.8
32.5 and under 35.0 cents.....	1.8	0.7	22.6	.7		7.4	4.8	.3	40.9
35.0 and under 37.5 cents.....	2.3	.7	31.7	.9		9.7	4.9	.5	40.9
37.5 and under 40.0 cents.....	2.7	.8	38.8	1.5	0.1	14.8	17.7	5.6	61.7
40.0 and under 42.5 cents.....	4.7	2.1	53.7	4.4	.3	40.9	29.8	24.5	73.6
42.5 and under 47.5 cents.....	18.0	15.9	58.1	10.6	2.3	83.4	42.9	39.2	73.6
47.5 and under 52.5 cents.....	49.1	48.2	65.9	14.8	6.7	85.6	56.2	52.3	88.7
52.5 and under 57.5 cents.....	61.9	61.7	65.9	35.8	28.8	97.4	73.9	70.8	100.0
57.5 and under 62.5 cents.....	92.3	91.9	100.0	46.9	41.1	97.4	89.0	87.7	
62.5 and under 67.5 cents.....	100.0	100.0		99.7	99.7	100.0	100.0	100.0	
67.5 and under 72.5 cents.....				100.0	100.0				
72.5 and under 77.5 cents.....									
77.5 and under 82.5 cents.....									
82.5 and under 90.0 cents.....									
90.0 and under 100.0 cents.....									
100.0 and under 110.0 cents.....									
110.0 cents and over.....									

¹ Less than one-tenth of 1 percent.

TABLE 6.—Cumulative Percentage Distribution of Adult Male Common Laborers According to Hourly Entrance Rates, by Industry and Region, July 1938—Con.

Hourly entrance rate	Lumber (sawmills)			Paints and varnishes			Paper and pulp		
	Total	North and West	South and South-west	Total	North and West	South and South-west	Total	North and West	South and South-west
Under 12.5 cents.....	0.1		0.3	0.1	0.1				
12.5 and under 17.5 cents.....	3.5		7.8	.1	.1				
17.5 and under 22.5 cents.....	13.6		30.2	.8	.1	7.3	(1)		0.1
22.5 and under 25.0 cents.....	19.3	(1)	42.8	.8	.1	7.3	(1)	(1)	.1
25.0 and under 27.5 cents.....	36.4	0.1	80.7	1.6	.2	14.0	0.4	(1)	1.9
27.5 and under 30.0 cents.....	38.4	.3	84.9	1.7	.2	15.3	.6	(1)	2.5
30.0 and under 32.5 cents.....	46.3	3.0	99.2	5.0	.4	47.9	2.2	0.9	6.3
32.5 and under 35.0 cents.....	46.5	3.3	99.2	5.1	.4	48.6	4.8	1.2	15.9
35.0 and under 37.5 cents.....	48.9	7.0	99.9	7.7	.7	72.6	7.0	2.2	21.7
37.5 and under 40.0 cents.....	51.8	12.3	100.0	9.0	1.9	74.6	10.5	3.3	32.4
40.0 and under 42.5 cents.....	55.8	19.5		19.1	11.3	91.3	27.7	12.2	75.0
42.5 and under 47.5 cents.....	57.6	22.7		27.0	19.1	100.0	44.3	28.2	93.6
47.5 and under 52.5 cents.....	62.7	32.0		50.9	45.7		64.5	53.2	99.1
52.5 and under 57.5 cents.....	66.3	38.6		64.8	61.1		83.7	78.4	100.0
57.5 and under 62.5 cents.....	77.1	58.3		80.0	78.0		89.8	86.5	
62.5 and under 67.5 cents.....	99.8	99.6		91.0	90.1		99.9	99.9	
67.5 and under 72.5 cents.....	100.0	100.0		99.3	99.2		100.0	100.0	
72.5 and under 77.5 cents.....				100.0	100.0				
77.5 and under 82.5 cents.....									
82.5 and under 90.0 cents.....									
90.0 and under 100.0 cents.....									
100.0 and under 110.0 cents.....									
110.0 cents and over.....									

Hourly entrance rate	Petroleum refining			Rubber tires and inner tubes ²	Slaughtering and meat packing			Soap ²	Building construction		
	Total	North and West	South and South-west		Total	North and West	South and South-west		Total	North and West	South and South-west
Under 12.5 cents.....											
12.5 and under 17.5 cents.....					0.1		0.3				
17.5 and under 22.5 cents.....					.3		1.2		0.7		3.1
22.5 and under 25.0 cents.....					.3		1.2		.7		3.1
25.0 and under 27.5 cents.....				2.8	1.1	0.1	4.8	0.2	5.0	0.1	21.1
27.5 and under 30.0 cents.....				2.8	1.3	.2	5.2	.2	5.0	.1	21.1
30.0 and under 32.5 cents.....	0.5		1.3	7.0	2.7	1.5	6.8	2.9	11.6	.3	48.4
32.5 and under 35.0 cents.....	.5		1.3	12.3	2.9	1.5	8.0	4.4	11.6	.3	48.5
35.0 and under 37.5 cents.....	.7		1.9	12.3	3.8	2.0	10.9	7.0	14.5	1.3	57.5
37.5 and under 40.0 cents.....	1.3		3.5	12.3	4.3	2.4	12.0	7.4	14.8	1.3	58.7
40.0 and under 42.5 cents.....	3.0	0.2	7.5	19.3	8.5	5.8	19.9	16.6	28.8	10.7	88.2
42.5 and under 47.5 cents.....	4.7	.2	11.8	34.4	11.1	8.9	19.9	20.6	34.0	16.9	90.1
47.5 and under 52.5 cents.....	21.3	4.4	47.5	58.4	14.5	10.9	29.7	33.0	47.0	31.1	99.1
52.5 and under 57.5 cents.....	25.2	8.9	50.5	68.3	33.0	18.1	100.0	37.3	48.4	32.9	99.1
57.5 and under 62.5 cents.....	30.2	14.1	55.3	89.8	79.1	74.5		53.3	59.8	47.7	99.5
62.5 and under 67.5 cents.....	51.5	35.9	75.7	100.0	100.0	100.0		61.0	71.9	63.5	99.6
67.5 and under 72.5 cents.....	88.6	90.0	86.5					83.8	79.2	73.0	99.6
72.5 and under 77.5 cents.....	97.5	95.9	100.0					100.0	86.3	82.1	100.0
77.5 and under 82.5 cents.....	100.0	100.0							88.0	84.4	
82.5 and under 90.0 cents.....									93.5	91.6	
90.0 and under 100.0 cents.....									97.0	96.1	
100.0 and under 110.0 cents.....									99.9	99.9	
110.0 cents and over.....									100.0	100.0	

¹ Less than one-tenth of 1 percent.² Regional figures not shown, in order not to reveal plant identity.

TABLE 6.—Cumulative Percentage Distribution of Adult Male Common Laborers According to Hourly Entrance Rates, by Industry and Region, July 1938—Con.

Hourly entrance rate	Electric light and power			Electric street rail-ways and city motorbus operation and maintenance			Manufactured and natural gas		
	Total	North and West	South and South-west	Total	North and West	South and South-west	Total	North and West	South and South-west
Under 12.5 cents.....									
12.5 and under 17.5 cents.....									
17.5 and under 22.5 cents.....	(1)		0.1	1.1	(1)	9.8	0.6		3.0
22.5 and under 25.0 cents.....	0.2		.8	1.3	(1)	11.6	.6		3.0
25.0 and under 27.5 cents.....	2.1	0.1	7.2	3.9	1.3	24.5	2.0		10.1
27.5 and under 30.0 cents.....	2.2	.1	7.6	4.4	1.3	28.4	2.0		10.1
30.0 and under 32.5 cents.....	7.7	.4	26.7	8.9	2.0	64.2	8.4	0.3	41.9
32.5 and under 35.0 cents.....	7.7	.4	26.7	10.4	2.4	74.6	8.4	.3	41.9
35.0 and under 37.5 cents.....	14.5	4.0	41.7	15.0	4.7	98.3	9.5	1.3	43.6
37.5 and under 40.0 cents.....	16.0	4.0	47.0	16.8	6.8	98.3	12.9	1.3	61.0
40.0 and under 42.5 cents.....	41.7	27.8	77.8	31.1	22.8	98.3	32.2	17.6	93.1
42.5 and under 47.5 cents.....	53.0	41.1	83.7	45.1	38.5	98.3	53.5	43.6	94.6
47.5 and under 52.5 cents.....	81.3	74.1	99.9	53.0	47.4	98.3	76.4	70.7	100.0
52.5 and under 57.5 cents.....	88.7	84.3	100.0	68.0	64.2	98.3	87.8	84.9	
57.5 and under 62.5 cents.....	92.7	89.9		73.4	70.3	98.3	90.0	87.6	
62.5 and under 67.5 cents.....	99.6	99.4		93.1	92.2	100.0	95.3	94.2	
67.5 and under 72.5 cents.....	99.6	99.4		100.0	100.0		99.4	99.3	
72.5 and under 77.5 cents.....	99.6	99.4					100.0	100.0	
77.5 and under 82.5 cents.....	99.6	99.4							
82.5 and under 90.0 cents.....	100.0	100.0							
90.0 and under 100.0 cents.....									
100.0 and under 110.0 cents.....									
110.0 cents and over.....									

¹ Less than one-tenth of 1 percent.

Comparison of Entrance Rates Between 1937 and 1938

On the basis of identical establishments, the average hourly entrance rate of common laborers for the 20 industries combined in the country as a whole amounted to 51.7 cents in 1938. As the average was 51.5 cents in 1937, it is evident that there was virtually no change between the 2 years. The same is disclosed by an examination of the figures for each region. In the North and West, the averages were 55.4 cents in 1937 and 55.9 cents in 1938. The southern and southwestern averages were 35.3 cents in 1937 and 35.7 cents in 1938. Likewise, there was little change in the distributions between 1937 and 1938, for the country as a whole as well as in each region, as may be seen from table 7.

As regards the individual industries, on the other hand, there are in some cases pronounced changes, either increases or decreases, in average entrance rates per hour, between 1937 and 1938. (See table 8.) This is true of the figures for the country as a whole as well as of those for each region. It is somewhat difficult to account for the changes, except to state in a general way that in most instances they are probably due less to changes in rates and more to changes in the number of common laborers receiving the various entrance rates.

TABLE 7.—Cumulative Percentage Distribution of Adult Male Common Laborers According to Hourly Entrance Rates in 20 Industries, by Region, July 1937 and July 1938

[Based on identical establishments]

Hourly entrance rate	Total		North and West		South and Southwest	
	1937	1938	1937	1938	1937	1938
Under 12.5 cents.....	(1)	(1)	(1)	(1)		0.1
12.5 and under 17.5 cents.....	0.4	0.3	(1)		2.0	1.5
17.5 and under 22.5 cents.....	1.7	1.8	(1)	(1)	8.9	8.7
22.5 and under 25.0 cents.....	2.1	2.5	(1)	(1)	11.2	12.2
25.0 and under 27.5 cents.....	5.7	6.1	0.1	0.2	29.3	28.9
27.5 and under 30.0 cents.....	6.2	6.7	.1	.2	31.6	31.9
30.0 and under 32.5 cents.....	9.5	9.8	.6	.7	46.5	44.9
32.5 and under 35.0 cents.....	10.0	10.2	.8	.9	48.3	46.4
35.0 and under 37.5 cents.....	12.1	12.4	1.7	2.1	55.7	52.4
37.5 and under 40.0 cents.....	14.6	14.7	3.2	3.5	62.6	58.2
40.0 and under 42.5 cents.....	23.3	23.8	10.9	10.4	75.6	75.8
42.5 and under 47.5 cents.....	34.1	33.0	21.4	19.3	87.6	86.1
47.5 and under 52.5 cents.....	48.5	47.1	38.0	35.4	92.3	92.7
52.5 and under 57.5 cents.....	61.2	59.5	52.7	50.0	96.2	96.5
57.5 and under 62.5 cents.....	73.0	72.7	67.2	66.4	97.0	97.2
62.5 and under 67.5 cents.....	94.6	94.3	93.6	93.3	97.9	98.4
67.5 and under 72.5 cents.....	97.0	97.2	96.3	96.7	99.1	99.1
72.5 and under 77.5 cents.....	98.4	98.4	97.9	98.0	100.0	100.0
77.5 and under 82.5 cents.....	98.7	98.7	98.3	98.4		
82.5 and under 90.0 cents.....	99.1	99.4	98.8	99.2		
90.0 and under 100.0 cents.....	99.8	99.7	99.7	99.6		
100.0 and under 110.0 cents.....	100.0	100.0	100.0	100.0		

¹ Less than one-tenth of 1 percent.

TABLE 8.—Average Hourly Entrance Rates of Adult Male Common Laborers, by Industry and Region, July 1937 and July 1938

[Based on identical establishments]

Industry	Total			North and West			South and Southwest		
	1937	1938	Per- cent of change	1937	1938	Per- cent of change	1937	1938	Per- cent of change
All 20 industries.....	\$0.515	\$0.517	+0.4	\$0.554	\$0.559	+0.9	\$0.353	\$0.357	+1.1
Manufacturing.....	.515	.513	-.4	.553	.554	+2	.355	.357	+6
Automobile parts.....	.546	.549	+5	.546	.549	+5			
Brick, tile, and terra cotta.....	.457	.467	+2.2	.478	.488	+2.1	.272	.259	-4.8
Cement.....	.515	.515		.553	.556	+5	.408	.406	-5
Chemicals.....	.519	.525	+1.2	.594	.609	+2.5	.363	.363	
Fertilizers.....	.365	.355	-2.7	.515	.476	-7.6	.261	.276	+5.7
Foundry and machine-shop prod- ucts.....	.495	.502	+1.4	.504	.511	+1.4	.363	.375	+3.3
Glass.....	.519	.535	+3.1	.524	.539	+2.9	.447	.461	+3.1
Iron and steel.....	.587	.585	-.3	.597	.600	+5	.450	.443	-1.6
Leather.....	.469	.498	+6.2	.487	.508	+4.3	.364	.408	+12.1
Lumber (sawmills).....	.431	.428	-.7	.552	.552		.246	.249	+1.2
Paints and varnishes.....	.566	.545	-3.7	.575	.554	-3.7	.375	.368	-1.9
Paper and pulp.....	.479	.482	+6	.511	.511		.393	.399	+1.5
Petroleum refining.....	.631	.638	+1.1	.657	.675	+2.7	.588	.579	-1.5
Rubber tires and inner tubes.....	.477	.508	+6.5	.477	.508	+6.5			
Slaughtering and meat packing.....	.577	.577		.587	.586	-.2	.505	.501	-.8
Soap.....	.444	.496	+11.7	.444	.496	+11.7			
Public utilities.....	.484	.484		.496	.513	+3.4	.348	.362	+4.0
Electric light and power.....	.450	.459	+2.0	.487	.493	+1.2	.360	.382	+6.1
Electric street railways and city motorbus operation and main- tenance.....	.487	.507	+4.1	.511	.532	+4.1	.296	.307	+3.7
Manufactured and natural gas.....	.476	.480	+8	.489	.498	+1.8	.372	.377	+1.3
Building construction.....	.563	.591	+5.0	.625	.654	+4.6	.341	.358	+5.0

It is interesting to note that on the whole there was very little difference between the corresponding figures for the total coverage and that limited to identical establishments reporting in both 1937 and 1938. With respect to the total coverage, the averages were 50.8 cents for the country as a whole, 55.4 cents for the North and West, and 34.8 cents for the South and Southwest, which may be compared respectively with 51.7, 55.9, and 35.7 cents for identical establishments. Similarly, the differences are not very pronounced if the comparison is made on the basis of distributions. There are few significant differences, however, in the case of individual industries.

Trends of Entrance Rates From 1926 to 1938

Table 9 shows the average entrance rates per hour of common laborers in each of the 3 industry groups, namely manufacturing, public utilities, and building construction for the years 1926 to 1938 inclusive. It should be noted, however, that the manufacturing group includes here only 9 industries, for which comparable figures are available continuously since 1926. These industries are brick, tile, and terra cotta, cement, foundry and machine-shop products, iron and steel, leather, lumber, paper and pulp, petroleum refining, and slaughtering and meat packing. The table also contains figures for all industries combined—i. e., 9 in manufacturing, 3 in public utilities, and building construction. These averages, it should be remembered, are not based on identical establishments from year to year, but nevertheless they are sufficient to show the trend in entrance rates.²

TABLE 9.—Average Hourly Entrance Rates of Adult Male Common Laborers in 13 Industries, by Industry Group, 1926 to 1938

July—	All industries covered	Manufacturing industries covered	Public utilities	Building construction ¹
1926.....	\$0.426	\$0.401	\$0.420	\$0.471
1927.....	.424	.399	.398	.482
1928.....	.428	.402	.429	.474
1929.....	.432	.407	.428	.483
1930.....	.429	.405	.446	.470
1931.....	.403	.383	.446	.426
1932.....	.355	.318	.415	.399
1933.....	.333	.305	.387	.383
1934.....	.420	.407	.418	.455
1935.....	.430	.415	.420	.451
1936.....	.434	.425	.437	.509
1937.....	.514	.514	.467	.553
1938.....	.509	.505	.480	.566

¹ For the years 1926 to 1935, inclusive, the figures cover a small amount of construction outside of the building industry.

² For explanation see footnote 6, p. 1508, Monthly Labor Review, December 1937.

WAGES AND HOURS IN UNION BAKERIES, JUNE 1, 1938¹

THERE was an increase of 2.3 percent, a rise from \$0.826 to \$0.845 per hour, in the average wage rate for union workers in the bakery trades between May 15, 1937, and June 1, 1938. These averages cover the union members for whom reports were received for both years.² During the year, however, union organization was extended into cities, bakeries, and occupations where hitherto there had been no union rates. While these new agreements usually provided for higher rates than previously had been in effect, these rates nevertheless were, on the average, lower than rates in shops which had been unionized for a longer period. The lower scales for these workers brought under union agreements for the first time in 1938 were due to the fact that many of them were for lower-paid occupations and also that a large proportion of them were located in smaller cities. With the inclusion of these additional workers³ the average wage rate was 80.6 cents per hour on June 1, 1938.

The average rate in New York City was much higher than for the rest of the country—\$1.015 compared to \$0.845 for all the cities covered in both years' surveys. The much higher rates existing in shops handling Hebrew bakery products account for most of this difference. In New York over two-fifths of all the union members worked in such shops. Their average rate was \$1.274 per hour compared to \$0.823 for other shops in New York.

Table 1 indicates that in both 1937 and 1938 a majority of the total membership had wage rates ranging between 60 cents and \$1.00 per hour—60.7 percent in 1937 and 62.8 percent in 1938. The upward movement of wage rates during the year is most apparent in the decreased percentage of members having rates of under 60 cents, the percentage falling from 16.4 in 1937 to 12.8 in 1938; and in the increased percentage having scales of \$1.00 and over per hour, which rose from 22.9 percent in 1937 to 24.4 percent in 1938.

One-third of the union members covered in both years received wage-rate increases between May 15, 1937, and June 1, 1938, while decreases were shown for only 0.3 percent. Increases were reported in 122 out of the total 361 comparable quotations covering both years.

¹ This study is one of a series of annual surveys started in 1907 by the Bureau of Labor Statistics, covering scales in various trades in the principal cities of the United States. The early studies included 39 cities. The coverage has been gradually extended, reaching 70 cities in the period from 1934 to 1937, and in the present survey two more cities—Phoenix, Ariz., and Jackson, Miss.—were added. In 17 of these cities, however, there were no union members working under agreements in the baking trades.

² The percents of change and the averages, presented in this study, are based upon aggregates computed from 361 quotations which showed comparable data for both years. These quotations covered 24,811 union members. The membership weights used in the aggregates for each year are those reported for the second year.

³ There were 9,595 members covered in 1938 for whom no rates were obtained in 1937.

No change was reported in 232 quotations, while only 7 reported decreases.

TABLE 1.—Distribution of Union Members in the Bakery Trades, by Hourly Rates 1938 and 1937¹

Classified hourly rates	1938	1937
Average hourly rate.....	\$0. 845	\$0. 826
Percent of members whose hourly rates were—		
35 and under 40 cents.....	0. 2	0. 5
40 and under 50 cents.....	6. 0	6. 4
50 and under 60 cents.....	6. 6	9. 5
60 and under 70 cents.....	14. 1	13. 4
70 and under 80 cents.....	19. 2	21. 8
80 and under 90 cents.....	16. 6	12. 5
90 cents and under \$1.....	12. 9	13. 0
\$1.00 and under \$1.10.....	8. 6	8. 3
\$1.10 and under \$1.20.....	5. 0	4. 8
\$1.20 and under \$1.30.....	3. 5	2. 8
\$1.30 and under \$1.40.....	4. 6	4. 3
\$1.40 and under \$1.50.....	2. 7	2. 7

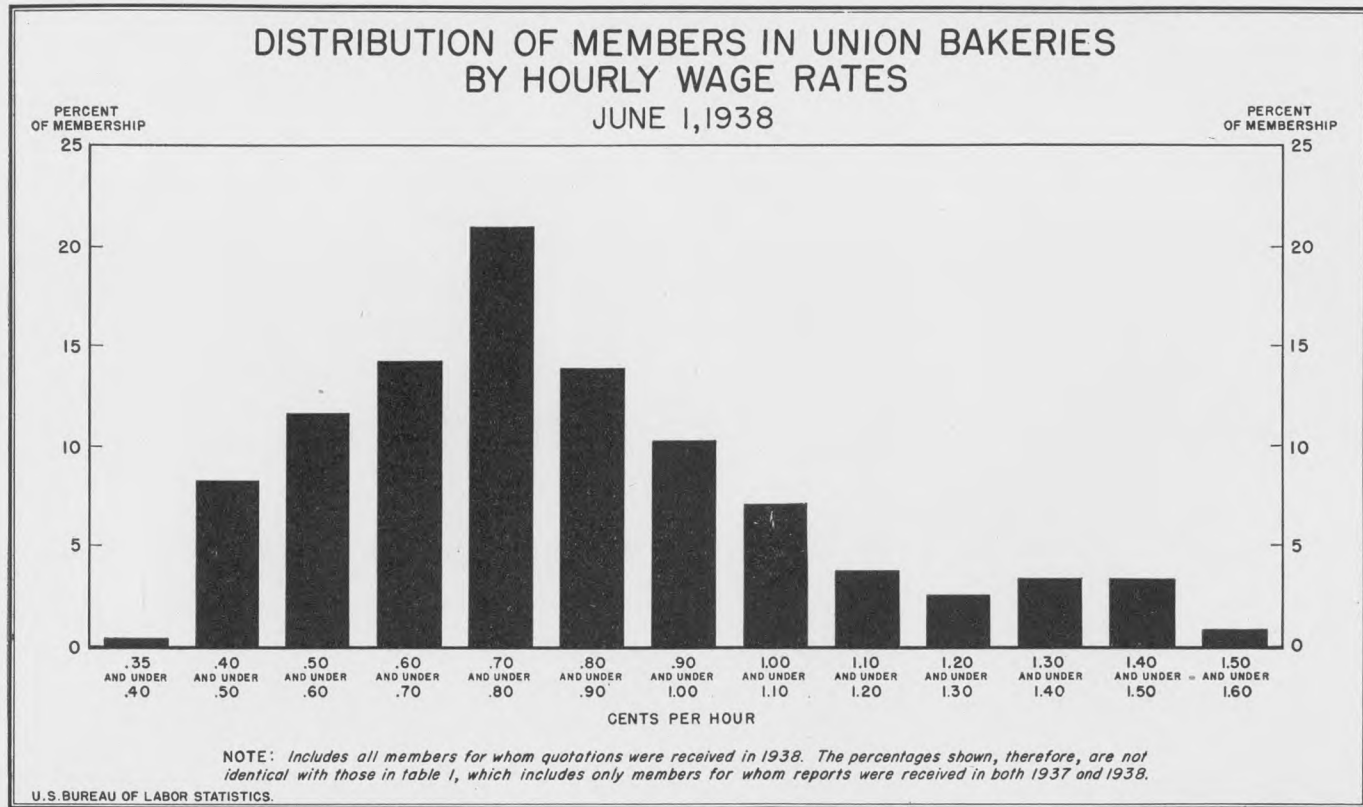
¹ Based on comparable quotations furnished by unions reporting for both years. Including the quotations for which there were no comparable 1937 data, the range of all rates in 1938 was from 35 cents per hour to \$1.571.

In table 2 the rate changes which were reported as becoming effective between May 15, 1937, and June 1, 1938, have been classified according to the percentage of the changes. Of the 122 increases reported, 25 amounted to less than 5 percent of the 1937 rates; 57 amounted to between 5 and 10 percent; 23 amounted to between 10 and 15 percent; and 17 amounted to 15 percent or over. Four of the increases were of 30 percent or more, the greatest being a 40-percent advance in the rate for counters, under the machine-bakery agreement in Houston.

A majority of the members whose rates advanced during the year received from 5 to 10 percent more per hour in 1938 than in 1937. About one-fifth had advances ranging from 10 to 20 percent, and about 22 percent had increases amounting to less than 5 percent. Relatively few were benefited by increases which exceeded 20 percent.

TABLE 2.—Percent of Change in Union Wage Rates in the Baking Trades Between 1937 and 1938

Percent of change in rate	Number of quotations showing—		Percent of total members affected by—	
	Increase	Decrease	Increase	Decrease
Under 5 percent.....	25	5	7. 5	0. 2
5 and under 10 percent.....	57	2	18. 4	. 1
10 and under 15 percent.....	23	-----	4. 5	-----
15 and under 20 percent.....	10	-----	2. 2	-----
20 and under 25 percent.....	2	-----	. 1	-----
25 and under 30 percent.....	1	-----	. 1	-----
30 percent and over.....	4	-----	. 4	-----



Hours in Union Bakery Trades

On June 1, 1938, over half (54.3 percent) of the union members covered were on a 40-hour week. The normal working time for 29 percent of the members was over 44 hours, although there were no scales over 48 hours. Less than 7 percent of the members had regular work weeks of less than 40 hours. (See table 3.) Full-time weekly hours of union members in the bakery trades, for whom comparable reports were received, decreased 0.4 percent between May 15, 1937, and June 1, 1938, or from 42.2 to 42.1 per week.

Forty hours was the prevailing scale for over half the total membership in both years. The proportion of the members having 40-hour scales, however, increased from 52.1 in 1937 to 54.3 percent in 1938. None of the members who had 40-hour or shorter weeks in 1937 had any changes in their hour scales. The proportion of members having scales of over 40 hours in 1937 decreased from 41.7 percent of the total to 39.1 percent in 1938.

TABLE 3.—*Distribution of Union Members in the Bakery Trades, by Hours Per Week, 1938 and 1937*¹

Classified weekly hours	1938	1937
Average weekly hours.....	42.1	42.2
Percent of members whose hours per week were—		
32 hours.....	0.5	0.5
35 hours.....	.1	.1
36 hours.....	5.1	5.1
37½ hours.....	.5	.5
39 hours.....	.4	
40 hours.....	54.3	52.1
42 hours.....	4.3	3.4
44 hours.....	5.7	7.9
45 hours.....	10.5	11.0
47 hours.....	.2	.2
48 hours.....	18.4	19.2

¹ Based on comparable quotations furnished for both years. Including the quotations for which there were no comparable 1937 data, the average weekly hours were 41.9.

Almost 94 percent of the union membership had no changes in their weekly hours between May 15, 1937, and June 1, 1938. Nine of the 361 comparable quotations showed increases in weekly scales, affecting only 0.8 percent of the membership, and 31 quotations showed decreases which applied to 5.3 percent of the members. Almost 90 percent (321) of the total quotations reported no change in hours per week.

Seventeen of the 31 reductions in hour scales were from a 44-hour week to a 40-hour week. In six instances 48-hour weeks were reduced to 44 and in one instance to 45 hours. Two quotations showed decreases from 45 to 42 hours; two from 42 to 39 hours; and three from 44 to 42 hours per week. Four of the increases in hour scales were from 42- to 48-hour weeks, and five were from 44 hours to 48 hours.

TABLE 4.—Amount of Change in Union Hour Scales in the Bakery Trades, Between 1937 and 1938

Amount of change in hours per week	Number of quotations showing—		Percent of total members affected by—	
	Increase	Decrease	Increase	Decrease
2 hours.....		3		0.7
3 hours.....		5		1.2
4 hours.....	5	23	0.7	3.4
6 hours.....	4		.1	

Overtime and Extra Work

Over half of the members were working under agreements which provided a scale of time and a half for overtime. Time and a third was specified for nearly 30 percent of the members. A few of the members had double-time scales (1.8 percent) or specific monetary rates which were not multiples of their regular rates (2.6 percent) for excess hours. In 8 quotations it was reported that the agreements made no provision regarding overtime and in 35 quotations it was reported that overtime was permitted at the regular rate. A penalty rate applied in some of these instances for overtime exceeding a specified number of hours per week.

	Number of quotations	Percent of members covered
No overtime rate provided.....	8	1.2
Straight time.....	35	9.7
Time and one-third.....	158	29.8
Time and one-half.....	335	54.9
Double time.....	7	1.8
Specified amounts, not a multiple of the regular rate.....	17	2.6

Frequently the agreements provide that no regularly employed member shall work overtime when substitutes are available, except in cases of emergency. In some cases a permit from the union must be secured before overtime may be worked. Other agreements set a limit on the amount of overtime permissible for each employee, usually 2 or 3 hours per week. In a number of cases a specified time, ranging from 12 to 16 hours during the week and from 24 to 40 hours over the "rest day," must elapse before an employee may be called back to start work on a new shift.

Many of the agreements provide that regular employees shall have time off with pay for specified holidays. Generally, if work is required on those holidays, the regular overtime rate or double time is required to be paid. Some of the agreements, recognizing the necessity of having fresh baked goods ready for the day following the

holiday, allow work at straight time on the actual holiday, but require the preceding or following day to be taken off. The usual holidays specified are: Labor Day, Decoration Day, Independence Day, Thanksgiving, Christmas, and New Years, although Washington's Birthday, May First, Election Day, and various local holidays are occasionally included. Agreements for Hebrew baking generally provide for several religious holidays.

A provision calling for additional pay for shifts classed as night work is frequently found in the bakery agreements. The periods during which this extra pay applies vary rather widely, including in some instances any shifts starting after 3 p. m., and in others any work between 10 p. m. and 6 a. m. The night differentials reported ranged from 5 percent additional to 25 cents per hour premium.

Provisions for a minimum number of hours per week for regular employees were found in a number of agreements. In some cases it was further provided that any employee starting a shift should receive a minimum amount ranging from 4 hours to a full day's pay.

Membership Covered in the Survey

Effective union scales for bakery workers were reported in 55 of the 72 cities canvassed in 1938. The total union membership covered was 34,406 as compared with 21,167 in 1937.

Table 5 shows the number of union members for whom reports have been received each year since 1918. The membership reported declined each year from 1921 to 1933 and then began to increase rapidly. The large increase shown in 1938 brought the current total to more than three times the membership reported in 1933.

TABLE 5.—*Union Members in Bakery Trades Covered Each Year, 1918 to 1937*

Year	Members	Year	Members	Year	Members	Year	Members
1918.....	18,376	1924.....	21,306	1930.....	18,301	1936.....	15,086
1919.....	21,477	1925.....	20,805	1931.....	16,403	1937.....	21,167
1920.....	24,721	1926.....	20,510	1932.....	13,678	1938.....	34,406
1921.....	24,398	1927.....	19,170	1933.....	10,960		
1922.....	22,808	1928.....	18,673	1934.....	12,722		
1923.....	21,574	1929.....	17,468	1935.....	14,418		

Rates of Wages and Hours in Each City

Union rates per hour and hours per week in the bakery trades, by city and occupation, on June 1, 1938, are shown in table 6.

TABLE 6.—Union Scales of Wages and Hours in the Bakery Trades, June 1, 1938

City, type of baking, and occupation	Rate per hour	Hours per week	City, type of baking, and occupation	Rate per hour	Hours per week
<i>Atlanta, Ga.</i>			<i>Chicago, Ill.—Continued</i>		
Mixers.....	\$0.550	40	Union C:		
Bakers.....	.500	40	Machine shops:		
Bakers' helpers.....	.400	40	Mixers, ovenmen, or divider men.....	\$0.800	40
Packers or slicers, female.....	.350	40	Traveling-oven feeders.....	.750	40
<i>Baltimore, Md.</i>			Traveling-oven dumpers.....	.700	40
Hebrew baking:			Mixers' helpers.....	.650	40
Foremen or ovenmen.....	1.188	48	Bake-shop helpers.....	.550	40
Second hands.....	1.125	48	Bohemian baking:		
<i>Boston, Mass.</i>			Small shops:		
Hebrew baking:			First hands.....	.833	48
Foremen.....	1.271	48	Second hands.....	.771	48
Second hands.....	1.167	48	Large shops:		
Third hands.....	1.063	48	First hands.....	1.000	48
<i>Buffalo, N. Y.</i>			Second hands.....	.925	48
Hand and small machine shops:			Greek baking: ¹		
Day work:			Hand shops:		
Oven hands or mixers.....	.771	48	First class or ovenmen.....	.646	48
Bench hands.....	.729	48	Second class, mixers, or bench hands.....	.583	48
Night work:			Machine shops:		
Oven hands or mixers.....	.771	48	First class or ovenmen.....	.825	40
Bench hands.....	.729	48	Second class, mixers, or bench hands.....	.758	40
Machine shops:			Hebrew baking:		
Foremen.....	.875	40	Foremen or first hands.....	\$ 1.188	48
Mixers, ingredient scalers, or peel-oven men.....	.800	40	Second hands.....	\$ 1.125	48
Bench hands, divider men, or traveling-oven men.....	.750	40	Third hands.....	\$ 1.000	48
Machine or molder men.....	.700	40	Italian baking: ¹		
Foreladies.....	.675	40	Hand shops:		
Mixer's helpers, wrapping-machine operators, assembly helpers.....	.650	40	First class or ovenmen.....	.646	48
Bench helpers, oven helpers, wrapping and slicing helpers, flour handlers, fried-cake machine men, yeast doughnut men.....	.600	40	Second class, mixers, or benchmen.....	.583	48
Pan greasers or machine hand helpers.....	.550	40	Machine shops:		
Roll dividers, female.....	.500	40	First class or ovenmen.....	.825	40
Roll panners, female.....	.450	40	Second class, mixers, or benchmen.....	.758	40
Roll wrappers, fried packers, loers, or packers, female.....	.430	40	Polish baking: ¹		
Hebrew and Polish baking:			Retail bakeries:		
Night work:			Foremen or spongers.....	.875	48
First hands.....	.813	48	Second hands.....	.750	48
Second hands.....	.771	48	Wholesale bakeries:		
<i>Butte, Mont.</i>			Foremen or spongers.....	1.063	32
Foremen or mixers.....	1.179	42	Second hands.....	.938	32
Ovenmen.....	1.179	42	<i>Cincinnati, Ohio</i>		
Bench hands.....	1.048	42	Foremen or first hands.....	.945	40
<i>Chicago, Ill.</i>			Ovenmen or mixers.....	.863	40
Union A: ¹			Bench or machine hands.....	.800	40
Retail bakeries:			Helpers.....	.625	40
First hands, spongers, or ovenmen.....	2.900	48	Machine operators.....	.620	40
Second hands.....	2.850	48	Packers or shippers.....	.520	40
Helpers.....	2.700	48	Chute men.....	.480	40
Union B:			Helpers, female.....	.400	40
Retail bakeries:			<i>Cleveland, Ohio</i>		
First hands.....	2.833	48	Hand shops:		
Second hands.....	2.792	48	Union A:		
Wholesale bakeries: ¹			First hands.....	.833	48
First hands, ovenmen, or spongers.....	4.850	40	Second hands.....	.750	48
Second hands.....	4.800	40	Helpers.....	.667	48
			Union B: ¹		
			Retail bakeries:		
			First hands.....	.854	48
			Second hands.....	.792	48
			Third hands.....	.667	48
			Machine shops:		
			Mixers or ovenmen.....	.820	40
			Bench or machine hands.....	.760	40
			Mixers' helpers, molders, or dividers.....	.710	40
			Oven feeders.....	.650	40
			Slicers, male.....	.600	40
			Helpers, male.....	.600	40
			Helpers, female.....	.430	40

See footnotes at end of table.

TABLE 6.—Union Scales of Wages and Hours in the Bakery Trades, June 1, 1938—Con.

City, type of baking, and occupation	Rate per hour	Hours per week	City, type of baking, and occupation	Rate per hour	Hours per week
<i>Cleveland, Ohio—Continued</i>			<i>Detroit, Mich—Continued</i>		
Bohemian baking:			Polish baking:		
First hands.....	\$0.792	48	First hands, ovenmen, or		
Second hands.....	.750	48	mixers.....	\$0.958	48
Third hands.....	.646	48	Second hands or benchmen.....	.813	48
Hebrew baking:			Third hands.....	.521	48
First hands.....	1.167	48	<i>Duluth, Minn.</i>		
Second hands.....	1.063	48	Day work:		
<i>Davenport, Iowa</i>			Foremen.....	.910	40
(See Rock Island (Ill.) district.)			Mixers or ovenmen.....	.800	40
<i>Denver, Colo.</i>			Bench hands.....	.750	40
Hand shops:			Machine men.....	.688	40
Day work:			Helpers.....	.625	40
Foremen.....	.833	48	Night work:		
Bench or machine hands.....	.688	48	Foremen.....	.985	40
Night work:			Mixers or ovenmen.....	.875	40
Foremen.....	.896	48	Bench hands.....	.825	40
Machine operators.....	.750	48	Machine men.....	.763	40
Machine shops:			Helpers.....	.700	40
Day work:			<i>Erie, Pa.</i>		
Shift foremen.....	.975	40	Ovenmen.....	.680	10 40
Mixers or ovenmen.....	.880	40	Mixers.....	.660	10 40
Bench or machine hands.....	.825	40	Bench hands.....	.600	10 40
Night work:			Helpers or wrappers.....	.500	10 40
Shift foremen.....	1.050	40	<i>Houston, Tex.</i>		
Mixers or ovenmen.....	.955	40	Machine shops: ¹¹		
Bench or machine hands.....	.900	40	Foremen.....	.841	44
Part day and part night work:			Mixers, ovenmen, or spongers.....	.659	44
Shift foremen.....	1.013	40	Benchmen or machine men.....	.614	44
Mixers or ovenmen.....	.918	40	Counters.....	.614	44
Hebrew baking:			Wrappers.....	.534	44
Foremen.....	.938	48	Helpers.....	.523	44
Second hands.....	.894	48	<i>Indianapolis, Ind.</i>		
Bench hands.....	.871	48	Union A:		
Helpers.....	.653	48	Company A:		
<i>Des Moines, Iowa</i>			Mixers, ovenmen, or oven		
Hand shops: ¹			operators.....	.850	40
First hands or foremen.....	\$.688	48	Oven feeders or dumpers,		
Second hands or benchmen.....	\$.604	48	bench or machine		
Third hands or helpers.....	\$.542	48	hands, head wrappers		
Machine shops: ⁹			or slicers.....	.750	40
Foremen.....	.850	40	Wrappers, packers, or		
Mixers or ovenmen.....	.750	40	bake-shop helpers.....	.655	40
Benchmen.....	.700	40	Assistant head checkers.....	.650	40
Machine men, including ma-			Checkers or flour dump-		
chine wrappers.....	.650	40	ers.....	.600	40
Helpers or pan greasers.....	.575	40	Checkers' helpers.....	.550	40
Hand wrappers or packers.....	.525	40	Company B:		
<i>Detroit, Mich.</i>			Mixers.....	.700	40
Union A:			1st oven hands, dividers,		
Mixers or ovenmen.....	.800	44	or molders.....	.650	40
Second hands or benchmen.....	.700	44	Mixers' helpers, 2d oven		
Helpers, male.....	.550	44	hands, wrapping-		
Helpers, female.....	.400	44	machine operator.....	.625	40
Union B:			Shipping-room packers or		
Company A:			helpers.....	.500	40
Mixers or benchmen.....	.800	44	Roll shop:		
Mixers' or benchmen's			First bench hands or		
helpers.....	.750	44	ovenmen.....	.700	40
Machine men.....	.750	44	Second bench hands.....	.650	40
Machine men's helpers.....	.700	44	Helpers.....	.500	40
Helpers, female.....	.550	44	Ice or wrappers.....	.450	40
Company B:			Company C:		
Mixers, mixers' helpers,			Mixers or traveling-oven		
or benchmen.....	.750	44	men.....	.725	40
Machine men.....	.650	44	Head checkers.....	.700	40
Machine men's helpers.....	.600	44	Molders, dividers, wrap-		
Hebrew baking:			ping-machine opera-		
Night work:			tors, or bake-shop		
First hands:			helpers.....	.550	40
1 oven.....	1.400	45	Mixers' helpers.....	.525	40
2 ovens.....	1.356	45	Packers or hand wrap-		
Second hands.....	1.289	45	pers.....	.500	40
Helpers.....	.667	45			

See footnotes at end of table.

TABLE 6.—Union Scales of Wages and Hours in the Bakery Trades, June 1, 1938—Con.

City, type of baking, and occupation	Rate per hour	Hours per week	City, type of baking, and occupation	Rate per hour	Hours per week
<i>Indianapolis, Ind.—Continued</i>			<i>Madison, Wis.—Continued</i>		
Union A—Continued.			Machine shops—Continued.		
Company D:			Machine men.....		
Mixers, molders, or dividers.....	\$0.700	40	Bench hands.....	.784	40
Peel ovenmen.....	.680	40	Helpers.....	.675	40
Stockroom men.....	.625	48	<i>Manchester, N. H.</i>		
Wrapping-machine operators.....	.620	40	Foremen or mixers.....	.792	48
Traveling-oven men or mixers, helpers.....	.600	40	Second hands.....	.688	48
Bake-shop helpers.....	.550	40	Bench hands.....	.625	48
Packers.....	.500	40	<i>Memphis, Tenn.</i>		
Union B:			Mixers, ovenmen, second hands, bench hands, machine men, or wrapping-machine operators.....		
Day work:			Helpers.....		
Foremen.....	.781	48	.563 40		
Mixers or benchmen.....	.625	48	.375 40		
Night work:			<i>Milwaukee, Wis.</i>		
Foremen.....	.833	48	Hand shops: ¹		
Mixers or benchmen.....	.729	48	Foremen.....		
<i>Kansas City, Mo.</i>			First bakers.....		
Day work:			Second bakers.....		
Foremen.....	1.063	40	Third bakers.....		
Mixers, spongers, ovenmen, or drawers.....	.975	40	Helpers.....		
Bench hands.....	.913	40	Machine shops: ¹		
Helpers, male.....	.450	40	Foremen.....		
Helpers, female.....	.400	40	Mixers.....		
Night work:			Ovenmen, class 1.....		
Foremen.....	1.188	40	Ovenmen, class 2.....		
Mixers, spongers, ovenmen, or drawers.....	1.100	40	Bench hands.....		
Bench and under hands.....	1.038	40	Helpers.....		
Hebrew baking:			Hebrew baking:		
Day work:			Day work:		
Foremen.....	.989	45	Bench hands, first.....		
Mixers or ovenmen.....	.911	45	Bench hands, second.....		
Bench hands.....	.856	45	Bench hands, third.....		
<i>Little Rock, Ark.</i>			Night work:		
Mixers or ovenmen.....	.750	40	Bench hands, first.....		
Head checkers.....	.750	48	Bench hands, second.....		
Dividers.....	.700	40	Bench hands, third.....		
Benchmen or molding-machine operators.....	.650	40	<i>Minneapolis, Minn.</i>		
Stock-room clerks.....	.625	40	Hand shops:		
Assistant checkers.....	.600	48	Foremen.....		
Wrapping-machine operators.....	.600	40	Sponge and dough mixers, ovenmen, or traveling-oven operators.....		
Twisters.....	.550	40	Bench hands.....		
Helpers, after 6 months.....	.500	40	Oven helpers.....		
Helpers, first 6 months.....	.450	40	Machine shops: ¹		
<i>Los Angeles, Calif.</i>			Foremen.....		
Hand shops:			Sponge and dough mixers, ovenmen, or oven operators.....		
Mixers.....	.909	44	Bench hands, dividers, molder men, automatic bun-machine operators.....		
Ovenmen.....	.864	44	Dough-room men or traveling-oven feeders and dumpers.....		
Bench hands.....	.773	44	Oven helpers.....		
Machine shops:			Twisters, molders, dough panners, or bench hand helpers.....		
Foremen.....	1.050	40	.550 18 40		
Mixers.....	1.000	40	<i>Moline, Ill.</i>		
Ovenmen.....	.950	40	(See Rock Island (Ill.) district.)		
Bench or machine hands.....	.850	40	<i>Newark, N. J.</i>		
Helpers.....	.750	40	Union A:		
Bench or machine hands' helpers.....	.675	40	Foremen or ovenmen.....		
Wrapping and shipping department:			Second hands or mixers.....		
Machine men or checkers.....	.700	40	1.354 48		
Helpers.....	.600	40	1.250 48		
Hebrew baking:			Union B:		
First hands.....	1.313	12 40	Foremen, ovenmen, or mixers.....		
Second hands.....	1.188	12 40	Bench hands.....		
<i>Madison, Wis.</i> ¹³			Third hands.....		
Machine shops:			.775 40		
Foremen.....	.938	48			
Ovenmen, mixers, or spongers.....	.838	40			

See footnotes at end of table.

TABLE 6.—Union Scales of Wages and Hours in the Bakery Trades, June 1, 1938—Con.

City, type of baking, and occupation	Rate per hour	Hours per week	City, type of baking, and occupation	Rate per hour	Hours per week
<i>New Haven, Conn.</i>			<i>New York, N. Y.—Continued</i>		
Foremen or mixers.....	\$0.750	48	Hebrew baking:		
Ovenmen (assistant foremen).....	.713	48	Hand shops:		
Benchmen.....	.675	48	Union A:		
Hebrew baking:			First hands or ovenmen.....	¹⁹ \$1.333	45
Foremen or ovenmen.....	1.083	48	Second hands.....	¹⁹ 1.200	45
Second hands.....	1.000	48	Third hands or helpers.....	¹⁹ .933	45
Bench hands.....	.625	48	Union B:		
<i>New Orleans, La.</i>			First hands or foremen.....	1.238	40
Small shops:			Mixers or ovenmen.....	1.175	40
Foremen.....	.625	¹⁶ 48	Second hands.....	1.075	40
Mixers or ovenmen.....	.583	¹⁶ 48	Helpers.....	.850	40
Bench hands or second hands.....	.520	¹⁶ 48	Unions C, D, E, and F:		
<i>New York, N. Y.</i>			First hands.....	1.467	45
Union A:			Second hands.....	1.333	45
"5-day" large bakeries:			Helpers.....	.933	45
Foremen.....	1.250	40	Machine shops:		
Mixers or ovenmen.....	1.100	40	First hands.....	1.571	42
Bench hands.....	1.050	40	Second hands.....	1.429	42
Helpers.....	.750	40	Helpers, class A.....	1.000	42
"6-day" large bakeries:			Helpers, class B.....	.933	45
Mixers or ovenmen.....	.950	40	<i>Oklahoma City, Okla.</i>		
Bench hands, A.....	.740	40	Day work:		
Bench hands, B.....	.680	40	Foremen.....	.900	40
Small bakeries:			Mixers or ovenmen.....	.800	40
First hands.....	1.000	40	Bench or machine men.....	.700	40
Second hands.....	.900	40	Helpers (1 year service or longer).....	.600	40
Helpers.....	.700	40	Night work:		
Union B: ¹			Foremen.....	1.025	40
Ovenmen.....	.950	¹⁵ 40	Mixers or ovenmen.....	.875	40
Bench workers.....	.850	¹⁵ 40	Bench or machine men.....	.775	40
Junior workers.....	.775	¹⁵ 40	<i>Omaha, Nebr.</i>		
Packers.....	.725	¹⁵ 40	Foremen.....	.800	²⁰ 44
Helpers.....	.650	¹⁵ 40	Dough mixers or ovenmen.....	.700	²⁰ 44
Wrappers, male.....	.575	¹⁵ 40	Benchmen or cake mixers.....	.650	²⁰ 44
Wrappers, female.....	.450	¹⁵ 40	Machine men, dough mixers' helpers, ovenmen's helpers, or order checkers.....	.600	²⁰ 44
Union C:			Ingredient scalers, bake-shop helpers, stock-room men, packers, or wrapping-machine helpers.....	.500	²⁰ 44
First hands.....	1.050	40	Hand wrappers or icers.....	.370	²⁰ 44
Second hands.....	.950	40	<i>Peoria, Ill.</i>		
Helpers.....	.750	40	Hand shops:		
Bohemian baking: ¹⁷			Foremen.....	.911	45
Small shops:			Benchmen.....	.733	45
First hands or mixers.....	1.000	35	Machine shops:		
Second hands or bench hands.....	.929	35	Foremen.....	.976	42
Large shops:			Spongers or ovenmen.....	.857	42
First hands or mixers.....	1.143	35	Benchmen or machine operators.....	.786	42
Second hands or bench hands.....	1.071	35	<i>Philadelphia, Pa.</i>		
French and Italian baking:			Traveling-oven supervisors ¹.....	.800	40
Day work:			Mixers ¹.....	.750	40
First hands.....	.933	45	Benchmen, divider operators, molder operators ¹.....	.710	40
Second hands.....	.889	45	Ingredient scalers ¹.....	.700	40
Third hands or helpers.....	.844	45	Traveling-oven feeders ¹.....	.660	40
Night work:			Mixers' helpers ¹.....	.650	40
First hands.....	1.000	42	Route packers ¹.....	.625	40
Second hands.....	.952	42	Bench helpers, bakery helpers, wrapping-machine truckers, roll baggers, flour blenders, or pilers ¹.....	.550	40
Third hands or helpers.....	.905	42	Wrapping-machine men ¹.....	.540	40
German-American baking:			Pan greasers ¹.....	.530	40
Hand shops:					
Union A:					
First hands.....	1.000	40			
Second hands.....	.938	40			
Helpers.....	.625	40			
Union B:					
First hands or ovenmen.....	.950	⁵ 40			
Second hands.....	.850	⁵ 40			
Third hands or helpers.....	.750	⁵ 40			
Machine shops:					
Mixers or ovenmen.....	.872	¹⁸ 39			
Bench hands.....	.769	¹⁸ 39			
Helpers.....	.615	¹⁸ 39			

See footnotes at end of table.

TABLE 6.—Union Scales of Wages and Hours in the Bakery Trades, June 1, 1938—Con.

City, type of baking, and occupation	Rate per hour	Hours per week	City, type of baking, and occupation	Rate per hour	Hours per week
<i>Philadelphia, Pa.—Continued</i>			<i>Providence, R. I.—Continued</i>		
Twisters, female ¹	\$0.410	40	Machine shops—Continued. Company B—Continued.		
Hebrew baking:			First benchmen.....	\$0.700	40
First hands, foremen, or oven hands.....	1.309	45	Benchmen, molders' helpers, or mixers' helpers.....	.650	40
Second hands or mixers.....	1.247	45	Pan greasers.....	.500	40
Third hands.....	1.143	45			
Fourth hands.....	.727	45			
<i>Phoenix, Ariz.</i>			<i>Reading, Pa.</i>		
Foremen, or bakers.....	.955	40	Mixers.....	.644	1 ² 40
Bench hands.....	.841	40	Bench hands, ovenmen, or head packers.....	.619	1 ² 40
Helpers.....	.600	40	Helpers.....	.509	1 ² 40
<i>Pittsburgh, Pa.</i>			<i>Rochester, N. Y.</i>		
Mixers or ovenmen ²¹.....	.800	40	Hand shops: ¹		
Benchmen or machine hands ²¹.....	.750	40	Foremen or first hands.....	.833	48
Helpers ²¹.....	.650	40	Second hands, ovenmen, or mixers.....	.760	48
Checkers ²¹.....	.600	40	Third hands, bench hands, or machine hands.....	.729	48
Packers ²¹.....	.530	40	Semimachine shops: ¹		
Helpers, female ²¹.....	.420	40	Foremen or first hands.....	.909	44
Hebrew baking:			Second hands, mixers, or ovenmen.....	.830	44
First hands or ovenmen.....	1.422	2 ² 37 ¹ / ₂	Benchmen.....	.795	44
Second hands or mixers.....	1.356	2 ² 37 ¹ / ₂	Dumpers.....	.750	44
Third hands or benchmen.....	1.267	2 ² 37 ¹ / ₂	Large machine shops:		
Polish baking:			Mixers.....	.850	40
First hands.....	.933	2 ² 37 ¹ / ₂	Divider men.....	.800	40
Second hands.....	.889	2 ² 37 ¹ / ₂	Machinemen, moldermen, bench hands, ovenmen, assemblymen, or batchmen.....	.750	40
Third hands.....	.844	2 ² 37 ¹ / ₂	Flour blenders.....	.700	40
Helpers.....	.556	2 ² 37 ¹ / ₂	Pan greasers, flour handlers, oven helpers, machine hands' helpers, bench helpers, wrapping-machine operators, bread rackers, or checkers.....	.600	40
<i>Portland, Maine</i>			Wrapping or slicing helpers.....	.550	40
Machine shops:			Hebrew baking:		
Foremen.....	.909	2 ² 44	Foremen.....	1.109	48
First hands.....	.625	2 ² 44	Mixers or bench hands.....	1.018	48
Second hands.....	.500	2 ² 44	Third hands.....	.784	48
Helpers.....	.409	2 ² 44			
<i>Portland, Oreg.</i>			<i>Rock Island (Ill.) district¹</i>		
Hand shops:			Hand shops:		
Foremen.....	1.050	40	Day work:		
Mixers or ovenmen.....	1.000	40	Foremen.....	.850	48
Bench hands.....	.900	40	Mixers or ovenmen.....	.750	48
Machine shops:			Benchmen.....	.700	48
Foremen.....	1.111	36	Night work:		
Mixers or ovenmen.....	1.056	36	Foremen.....	.904	48
Bench hands or machinemen.....	1.000	36	Mixers or ovenmen.....	.798	48
Flour blenders.....	.833	36	Benchmen.....	.700	48
Pan greasers.....	.778	36	Machine shops:		
<i>Providence, R. I.</i>			Foremen.....	24.850	44
Hand shops:			Mixers, peel-oven men, or bench foremen.....	24.750	44
Foremen or ovenmen.....	.938	48	Machine men, mechanical-oven men, or benchmen.....	24.700	44
Second hands, bench hands, or mixers.....	.875	48	Wrapping- and stockroom foremen, shipping clerks, or wrapping-machine operators.....	24.600	44
Machine shops:			Checkers.....	24.600	48
Company A:			Helpers, first 6 months.....	24.500	41
Mixers.....	1.000	36	Helpers, after 6 months.....	24.550	44
Ovenmen, dividers, or benchmen.....	.889	36	Stockroom men, packers, or wrapping-machine helpers.....	24.500	44
Molders or ingredient scalers (assistant mixers).....	.833	36	Truck loaders.....	24.500	48
Mixers' helpers.....	.722	36	Hand wrappers or icers, female (first 6 months).....	24.350	44
Ovenmen's and molders' helpers or flour dumpers.....	.694	36	Hand wrappers or icers, female (after 6 months).....	24.385	44
Pan greasers.....	.611	36			
Company B:					
Head mixers.....	1.000	40			
Second mixers.....	.875	40			
Ovenmen or divider operators.....	.800	40			
Molder-machine operators.....	.750	40			

See footnotes at end of table.

Wages and Hours of Labor

TABLE 6.—Union Scales of Wages and Hours in the Bakery Trades, June 1, 1938—Con.

City, type of baking, and occupation	Rate per hour	Hours per week	City, type of baking, and occupation	Rate per hour	Hours per week
<i>St. Louis, Mo.</i>			<i>Scranton, Pa.—Continued</i>		
Hand shops:			Machine shops:		
Foremen.....	\$0.833	18 48	Utility men.....	\$0.875	40
Second hands or bench hands.....	.750	18 48	Peel-oven tenders.....	.865	40
Machine shops:			Molders.....	.815	40
Foremen.....	1.155	18 40	Mixers.....	.760	40
Ovenmen or spongers.....	1.050	18 40	Dividers.....	.710	40
Assistant spongers.....	.998	18 40	Flour blenders.....	.710	40
First bench hands.....	.971	18 40	Mixers' helpers.....	.685	40
Bench hands or machine hands.....	.945	18 40	Pan setters or pan greasers.....	.660	40
Counters.....	.788	18 40	Molding-machine helpers.....	.600	40
Helpers.....	.761	18 40	Bench hands.....	.575	40
Wrapping and slicing-machine operators.....	.500	18 40	Traveling-oven tenders.....	.575	40
Hebrew baking:			Helpers, extra.....	.500	40
Hand shops:			<i>Seattle, Wash.</i>		
Foremen, bakers, or ovenmen.....	1.104	48	Foremen.....	1.180	36
Second hands.....	.938	48	Mixers, ovenmen, or machine men.....	1.120	36
Third hands.....	.750	48	Bench hands.....	1.050	36
<i>St. Paul, Minn.</i>			Helpers (day work):		
Hand shops: ¹			1 year's experience.....	.772	36
Foremen.....	.729	48	2 years' experience.....	.883	36
Mixers or ovenmen.....	.667	48	Helpers (night work):		
Bench hands.....	.646	48	1 year's experience.....	.742	36
Machine shops:			2 years' experience.....	.853	36
Foremen.....	.900	40	<i>South Bend, Ind.</i>		
Mixers, ovenmen, or spongers.....	.750	40	Small shops:		
Benchmen, dough-room men, molders, or dividers.....	.700	40	First hands.....	.688	48
Oven feeders or dumpers.....	.650	40	Second hands.....	.625	48
Ingredient scalers, A.....	.600	40	Third hands.....	.521	48
Ingredient scalers, B.....	.700	40	Helpers.....	.417	48
Bench helpers, doughnut-machine operators, or wrapping-machine operators.....	.600	40	Large shops:		
Wrapping and conveyor helpers.....	.525	40	Mixers.....	.700	40
<i>Salt Lake City, Utah</i>			Dividers or head benchmen.....	.700	40
Hand shops:			Peel-oven men.....	.700	40
Foremen.....	.781	48	Molder men.....	.670	40
Ovenmen or doughmen.....	.677	48	Bench hands.....	.650	40
Bench hands.....	.625	48	Traveling-oven feeders.....	.610	40
Machine shops:			Mixers' helpers.....	.570	40
Foremen.....	.909	44	Traveling-oven dumpers or molders' helpers.....	.570	40
Mixers or ovenmen.....	.800	44	Checkers.....	.550	40
Bench hands or machinemem.....	.700	44	Bake-shop helpers or conveyor men.....	.530	40
First-year helpers.....	.500	44	Packers.....	.480	40
<i>San Francisco, Calif.</i>			Slicers.....	.420	40
Small shops (retail):			Stale checkers.....	.400	40
Foremen, ovenmen, mixers.....	²⁵ .935	42	<i>Spokane, Wash.</i>		
Bench hands.....	²⁵ .874	42	Foremen, mixers, or ovenmen.....	²⁵ 1.100	40
Large shops (wholesale):			Machine hands.....	²⁵ 1.050	40
Foremen or ovenmen.....	²⁵ 1.157	36	Bench hands.....	²⁵ 1.000	40
Mixers.....	²⁵ 1.110	36	Shipping clerks, stock clerks, flour blenders, or packers.....	.750	40
Bench hands.....	²⁵ 1.072	36	Helpers.....	.700	40
Flour blenders.....	²⁵ 1.017	36	Bread wrappers (after 2 months).....	.650	40
Helpers (after 1 year).....	²⁵ .853	36	Cake and cookie wrappers, female (after 2 months).....	.480	40
French and Italian baking:			<i>Springfield, Mass.</i>		
Hand shops:			Foremen.....	.853	48
Foremen, ovenmen, or mixers.....	.962	42	Second hands, mixers, or ovenmen.....	.749	48
Bench hands.....	.864	42	Bench hands.....	.645	48
Machine shops:			<i>Toledo, Ohio¹</i>		
Foremen, ovenmen, or mixers.....	1.036	39	First mixers.....	.750	44
Bench hands.....	.931	39	Runner-in men.....	.750	44
<i>Scranton, Pa.</i>			Bench hands, bread.....	.700	44
Hand shops:			Bench hands, rolls.....	.680	44
Mixers.....	.646	48	Second mixers.....	.660	44
Mixers' helpers.....	.571	48	Peeler-out men, dividers, molders, or traveling-oven men.....	.660	44
Bench hands.....	.542	48			

See footnotes at end of table.

TABLE 6.—Union Scales of Wages and Hours in the Bakery Trades, June 1, 1938—Con.

City, type of baking, and occupation	Rate per hour	Hours per week	City, type of baking, and occupation	Rate per hour	Hours per week
<i>Toledo, Ohio—Continued</i>			<i>Youngstown, Ohio</i>		
Peeler-oven helpers, molders' helpers, or wrapping-machine men.....	\$0.610	44	Hand shops:		
Helpers, other.....	.560	44	Foremen.....	\$0.780	48
<i>Washington, D. C.¹</i>			Mixers or ovenmen.....	.720	48
Day work:			Bench hands.....	.660	48
Journeyman.....	1.050	40	Helpers.....	.450	48
Helpers.....	.600	40	First helpers, female.....	.425	48
Night work:			Second helpers, female.....	.375	48
Journeyman.....	1.250	40	Machine shops: ¹		
Helpers.....	.700	40	Mixers or ovenmen.....	.800	18 40
<i>Wichita, Kans.</i>			Mixers' helpers, bench hands, or machine hands.....	.725	18 40
Hand shops:			Dumpers or feeders.....	.670	18 40
First bakers.....	.583	48	Bake-shop helpers.....	.630	18 40
Second bakers.....	.521	48	Checkers.....	.620	18 40
Helpers.....	.417	48	Chute men or head slicers and wrappers.....	.600	18 40
Machine shops:			Packers or slicing and wrapping-machine operators.....	.560	18 40
Foremen.....	.875	18 40	Hand wrappers.....	.480	18 40
Mixers or ovenmen.....	.700	18 40	Hebrew baking: ²⁷		
Bench hands or machine men.....	.650	18 40	Foremen.....	.925	48
Helpers.....	.500	18 40	Mixers.....	.850	48
<i>Worcester, Mass.</i>			Bench hands.....	.738	48
Hebrew baking:			Helpers.....	.450	48
Foremen.....	1.146	48			
Second hands.....	1.042	48			

¹ 1 week's vacation with pay, after 1 year of service.

² 20 cents per hour additional for work between 10 p. m. and 6 a. m.

³ 10 cents per hour additional for work between 10 p. m. and 4 a. m.

⁴ 5 cents per hour additional for work between 10 p. m. and 6 a. m.

⁵ Overtime limited to 2 hours per week.

⁶ 15 cents per hour additional for work between 10 p. m. and 6 a. m.

⁷ 5 days' pay for 4 days' vacation.

⁸ 5 percent additional for night work.

⁹ \$20 per week minimum for regular employees.

¹⁰ 53-hour week from September to April.

¹¹ Hand shops permitted 48 hours per week for same weekly pay.

¹² Agreement permits 48 hours; union limits each man to 40 hours.

¹³ 10 cents per hour additional for night work; 7½ hours per night.

¹⁴ Foremen guaranteed minimum of \$5 per week over highest-paid journeyman.

¹⁵ 44 hours' straight time permitted.

¹⁶ 50 hours' straight time, plus 1 hour at overtime rate, permitted.

¹⁷ 1 week's vacation with pay if employed 6 months prior to signing of agreement.

¹⁸ Overtime limited to 3 hours per week.

¹⁹ 50 cents per day increase after Sept. 1, 1938.

²⁰ 48 hours' straight time permitted; regular employees guaranteed 40 hours per week.

²¹ 1 week's vacation after 2 years of service.

²² Full time allowed, 45 hours.

²³ 40 hours per week for 12 weeks following Christmas; then 44 hours until July 1; and 48 hours from July 1 until Christmas, all at same weekly pay. 4 hours' overtime at straight pay permitted.

²⁴ 10 percent additional per hour when working less than 5 days per week.

²⁵ 20.7 cents additional per hour after midnight or 10.3 cents additional between 6 p. m. and midnight.

²⁶ 25 cents per hour additional for work between 8 p. m. and 6 a. m.

²⁷ 1 week's vacation, with pay for 40 hours.



WORKS PROGRESS ADMINISTRATION WAGE SCALES

EMPLOYMENT under the Works Progress Administration program has included (1) workers on projects operated by the Works Progress Administration in cooperation with the States, cities, and counties, and (2) persons employed on projects of other Federal agencies financed by allotments from the funds of The Works Program. The wage schedule adopted was designed to furnish an assured monthly income

for the workers employed.¹ However, projects executed under contract and projects of the Emergency Conservation Work, the Public Works Administration, the Bureau of Public Roads, and the National Youth Administration were excepted from the established wage schedule. The Civilian Conservation Corps, though generally considered a part of The Works Program, has had its own wage schedule.

Security-Wage Schedule

The "monthly security wage" schedule adopted included variations according to the skill of the worker, the section of the country, and the degree of urbanization of the county in which the worker might be employed. Modifications of the schedule were provided for, and the original schedule has been changed in some particulars, by Executive order and through administrative action. Modifications authorized by Executive order include changing schedule rates for any class of work, within 10 percent, in order to prevent inequalities; raising rates in one county to equal those in a contiguous county; and redefining any wage-rate region.

In the first schedule different wage rates were provided for four regions of the country, but since July 1936 the schedule has fixed rates for but three regions, the States being rearranged therein accordingly. The application of wage rates paid in urban areas to contiguous counties has resulted in transferring some counties from one urbanization group to another. In the summer of 1938 changes were made in the schedule for the purpose of bringing the wage levels of workers in the South more nearly in line with the wage levels in other parts of the country. These changes effected increases of \$5 to \$7 a month in the wage rates for unskilled workers in 11 Southern States, and of \$4 to \$8 in one other State and parts of another. Adjustments were also made in the wage rates for skilled and professional workers and for intermediate workers in this region.

The basic schedule of monthly wages effective July 1938 (including subsequent adjustments) provides wage scales for four wage classes dependent on the skill of the workers—unskilled, intermediate, skilled, and professional and technical. Differences in general wage levels, standards of living, and costs of living are provided for by separate rates for three regional groups and five urbanization groups. This wage schedule applies to all workers on Works Progress Administration projects who are paid from Federal funds, with the exception that up to 5 percent (originally 10 percent) of the workers in any State may be exempted in order to permit the employment of workers with specialized training and ability in certain technical and supervisory positions. A maximum of 10 percent may be exempted on any single

¹ Works Progress Administration. Report on Progress of the Works Program, March, June, and December 1937; Report on Progress of W. P. A. Program, June 1938. Washington, 1937 and 1938.

project. The actual percentage of "nonsecurity" workers in May 1938, however, was only 2.6. The basic schedule of monthly security wages of Works Progress Administration workers effective July 1938 (including subsequent adjustments) is given in the following table.

Schedule of Monthly Earnings on Works Progress Administration Projects

Wage-rate region ¹	Counties in which the 1930 population of the largest municipality was ² —				
	Over 100,000 (A)	50,000 to 100,000 (B)	25,000 to 50,000 (C)	5,000 to 25,000 (D)	Under 5,000 (E)
	Unskilled work				
Region 1.....	\$55.00	\$52.00	\$48.00	\$44.00	\$40.00
Region 2.....	45.00	42.00	40.00	35.00	32.00
Region 3.....	40.00	38.00	36.00	30.00	26.00
	Intermediate work				
Region 1.....	\$65.00	\$60.00	\$55.00	\$50.00	\$45.00
Region 2.....	58.00	54.00	50.00	44.00	38.00
Region 3.....	57.20	52.80	47.30	39.30	33.00
	Skilled work				
Region 1.....	\$85.00	\$75.00	\$70.00	\$63.00	\$55.00
Region 2.....	72.00	66.00	60.00	52.00	44.00
Region 3.....	72.00	66.00	60.00	52.00	44.00
	Professional and technical work				
Region 1.....	\$94.00	\$83.00	\$77.00	\$69.00	\$61.00
Region 2.....	79.00	73.00	66.00	57.00	48.00
Region 3.....	79.00	73.00	66.00	57.00	48.00

¹ Wage-rate regions include the following States:

Region 1—Arizona, California, Colorado, Connecticut, Idaho, Illinois, Indiana, Iowa, parts of Kentucky, Maine, Massachusetts, Michigan, Minnesota, parts of Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Dakota, Utah, Vermont, Washington, Wisconsin, and Wyoming.

Region 2—Delaware, District of Columbia, Kansas, parts of Kentucky, Maryland, parts of Missouri, Oklahoma, parts of Texas, and West Virginia.

Region 3—Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, parts of Texas, and Virginia.

² For convenience these groups of counties are usually referred to as urbanization groups A, B, C, D, and E, as indicated in the column headings.

Under this schedule of monthly wages for Works Progress Administration workers in the different sections of the country, the range is from \$26 for unskilled work in the rural counties in the Southern States included in region 3 to \$94 for professional and technical work in the most thickly populated counties in the Northern and Western States in region 1.

The average assigned wages in the major types of projects are affected by the relative proportions of unskilled, skilled, and technical labor required therein, and also as to whether the projects tend to be situated largely in rural or urban counties, or in different sections of the country.

Average Hourly Earnings

The act under which The Works Program was inaugurated in 1935 provided that the wage rates to be paid on Works Progress Administration projects should not tend to decrease the going wage for similar work. Provisions in the Emergency Relief Administration Acts of 1936, 1937, and 1938 declared that the hourly wage rate should not be less than the prevailing local rates for similar work, but continued the limitation on the monthly wages paid to those established in the security wage schedule. The Emergency Relief Administration Act of 1938 added the requirement that the wage rates paid to Works Progress Administration workers should be not less than the minimum rates of pay established under the Fair Labor Standards Act of 1938 for workers in private employment. This wage policy, in its application, determines the hours of employment per month for a Works Progress Administration worker, as he works only the number of hours which, at the prevailing local rate, will give him the amount determined by the monthly security wage schedule.

While maximum hours of work (except when making up lost time or in exceptional cases) were fixed by administrative order at 8 per day, 40 per week, and 140 per month, the assigned hours of Works Progress Administration employees necessarily vary according to the skill of the worker and the type of the project to which he is assigned. Voluntary absences, failure to make up time lost involuntarily, and short time, either of newly assigned employees or those leaving before the end of the month, reduce the average hours worked by a project below the assigned hours. Because of this difference between actual and assigned hours, the average earnings of Works Progress Administration workers are slightly less than the assigned wage rates. The assigned working time of skilled workers are on the average about 95 hours per month, and of all the other security-wage workers, around 110 hours.

In the first half of 1938 hourly earnings averaged about 50 cents, as compared with an average of 51 cents from July 1936 (when the prevailing wage policy was initiated) to the end of 1937. In October 1937 the average earnings reached 53 cents an hour. The lower earnings in the first half of 1938 reflect the fact that large numbers of newly added Works Progress Administration workers were assigned to unskilled work, and that certain occupations in some States were reclassified at lower wage rates. Not only the relative number of workers in the different occupations, but the local wage levels affect the average earnings in the different States. For the year ending June 30, 1938, the average hourly earnings were over 60 cents in California, Massachusetts, Montana, Nevada, New York City, and Wisconsin, while in 7 Southern States the average was 30 cents or less.

The average earnings per hour of workers on the various types of projects operated by the Works Progress Administration, in the second quarter of 1938, were as follows:

Type of project	Average earnings per hour
All projects.....	\$0. 501
Conservation.....	. 492
Highway, road, and street.....	. 449
Professional, technical, and clerical.....	. 634
Public buildings ¹.....	. 680
Publicly owned or operated utilities.....	. 529
Recreational facilities ².....	. 593
Sanitation and health.....	. 415
Sewing, canning, gardening, etc.....	. 373
Transportation.....	. 603
Not elsewhere classified.....	. 479

¹ Separate data for housing projects are not available.

² Exclusive of buildings.



FARM WAGE AND LABOR SITUATION, OCTOBER 1, 1938

FARM wage rates on October 1, 1938, were lower than on the same date a year earlier, averaging \$1.69 per day without board, for the country as a whole, as compared with \$1.83 on October 1, 1937, according to the quarterly report on farm wage rates issued by the United States Bureau of Agricultural Economics. The rates in the individual States ranged from 80 cents in South Carolina to \$2.80 in California, Connecticut, and Montana; on October 1, 1937, the range was from 85 cents in South Carolina to \$3.20 in California. The demand for farm labor was also considerably lower on October 1, 1938, than on October 1, 1937, being 81.1 percent of normal as against 91.7 percent on the earlier date. The supply of labor was 90.5 percent of normal on October 1, 1938, and 80.6 percent on October 1, 1937.

TABLE 1.—Average Farm Wage Rates and Employment at Specified Periods

Item	Annual average, 1910-14	July 1, 1937	Oct. 1, 1937	July 1, 1938	Oct. 1, 1938
Farm wage index.....	100	123	126	120	118
Farm wage rates:					
Per month, with board.....	\$20. 41	\$25. 28	\$25. 51	\$24. 57	\$24. 01
Per month, without board.....	\$20. 09	\$36. 14	\$36. 71	\$35. 52	\$34. 75
Per day, with board.....	\$1. 10	\$1. 34	\$1. 39	\$1. 29	\$1. 28
Per day, without board.....	\$1. 43	\$1. 76	\$1. 83	\$1. 70	\$1. 69
Supply of and demand for farm labor (percent of normal):					
Supply.....		82. 4	80. 6	91. 1	90. 5
Demand.....		90. 7	91. 7	83. 7	81. 1
Supply as percentage of demand.....		90. 8	87. 9	108. 8	111. 6
Number of persons employed per farm: ¹					
Family labor.....		2. 19	2. 04	2. 20	2. 00
Hired labor.....		1. 07	1. 10	1. 09	1. 10
Combined.....		3. 26	3. 14	3. 29	3. 10

¹ On farms of crop reporters.

Table 1 shows average farm wage rates, supply of and demand for farm labor, and number of persons employed per farm, on October 1, 1938, as compared with July 1, 1938, July 1 and October 1, 1937, and the annual average 1910-14 for wage rates.

Average farm wage rates per month and per day, with board and without board, on October 1, 1937 and 1938, are shown in table 2 by geographic division.

TABLE 2.—Average Farm Wage Rates on Oct. 1, 1937 and 1938, by Geographic Division

Geographic division	Per month, with board		Per month, without board		Per day, with board		Per day, without board	
	1937	1938	1937	1938	1937	1938	1937	1938
United States.....	\$25.51	\$24.01	\$36.71	\$34.75	\$1.39	\$1.28	\$1.83	\$1.69
New England.....	33.47	31.60	55.99	54.10	1.95	1.82	2.71	2.56
Middle Atlantic.....	31.12	29.53	48.09	45.80	1.95	1.77	2.55	2.39
East North Central.....	31.87	29.65	44.16	41.44	1.83	1.65	2.36	2.16
West North Central.....	28.97	28.26	39.58	38.57	1.64	1.56	2.17	2.07
South Atlantic.....	17.52	16.24	25.54	23.92	.94	.85	1.24	1.14
East South Central.....	16.96	15.93	24.18	22.97	.86	.78	1.13	1.05
West South Central.....	20.07	19.00	29.22	27.65	1.07	.96	1.35	1.24
Mountain.....	38.09	36.09	53.54	51.23	1.87	1.77	2.43	2.29
Pacific.....	46.70	42.19	69.08	62.63	2.19	2.03	3.09	2.72



WAGES IN COTTON PICKING, 1938

WAGE rates for the picking of seed cotton averaged 57 cents per 100 pounds in 1938, a decline of 12 cents from the 1937 figure. The rates ranged from 50 cents in Alabama, Georgia, and South Carolina, to 80 cents in Arizona and Kentucky. Average rates for each of the cotton-growing States, and for all these States combined, in 1929 and in each year from 1935 to 1938, are given in the following table taken from Crops and Markets for November 1938, issued by the United States Department of Agriculture.

Average Wage Rates for Picking 100 Pounds of Seed Cotton, 1929 and 1935-38

State	1929	1935	1936	1937	1938	State	1929	1935	1936	1937	1938
United States.....	\$1.06	\$0.58	\$0.69	\$0.69	\$0.57	Tennessee.....	\$1.34	\$0.60	\$0.80	\$0.70	\$0.60
Virginia.....	1.15	.65	.70	.75	.65	Alabama.....	.92	.50	.60	.60	.50
North Carolina.....	1.01	.65	.65	.70	.60	Mississippi.....	1.08	.55	.75	.80	.55
South Carolina.....	.81	.50	.55	.60	.50	Louisiana.....	1.01	.55	.65	.70	.55
Georgia.....	.90	.50	.55	.60	.50	Texas.....	1.11	.60	.65	.65	.55
Florida.....	1.07	.55	.60	.65	.60	Oklahoma.....	1.22	.70	.75	.75	.70
Illinois.....	1.15	.75	.90	.70	.70	Arkansas.....	1.06	.55	.75	.70	.60
Missouri.....	1.12	.75	.95	.80	.75	New Mexico.....	1.25	.65	.70	.70	.60
Kansas.....	1.30	.70	.75	.65	.65	Arizona.....	1.50	.90	1.10	.85	.80
Kentucky.....	1.18	.75	.95	.80	.80	California.....	1.45	.90	1.00	.95	.75

Labor Turn-Over

LABOR TURN-OVER IN MANUFACTURING, OCTOBER 1938

INCREASED activity in a number of manufacturing industries, particularly the automotive industry, was reflected in the higher accession rate shown by the Bureau of Labor Statistics' monthly survey of labor turn-over in manufacturing establishments. Workers were hired or rehired at the rate of 5.19 per 100 on the pay roll, as compared with 4.51 for September. The October rate was nearly twice as high as in October 1937. Lower quit, lay-off, and total separation rates were indicated; the quit rate declined from 0.82 for September to 0.78 for October, the lay-off rate from 2.62 to 2.40, and the total separation rate from 3.56 to 3.30. The discharge rate showed no change.

All classes of separations were much lower than during October 1937. The quit rate and discharge rate were lower by a third. The lay-off rate was approximately one-half as high, and the total separation rate slightly more than two-thirds as high.

Of the 24 industries for which separate rates are published, 16 had lower total separation rates than in September 1938 and 23 had lower total separation rates than in October 1937. The October 1938 accession rate was above that for the preceding month in 12 industries. Compared with October 1937 there were 17 industries showing higher accession rates.

All Manufacturing

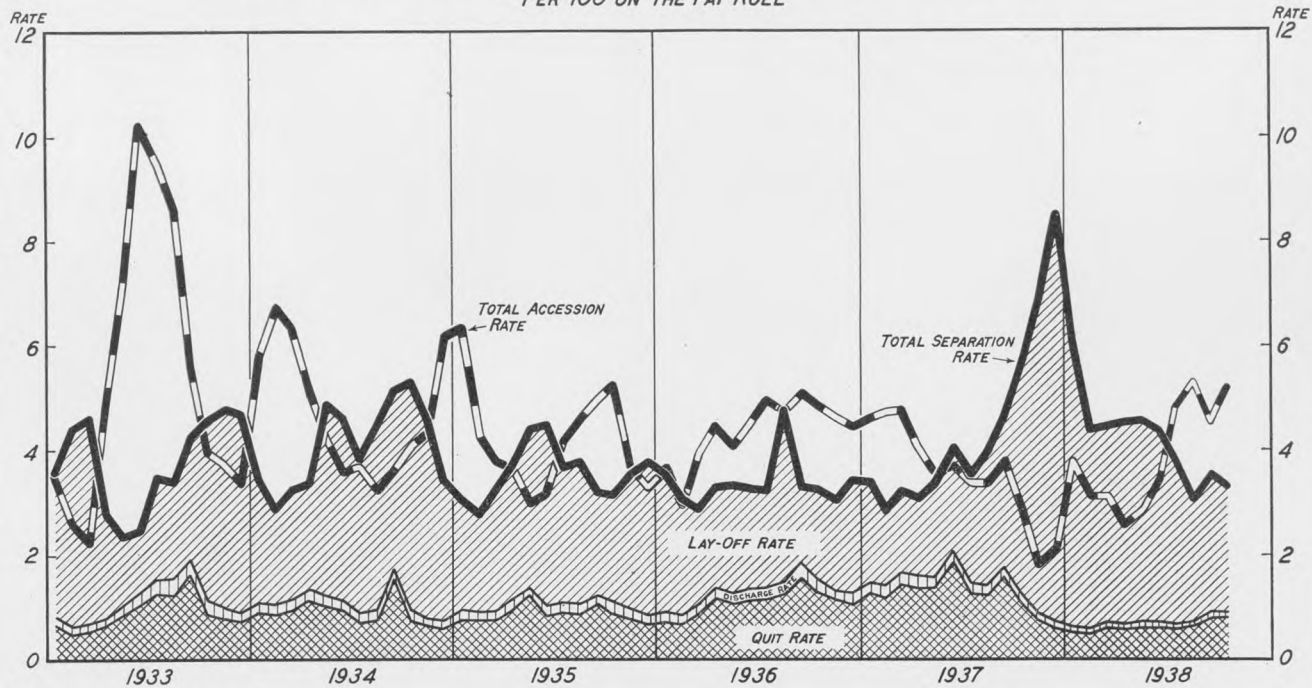
The Bureau of Labor Statistics' survey of labor turn-over covers more than 5,000 representative manufacturing establishments, which in October 1938 employed more than 2,200,000 workers. The rates represent the number of changes in personnel per 100 employees on the pay rolls during the month.

The rates shown in table 1 are compiled from reports received from representative plants in 144 industries. In the 24 industries for which separate rates are shown (see table 2) reports were received from representative plants employing approximately 25 percent of the workers in each industry. These data include for the first time turn-over rates for plants manufacturing steam and hot-water heating apparatus.

Table 1 shows the total separation rate, classified into quit, discharge, and lay-off rates, and the accession rate for each month of

LABOR TURN-OVER RATES IN MANUFACTURING

PER 100 ON THE PAY ROLL



U. S. BUREAU OF LABOR STATISTICS

Labor Turn-Over

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1937 and for the first 10 months in 1938 for manufacturing as a whole. The averages of the monthly rates for 1937 are also presented.

TABLE 1.—*Monthly Labor Turn-Over Rates (per 100 Employees) in Representative Factories in 144 Industries*

Class of rate and year	January	February	March	April	May	June	July	August	September	October	November	December	Average
Quit:													
1938.....	0.52	0.49	0.61	0.59	0.62	0.61	0.59	0.65	0.82	0.78			
1937.....	1.27	1.19	1.43	1.38	1.37	1.89	1.25	1.23	1.59	1.05	0.72	0.60	1.25
Discharge:													
1938.....	.11	.11	.11	.10	.13	.11	.09	.10	.12	.12			
1937.....	.21	.22	.24	.23	.21	.19	.21	.19	.19	.19	.16	.14	.20
Lay-off:¹													
1938.....	5.45	3.79	3.74	3.85	3.82	3.69	3.13	2.33	2.62	2.40			
1937.....	1.90	1.44	1.53	1.48	1.79	1.94	2.06	2.57	2.84	4.45	5.99	7.77	2.98
Total separation:													
1938.....	6.08	4.39	4.46	4.54	4.57	4.41	3.81	3.08	3.56	3.30			
1937.....	3.38	2.85	3.20	3.09	3.37	4.02	3.52	3.99	4.62	5.69	6.87	8.51	4.43
Accession:													
1938.....	3.78	3.13	3.13	2.58	2.84	3.44	4.81	5.29	4.51	5.19			
1937.....	4.60	4.71	4.74	4.04	3.56	3.69	3.36	3.78	2.84	2.84	1.79	2.12	3.55

¹ Including temporary, indeterminate, and permanent lay-offs.

Twenty-four Industries

Detailed turn-over rates for 24 selected manufacturing industries are listed in the accompanying table which gives the number of quits, discharges, and lay-offs, total separations, and total accessions per 100 employees in reporting firms in October and September 1938 and October 1937.

TABLE 2.—*Monthly Turn-Over Rates (per 100 Employees) in Specified Industries*

Class of rates	Oct. 1938	Sept. 1938	Oct. 1937	Oct. 1938	Sept. 1938	Oct. 1937	Oct. 1938	Sept. 1938	Oct. 1937
	Automobiles and bodies			Automobile parts			Boots and shoes		
Quit.....	0.34	0.47	0.96	0.64	0.54	1.13	0.85	1.00	0.84
Discharge.....	.04	.09	.15	.14	.12	.34	.10	.16	.13
Lay-off.....	1.41	2.98	2.33	1.94	2.30	4.00	4.17	1.91	5.52
Total separation.....	1.79	3.54	3.44	2.72	2.96	5.47	5.12	3.07	6.49
Accession.....	21.62	17.85	8.26	15.14	18.32	7.03	1.57	1.82	1.59
Brick, tile, and terra cotta			Cement			Cigars and cigarettes			
Quit.....	0.73	0.81	0.96	0.40	0.51	1.18	1.16	1.44	1.38
Discharge.....	.13	.07	.20	.03	.13	.35	.19	.10	.14
Lay-off.....	2.31	2.90	9.32	3.29	3.70	2.75	1.37	1.41	.40
Total separation.....	3.17	3.78	10.48	3.72	4.34	4.28	2.72	2.95	1.92
Accession.....	4.88	7.29	2.51	4.05	5.47	6.79	2.69	4.05	3.31
Cotton manufacturing			Electrical machinery			Foundries and machine shops			
Quit.....	1.15	1.33	1.16	0.48	0.72	0.84	0.39	0.41	0.87
Discharge.....	.17	.22	.20	.07	.05	.22	.06	.06	.22
Lay-off.....	2.07	2.25	5.01	.95	.99	4.06	2.45	2.76	4.40
Total separation.....	3.39	3.80	6.37	1.50	1.76	5.12	2.90	3.23	5.49
Accession.....	5.05	4.49	3.70	5.38	5.09	1.36	3.33	3.05	1.56

TABLE 2.—Monthly Turn-Over Rates (per 100 Employees) in Specified Industries—Con.

Class of rates	Oct. 1938	Sept. 1938	Oct. 1937	Oct. 1938	Sept. 1938	Oct. 1937	Oct. 1938	Sept. 1938	Oct. 1937
	Furniture			Hardware			Iron and steel		
Quit.....	4.09	0.87	1.76	0.43	0.57	0.90	0.41	0.42	1.62
Discharge.....	.13	.20	.30	.11	.02	.15	.03	.03	.09
Lay-off.....	2.78	1.52	5.49	1.07	.43	2.98	.85	1.11	3.66
Total separation.....	7.00	2.59	7.55	1.61	1.02	4.03	1.29	1.56	5.37
Accession.....	3.29	5.73	3.68	4.64	5.68	3.32	2.51	1.82	.73
	Knit goods			Men's clothing			Petroleum refining		
Quit.....	0.74	1.02	1.09	0.74	0.61	0.87	0.30	0.75	0.53
Discharge.....	.11	.08	.12	.27	.07	.03	.06	.04	.07
Lay-off.....	1.11	1.04	2.29	5.64	3.56	6.32	1.39	1.67	3.62
Total separation.....	1.96	2.14	3.50	6.65	4.24	7.22	1.75	2.46	4.22
Accession.....	3.37	3.50	2.29	4.29	3.40	3.70	1.65	1.30	2.45
	Printing and publishing						Radios and phonographs		
	Book and job			Newspaper					
Quit.....	0.53	0.48	0.72	0.27	0.23	0.31	2.28	1.03	1.29
Discharge.....	.11	.17	.29	.05	.10	.09	.17	.12	.24
Lay-off.....	2.74	3.08	3.75	.88	1.38	1.37	1.46	1.27	11.53
Total separation.....	3.38	3.73	4.76	1.20	1.71	1.77	3.91	2.42	13.06
Accession.....	4.70	4.24	5.26	2.70	2.93	2.78	17.73	7.67	1.80
	Rayon			Rubber tires			Sawmills		
Quit.....	0.78	1.09	0.81	0.41	0.48	0.53	1.59	1.70	2.25
Discharge.....	.15	.11	.43	.05	.04	.07	.19	.20	.26
Lay-off.....	2.37	1.03	9.43	1.33	.74	5.45	4.70	4.81	10.21
Total separation.....	3.30	2.23	10.67	1.79	1.26	6.05	6.48	6.71	12.72
Accession.....	1.94	3.91	.91	3.47	3.23	.67	4.68	5.97	3.02
	Slaughtering and meat packing			Steam and hot-water heating apparatus			Woolen and worsted goods		
Quit.....	0.76	0.77	0.68	0.51	0.49	0.95	0.65	0.75	0.74
Discharge.....	.14	.12	.18	.13	.13	.21	.09	.11	.09
Lay-off.....	4.92	5.46	5.56	2.67	.67	3.47	4.43	11.10	5.83
Total separation.....	5.82	6.35	6.42	3.31	1.29	4.63	5.17	11.96	6.66
Accession.....	8.77	6.48	8.37	1.36	2.04	1.33	10.12	3.00	3.68



LABOR TURN-OVER IN THE AUTOMOTIVE PARTS AND EQUIPMENT INDUSTRY, 1936-37¹

SEASONAL variation in the volume of production of parts and equipment for automobiles was the primary cause of the high turn-over rates for the industry, as compared with all manufacturing. Labor disputes within the industry were, however, in part, the cause of the high quit rates registered. The total separation rate in the 175 identical plants that reported turn-over to the Bureau in 1937 was

¹ An article on labor turn-over covering the automobiles and bodies and automobile parts industries, 1931-1935, appeared in the *Monthly Labor Review*, May 1936 (pp. 1319-1321).

twice as great as the rate for all manufacturing in that year, and the rate in 1936 was in excess by a third. High accession rates accompanied the high separation rates, indicating greater fluctuations in employment than in manufacturing generally. All three classes of separations were more numerous during both years in plants manufacturing automotive parts and equipment than in all manufacturing.

A comparison of turn-over rates in plants manufacturing automotive parts and equipment shows an increase in the quit rate from 18.48 in 1936 to 22.55 per 100 employees in 1937. The discharge rate declined from 5.34 to 4.10 in the same period. The lay-offs increased from 37.83 for every 100 employees on the pay roll in 1936 to 80.44 in 1937. The total separation rate increased from 61.65 to 107.09. In 1936 workers were hired or rehired at the rate of 83.74 per 100; in 1937 the hiring rate was 73.66. The 175 plants included in the survey employed an average of 73,150 workers in 1936 and an average of 85,593 in 1937.

In the 175 identical plants manufacturing automotive parts and equipment, 21 percent of the total separations were reported as quits in 1937 and 30 percent in 1936. Discharges accounted for 4 percent and 9 percent, respectively. Lay-offs in 1937 were 75 percent of the total separations and 61 percent in 1936.

Table 1 shows the labor turn-over rates in all manufacturing and in the manufacturing of automotive parts and equipment, 1936 and 1937.

TABLE 1.—Labor Turn-Over Rates in All Manufacturing and in Manufacture of Automotive Parts and Equipment, 1936 and 1937

Item	Separations								Accessions	
	Quits		Discharges		Lay-offs ¹		Total		1937	1936
	1937	1936	1937	1936	1937	1936	1937	1936		
All manufacturing	15.02	12.96	2.37	2.64	35.67	24.73	53.06	40.33	42.47	52.08
Automotive parts and equipment.....	22.55	18.48	4.10	5.34	80.44	37.83	107.09	61.65	73.66	83.74

¹ The rates for the manufacture of automotive parts and equipment are based on reports from 175 identical plants manufacturing motor vehicle parts and accessories. Plants manufacturing automobiles and automobile bodies are not included.

The annual turn-over rates are found by taking the total quits, discharges, lay-offs, total separations, and accessions during the 12 months as the numerator. The denominator is the average of 12 monthly averages, each found by taking the reported number of employees at the beginning and at the end of the month and dividing by 2. The resulting fraction is multiplied by 100 to secure the rate on a basis of "per 100 employees."

For further explanation see B.L.S. Serial No. R. 487 (Revised): Standard Procedure for Computing Labor Turn-Over (Monthly Labor Review, December 1936, p. 1486).

² Including temporary, indeterminate, and permanent lay-offs.

Labor Turn-Over, by Rate Groups

Table 2 shows, for each type of turn-over, the number of establishments and the number of their employees, according to the rate at which they were hired or separated in 1936 and 1937. The figures relate to 175 identical establishments in the 2 years.

No significant changes were shown in the proportions of quits or discharges, as classified by size of rate, between 1936 and 1937. Lay-offs, however, showed a much larger number of plants with higher rates in 1937 than in 1936. In 1937, 32 plants showed lay-offs of 120 or more per 100 employees, as against only 6 in 1936. The number of plants with rates less than 40 decreased from 116 to 67. Total separations, of which lay-offs form the largest class, likewise showed more plants with high rates in 1937. The number of concerns reporting total separations of 120 or more per 100 employees increased from 17 in 1936 to 48 in 1937. There were, accordingly, fewer with low rates. In 1936, 72 plants reported rates under 40; in 1937 only 37 were in this category.

Accessions were somewhat lower in 1937, but the distribution of plants according to their hiring rate did not vary greatly between the 2 years.

TABLE 2.—*Distribution of 175 Establishments Manufacturing Automotive Parts and Equipment, by Turn-Over Rates, 1936 and 1937*¹

Class and rate of turn-over	Number of establishments		Number of employees		Percent of total employees	
	1937	1936	1937	1936	1937	1936
Quits:						
Under 2.5.....	20	25	5,741	4,802	6.71	6.56
2.5 and under 5.0.....	13	19	1,969	6,892	2.30	9.42
5.0 and under 7.5.....	15	9	7,778	6,322	9.09	8.64
7.5 and under 10.0.....	14	11	8,729	2,998	10.20	4.10
10.0 and under 15.0.....	34	23	17,689	9,594	20.66	13.12
15.0 and under 20.0.....	24	26	14,985	18,856	17.51	25.78
20.0 and under 25.0.....	9	19	10,922	9,183	12.76	12.55
25.0 and under 30.0.....	15	12	4,675	5,106	5.46	6.98
30.0 and under 35.0.....	9	6	4,922	834	5.75	1.14
35.0 and over.....	22	25	8,183	8,563	9.56	11.71
Total.....	175	175	85,593	73,150	100.00	100.00
Discharges:						
Under 0.5.....	52	52	9,440	8,507	11.03	11.63
0.5 and under 1.0.....	11	6	12,547	3,266	14.66	4.46
1.0 and under 2.0.....	17	18	7,932	10,001	9.27	13.67
2.0 and under 3.0.....	22	21	14,926	16,568	17.44	22.66
3.0 and under 4.0.....	11	8	13,133	2,715	15.34	3.71
4.0 and under 5.0.....	10	10	4,434	4,231	5.18	5.78
5.0 and under 7.0.....	14	12	10,807	8,826	12.63	12.07
7.0 and under 9.0.....	7	16	1,695	5,946	1.98	8.13
9.0 and under 11.0.....	10	5	4,649	2,847	5.43	3.89
11.0 and over.....	21	27	6,030	10,243	7.04	14.00
Total.....	175	175	85,593	73,150	100.00	100.00
Lay-offs:						
Under 5.....	13	30	4,082	7,773	4.77	10.63
5 and under 10.....	12	15	2,390	4,873	2.79	6.66
10 and under 20.....	18	28	4,294	13,329	5.02	18.22
20 and under 30.....	10	25	5,478	14,127	6.40	19.32
30 and under 40.....	14	18	4,984	9,081	5.82	12.41
40 and under 60.....	32	19	15,334	6,811	17.92	9.31
60 and under 90.....	26	22	13,160	10,738	15.38	14.68
90 and under 120.....	18	12	21,892	3,160	25.57	4.32
120 and under 150.....	11	3	4,973	2,739	5.81	3.74
150 and over.....	21	3	9,006	519	10.52	.71
Total.....	175	175	85,593	73,150	100.00	100.00

¹ The various turn-over rates represent the number of quits, discharges, lay-offs, total separations, and accessions per 100 employees.

TABLE 2.—Distribution of 175 Establishments Manufacturing Automotive Parts and Equipment, by Turn-Over Rates, 1936 and 1937—Continued

Class and rate of turn-over	Number of establishments		Number of employees		Percent of total employees	
	1937	1936	1937	1936	1937	1936
Total separations:						
Under 10.....	4	13	717	1,377	0.84	1.88
10 and under 20.....	11	13	3,072	2,403	3.59	3.29
20 and under 30.....	10	16	2,450	6,317	2.86	8.64
30 and under 40.....	12	30	2,564	19,693	3.00	26.92
40 and under 60.....	22	30	6,873	15,605	8.03	21.33
60 and under 90.....	47	35	21,892	12,927	25.58	17.67
90 and under 120.....	21	21	13,867	9,435	16.20	12.90
120 and under 150.....	18	7	18,668	1,844	21.81	2.52
150 and under 180.....	8	7	5,574	894	6.51	1.22
180 and over.....	22	3	9,916	2,655	11.58	3.63
Total.....	175	175	85,593	73,150	100.00	100.00
Accessions:						
Under 5.....	1	3	51	71	0.06	0.10
5 and under 10.....	5	2	1,085	362	1.27	.49
10 and under 20.....	8	8	1,967	962	2.30	1.32
20 and under 30.....	21	15	5,286	2,159	6.18	2.95
30 and under 40.....	19	16	13,200	6,030	15.42	8.24
40 and under 50.....	17	15	9,742	6,642	11.38	9.08
50 and under 70.....	36	38	16,226	20,934	18.96	28.62
70 and under 110.....	41	45	23,604	22,413	27.67	30.64
110 and under 150.....	12	17	4,010	7,497	4.68	10.25
150 and over.....	15	16	10,422	6,080	12.18	8.31
Total.....	175	175	85,593	73,150	100.00	100.00

Turn-Over Rates, by Size of Establishment

Table 3 shows comparative labor turn-over rates for establishments with less than 150 employees as compared with those employing 150 or more. There is no indication that in this industry the amount of turn-over varies with the size of establishments. In 1936 the smaller plants had higher total separation rates and lower accession rates than the larger concerns. In 1937 the reverse was true.

TABLE 3.—Comparative Labor Turn-Over Rates in Plants Manufacturing Automotive Parts and Equipment, by Size of Establishment, 1936 and 1937

Class of turn-over	Rate per 100 employees in establishments employing in—			
	1937		1936	
	Fewer than 150 employees	150 or more employees	Fewer than 150 employees	150 or more employees
Separations:				
Quits.....	17.44	22.98	16.55	18.65
Discharges.....	5.94	3.93	6.49	5.24
Lay-offs.....	66.06	81.67	42.12	37.45
Total separations.....	89.44	108.58	65.16	61.34
Accessions.....	74.75	73.57	78.69	84.19

Employment Offices

OPERATIONS OF UNITED STATES EMPLOYMENT SERVICE, NOVEMBER 1938

SUSTAINED improvement in job opportunities was reflected in the activities of the United States Employment Service during November 1938. Placements in private jobs numbered 178,075, the largest November total reported in the history of the Employment Service. A simultaneous decrease in the number of job seekers registered with offices reduced the active file to 7,529,384, the lowest level since last June and the third consecutive monthly decline.

Employment offices made a total of 250,799 complete placements of all types. Although this total represents a seasonal decline from the preceding month, the drop of 8 percent was the smallest decrease which has been reported for November in 3 years. Placements with private employers made up the major portion of all jobs filled. The volume of 178,075 private jobs likewise showed the smallest seasonal decline in 4 years. This total is one-eighth higher than the volume for either November 1937 or November 1936. This is the first time since October 1937 that private placements have been higher than for the corresponding month of the preceding year. Placements of men were reported for 98,279 of the private jobs and placements of women in 79,796.

Employment offices also made 72,724 placements in public employment, a seasonal drop of 7.2 percent from the preceding month but a gain of 9.2 percent from November 1937.

Continuation of the decline in the volume of persons currently registered for work with the Employment Service occurred in November. Slightly over 1,000,000 applications were received, 502,640 representing persons registering for the first time with the public employment service and 584,139 being renewals of previously registered applicants. Although the number of new applications was 4.9 percent lower than in October, the total was still 68.1 percent above the level of November 1937. Three-quarters of the applications received during the month were from men. The decline in the number of job applications received was slightly larger for men than for women as was true also for the decline in the total active file of job seekers. At the month end 5,913,847 men and 1,615,537 women were reported as actively seeking employment.

During the month the 1,619 offices and 1,836 itinerant points of the Employment Service received a total of 8,701,559 personal calls. Personnel of the offices made 142,688 field visits to employers in an effort to find additional job opportunities. In addition to the complete placements in which the Employment Service performed all the essential transactions, 68,133 supplemental placements were made in which the offices assisted in filling a job but did not complete all of the five placement steps.

TABLE 1.—*Summary of Operations of United States Employment Service, November 1938*

Activity	Number	Percent of change from—		
		October 1938 ¹	November 1937	November 1936
Total applications.....	1,086,779	-1.9	+42.3	+53.2
New applications.....	502,640	-4.9	+68.1	+48.1
Renewals.....	584,139	+1.9	+25.8	+57.9
Total placements.....	250,799	-8.1	+11.9	-24.2
Private.....	178,075	-8.5	+13.0	+12.1
Public.....	72,724	-7.2	+9.2	-57.8
Active file (end of month).....	7,529,384	-2.8	+70.3	+10.0

¹ Adjusted for number of working days in month.

Activities of the Employment Service for veterans during November followed the same general trends. Veterans were placed in 11,599 jobs during the month, of which 6,296 were in private employment and 5,303 in public jobs. A total of 42,189 applications were received from veterans during November, of which only 13,894 represented new applicants. At the end of the month 380,469 veterans were registered as seeking employment.

TABLE 2.—*Summary of Veterans' Activities, November 1938*

Activity	Number	Percent of change from—		
		October 1938 ¹	November 1937	November 1936
Total applications.....	42,189	-5.5	+0.5	+10.8
New applications.....	13,894	-4.7	+24.5	+6
Renewals.....	28,295	-5.9	-8.1	+16.6
Total placements.....	11,599	-12.1	-7.0	-45.9
Private.....	6,296	-17.1	-12.3	-18.2
Public.....	5,303	-5.3	+2	-61.4
Active file (end of month).....	380,469	-5.3	+55.9	+4.1

¹ Adjusted for number of working days in month.

TABLE 3.—Operations of United States Employment Service, November 1938

Division and State	TOTAL						Applications		Active file, Nov. 30, 1938	Personal visits	Supplemental placements
	Placements			Public	Field visits	Total	New				
	Total	Private	Percent of change from October ¹								
United States.....	250,799	178,075	-8	79,232	72,724	142,688	1,086,779	502,640	7,529,384	8,701,559	68,133
New England.....	12,962	9,420	-15	6,057	3,542	9,323	65,481	32,052	634,346	727,536	836
Maine.....	1,739	829	+3	570	910	1,451	10,883	3,201	44,550	86,847	142
N. H.....	1,995	1,685	+17	1,130	310	1,018	7,080	2,081	38,453	43,067	93
Vermont.....	1,161	612	-5	338	549	401	2,632	936	15,678	14,270	48
Mass.....	3,079	2,374	-25	1,680	705	2,800	25,861	16,953	351,679	398,509	346
R. I.....	1,312	749	-40	490	563	582	5,046	3,800	70,275	72,841	48
Conn.....	3,676	3,171	-18	1,849	505	3,071	13,979	5,051	113,711	112,002	159
Mid. Atlantic.....	28,727	21,803	-7	10,600	6,924	16,846	245,815	114,982	1,974,561	2,418,897	1,763
New York.....	15,139	12,268	-8	5,587	2,871	8,947	155,058	71,245	543,879	1,649,219	1,141
New Jersey.....	4,256	4,019	+2	1,619	237	2,632	26,173	9,065	230,269	64,831	10
Pa.....	9,332	5,516	-11	3,894	3,816	5,267	64,584	34,672	1,200,413	704,847	1,612
E. N. Central.....	41,062	32,875	-4	17,837	8,187	25,203	184,880	82,893	1,660,725	1,551,963	2,502
Ohio.....	8,521	6,020	-5	2,894	2,501	7,116	36,847	16,115	433,115	165,183	403
Indiana.....	5,951	5,618	-2	3,621	333	4,013	37,311	18,325	263,777	359,797	1,163
Illinois.....	12,765	11,221	+3	4,790	1,544	7,063	30,018	12,396	306,541	183,739	473
Michigan.....	8,222	6,153	-7	4,484	2,069	3,994	46,982	24,908	520,196	661,993	91
Wisconsin.....	5,603	3,863	-15	2,048	1,740	3,017	33,722	11,149	137,096	181,251	372
W. N. Central.....	26,628	15,965	-7	6,478	10,663	19,288	88,384	35,140	664,683	496,064	1,920
Minnesota.....	5,429	3,866	-11	1,952	1,563	7,587	21,960	8,371	200,817	187,478	434
Iowa.....	7,953	4,397	-8	1,551	3,556	3,120	18,823	7,519	97,275	167,683	806
Missouri.....	3,450	2,288	-5	992	1,162	2,677	17,676	8,783	194,426	46,756	29
N. Dak.....	2,444	2,080	+14	644	364	1,018	6,572	1,617	28,513	19,440	205
S. Dak.....	1,552	1,028	+8	432	524	766	3,413	1,282	37,129	13,166	123
Nebraska.....	2,947	1,020	-30	424	1,927	2,152	8,808	3,052	39,616	30,729	109
Kansas.....	2,853	1,286	-6	483	1,567	1,968	11,132	4,516	66,907	30,812	214
S. Atlantic.....	32,448	17,361	-14	9,019	15,087	14,322	144,364	74,049	913,632	926,761	2,471
Delaware.....	1,189	851	-27	464	338	187	2,849	732	14,898	10,668	21
Maryland.....	2,802	1,988	-3	967	814	1,610	19,688	7,163	75,880	135,819	184
Dist. of Col.....	2,641	2,525	-7	1,097	116	116	10,186	4,565	49,581	85,039	25
Virginia.....	5,081	1,961	-9	1,195	3,070	1,359	21,671	10,759	52,860	118,599	103
W. Va.....	3,556	2,631	+3	1,530	925	2,415	14,751	5,380	170,905	142,501	895
N. C.....	8,014	4,376	-23	2,275	3,638	2,590	38,642	22,285	168,421	266,054	378
S. C.....	3,120	859	-32	428	2,261	1,231	13,856	8,742	130,406	98,623	85
Georgia.....	4,907	2,170	-13	1,063	2,737	4,615	17,624	10,615	144,480	49,785	227
Florida.....	1,188	0		0	1,188	199	5,097	3,808	106,201	19,673	553
E. S. Central.....	16,749	8,501	-10	6,263	8,248	6,676	67,232	36,245	491,091	451,861	7,545
Kentucky.....	2,173	872	-2	449	1,301	336	9,271	5,163	96,515	24,191	659
Tennessee.....	3,982	2,255	-13	1,483	1,727	2,590	14,720	7,625	146,574	169,709	5,563
Alabama.....	6,417	4,442	+9	3,600	1,975	2,859	19,017	9,056	160,856	136,539	980
Mississippi.....	4,177	932	-50	731	3,245	891	24,224	14,401	87,146	121,422	843
W. S. Central.....	43,593	35,633	+5	10,240	7,960	28,182	115,532	54,024	458,292	844,703	38,627
Arkansas.....	2,436	1,275	-52	590	1,161	1,725	9,460	4,919	70,493	26,769	273
Louisiana.....	4,355	2,808	-32	2,059	1,547	2,263	18,810	9,328	119,250	124,645	1,552
Oklahoma.....	3,017	2,225	-34	608	792	1,621	18,899	8,425	42,101	72,097	385
Texas.....	33,785	29,325	+23	6,983	4,400	22,573	68,363	31,352	226,448	621,192	36,417
Mountain.....	22,671	17,372	-28	5,832	5,299	9,069	50,196	16,583	202,309	261,083	7,117
Montana.....	1,919	707	-55	355	1,212	1,455	5,109	1,634	32,566	28,657	223
Idaho.....	2,600	1,859	-32	431	741	1,626	8,136	3,038	21,993	62,197	1,138
Wyoming.....	1,020	382	-35	166	638	430	4,248	1,018	8,645	13,770	13
Colorado.....	2,493	1,677	-55	678	816	878	12,771	3,984	49,965	45,824	47
N. Mexico.....	9,551	9,083	-25	2,154	468	2,785	6,113	1,739	35,566	30,665	1,420
Arizona.....	2,626	1,908	+6	1,354	718	749	5,119	2,586	26,469	39,552	3,774
Utah.....	1,652	1,165	+18	365	487	638	6,969	2,119	23,697	32,297	405
Nevada.....	810	591	+16	329	219	508	1,731	465	3,508	8,121	97
Pacific.....	25,305	18,944	-10	6,832	6,361	13,545	123,479	55,739	523,084	1,016,167	5,262
Washington.....	1,725	1,411	+3	531	314	2,017	13,003	5,677	137,343	63,809	941
Oregon.....	2,601	1,377	-43	847	1,224	1,735	14,434	7,666	80,419	151,593	756
California.....	20,979	16,156	-6	5,454	4,823	9,793	96,042	42,396	305,322	800,765	3,565
Alaska.....	263	83	-42	24	182	104	674	470	1,464	3,868	(3)
Hawaii.....	389	118	-21	50	271	130	742	463	5,197	2,656	190

¹ Adjusted for number of working days in month.² Predesignated placements not reported separately, but included with complete public placements.³ Incomplete.

TABLE 3.—Operations of United States Employment Service, November 1938—Continued

Division and State	Placements					Applications			Active file, Nov. 30, 1938
	Total	Private			Public	Total	New		
		Number	Per cent of change from October ¹	Regular (over 1 month)			Number	Per cent of change from October ¹	
United States.....	170,174	98,279	-15	39,173	71,895	795,721	343,418	-5	5,913,847
New England.....	8,931	5,488	-16	3,477	3,443	44,041	18,999	-21	448,519
Maine.....	1,442	534	+65	350	908	8,428	2,045	-24	35,401
New Hampshire.....	1,653	1,359	+23	913	294	5,040	1,316	-29	27,961
Vermont.....	915	370	-3	175	545	1,972	618	-27	12,708
Massachusetts.....	2,031	1,331	-36	912	700	16,471	9,953	-29	248,281
Rhode Island.....	760	267	-57	170	493	2,917	1,569	+3	46,423
Connecticut.....	2,130	1,627	-23	957	503	9,213	3,498	-6	77,745
Middle Atlantic.....	15,868	9,154	-16	4,765	6,714	169,703	73,424	+4	1,508,986
New York.....	8,191	5,404	-20	2,427	2,787	103,818	44,391	+17	372,734
New Jersey.....	1,382	1,152	-3	612	230	19,384	6,089	-13	170,576
Pennsylvania.....	6,295	2,598	-14	1,726	3,697	46,501	22,944	-10	956,676
East North Central.....	24,307	16,249	-6	8,220	8,058	132,872	57,065	-18	1,367,607
Ohio.....	5,043	2,551	-12	1,069	2,492	27,887	11,467	-10	365,636
Indiana.....	2,775	2,464	-0	1,410	311	24,874	11,495	+9	211,279
Illinois.....	6,913	5,392	-0	1,916	1,521	20,103	7,871	-6	250,748
Michigan.....	6,126	4,067	-4	3,111	2,059	35,025	18,412	-40	427,714
Wisconsin.....	3,450	1,775	-26	714	1,675	24,983	7,820	+2	112,230
West North Central.....	18,914	8,346	-13	2,757	10,568	66,725	23,747	-4	539,784
Minnesota.....	3,883	2,040	-8	885	1,543	16,005	5,611	-5	162,325
Iowa.....	5,800	2,262	-16	620	3,538	14,187	4,889	+9	76,515
Missouri.....	2,341	1,186	-7	371	1,155	12,511	5,891	-10	161,442
North Dakota.....	1,435	1,083	-4	327	352	5,151	925	-16	23,103
South Dakota.....	1,075	573	+5	227	502	2,673	849	-12	29,659
Nebraska.....	2,428	514	-40	161	1,914	7,134	2,094	+22	32,177
Kansas.....	2,252	688	-18	166	1,564	9,064	3,485	-12	54,563
South Atlantic.....	24,083	9,096	-18	3,988	14,987	107,639	52,312	-3	707,873
Delaware.....	637	300	-22	179	337	1,929	499	-10	10,941
Maryland.....	1,938	1,124	-14	519	814	15,006	4,641	-7	60,355
District of Columbia.....	1,047	935	-12	370	112	6,174	2,389	-5	32,304
Virginia.....	4,111	1,052	-16	563	3,059	16,511	7,826	+10	39,318
West Virginia.....	2,370	1,446	+6	817	924	11,877	3,713	-2	146,972
North Carolina.....	5,836	2,220	-27	762	3,616	27,316	15,687	+20	120,800
South Carolina.....	2,739	494	-44	189	2,245	11,307	6,805	-40	104,341
Georgia.....	4,252	1,525	-13	589	2,727	13,828	7,929	+9	113,582
Florida.....	1,153	0	-----	0	1,153	3,991	2,823	-17	79,260
East South Central.....	13,178	4,967	-17	3,466	8,211	53,532	27,913	-9	397,452
Kentucky.....	1,652	352	-9	123	1,300	7,262	3,911	+37	77,349
Tennessee.....	2,800	1,075	-14	625	1,725	10,981	5,580	+7	116,667
Alabama.....	4,777	2,823	-3	2,151	1,954	14,400	6,487	-5	129,191
Mississippi.....	3,949	717	-49	567	3,232	20,889	11,935	-24	74,245
West South Central.....	30,253	22,331	-1	5,166	7,922	88,143	39,528	-9	366,785
Arkansas.....	1,895	740	-56	220	1,155	7,935	4,115	-17	60,482
Louisiana.....	3,033	1,495	-46	1,097	1,638	14,653	6,781	-4	95,343
Oklahoma.....	1,722	937	-55	156	785	14,842	6,616	+18	34,299
Texas.....	23,603	19,159	+20	3,693	4,444	50,710	22,016	-15	176,161
Mountain.....	16,786	11,548	-40	3,984	5,238	41,344	12,624	+8	167,726
Montana.....	1,700	514	-63	239	1,186	4,461	1,248	-3	27,320
Idaho.....	2,111	1,377	-39	133	734	7,150	2,512	+12	19,949
Wyoming.....	876	243	-46	94	633	3,681	810	+23	7,126
Colorado.....	1,768	961	-68	307	807	9,778	2,933	+21	39,104
New Mexico.....	6,463	5,996	-38	1,729	467	5,157	1,345	+8	29,450
Arizona.....	2,041	1,331	+1	1,035	710	4,133	1,944	-9	22,013
Utah.....	1,238	754	+2	191	484	5,501	1,456	+8	19,750
Nevada.....	589	372	+17	256	217	1,483	376	+7	3,014
Pacific.....	17,255	10,951	-16	3,801	6,304	90,555	37,037	+15	403,407
Washington.....	1,138	825	-8	181	313	10,650	4,176	+13	119,346
Oregon.....	2,263	1,044	-41	629	1,219	11,752	6,074	+16	65,754
California.....	13,854	9,082	-12	2,491	4,772	68,103	26,787	+15	218,307
Alaska.....	251	69	-44	19	182	592	402	+39	1,320
Hawaii.....	348	80	-15	30	268	625	367	-17	4,388

¹ Adjusted for number of working days in month.

TABLE 3.—Operations of United States Employment Service, November 1938—Continued

Division and State	Placements				Applications			Active file, Nov. 30, 1938
	Total	Private			Total	New		
		Number	Percent of change from October ¹	Regular (over 1 month)		Number	Percent of change from October ¹	
United States.....	80,625	79,796	+2	40,059	291,058	159,222	-4	1,615,537
New England.....	4,031	3,932	-13	2,580	21,440	13,053	-15	188,827
Maine.....	297	295	-39	220	2,455	1,166	-14	9,149
New Hampshire.....	342	326	-1	217	2,040	765	-20	10,492
Vermont.....	246	242	-8	163	660	318	-10	2,970
Massachusetts.....	1,048	1,043	-6	768	9,390	7,000	-26	103,398
Rhode Island.....	552	482	-22	320	2,129	1,461	+28	23,852
Connecticut.....	1,546	1,544	-12	892	4,766	2,353	-7	35,966
Middle Atlantic.....	12,859	12,649	+1	5,835	76,112	41,558	+2	465,575
New York.....	6,948	6,864	+3	3,160	51,240	26,854	+15	171,145
New Jersey.....	2,874	2,867	+4	1,007	6,789	2,976	-20	50,693
Pennsylvania.....	3,037	2,918	-7	1,668	18,083	11,728	-14	243,737
East North Central.....	16,755	16,626	-1	9,617	52,008	25,828	-14	293,118
Ohio.....	3,478	3,469	+1	1,825	8,960	4,648	-16	67,479
Indiana.....	3,176	3,154	-3	2,211	12,437	6,830	+16	52,498
Illinois.....	5,852	5,829	+6	2,874	9,915	4,525	-7	55,793
Michigan.....	2,096	2,086	-12	1,373	11,957	6,496	-38	92,482
Wisconsin.....	2,153	2,088	-3	1,334	8,739	3,329	-2	24,866
West North Central.....	7,714	7,619	+0	3,721	21,659	11,393	-2	124,899
Minnesota.....	1,846	1,826	-14	1,067	5,955	2,760	-7	38,492
Iowa.....	2,153	2,135	+2	931	4,636	2,630	+5	20,760
Missouri.....	1,109	1,102	-3	621	5,165	2,892	-9	32,984
North Dakota.....	1,009	997	+42	317	1,421	689	+20	5,410
South Dakota.....	477	455	+13	205	740	433	-17	7,470
Nebraska.....	519	506	-16	263	1,674	958	+8	7,439
Kansas.....	601	598	+12	317	2,068	1,031	+3	12,344
South Atlantic.....	8,365	8,265	-8	5,031	36,725	21,737	-2	205,759
Delaware.....	552	551	-30	285	920	233	-25	3,957
Maryland.....	864	864	+16	448	4,682	2,522	+3	15,525
District of Columbia.....	1,594	1,590	-4	727	4,012	2,176	+4	17,277
Virginia.....	920	909	+0	632	5,160	2,933	-15	13,542
West Virginia.....	1,186	1,185	-1	713	3,174	1,667	-14	23,933
North Carolina.....	2,178	2,156	-18	1,513	11,326	6,598	+22	47,621
South Carolina.....	381	365	-4	239	2,549	1,937	-26	26,065
Georgia.....	655	645	-13	474	3,796	2,686	-0	30,898
Florida.....	35	0		0	1,106	985	-21	26,941
East South Central.....	3,571	3,534	+2	2,797	13,700	8,332	-2	93,639
Kentucky.....	521	520	+3	326	2,009	1,252	+2	19,166
Tennessee.....	1,182	1,180	-12	858	3,739	2,045	-10	29,907
Alabama.....	1,640	1,619	+39	1,449	4,617	2,569	+5	31,665
Mississippi.....	228	215	-53	164	3,335	2,466	-3	12,901
West South Central.....	13,340	13,302	+16	5,074	27,389	14,496	-13	91,507
Arkansas.....	541	535	-45	370	1,522	804	-14	10,011
Louisiana.....	1,322	1,313	-5	962	4,157	2,547	-3	23,407
Oklahoma.....	1,295	1,288	0	452	4,057	1,809	+8	7,802
Texas.....	10,182	10,166	+30	3,290	17,653	9,336	-19	50,287
Mountain.....	5,885	5,824	+17	1,848	8,852	3,959	-6	34,583
Montana.....	219	193	-9	116	648	386	+2	5,246
Idaho.....	489	482	-2	298	986	526	+8	2,044
Wyoming.....	144	139	0	72	567	208	-12	1,519
Colorado.....	725	716	-4	371	2,993	1,051	-5	10,861
New Mexico.....	3,088	3,087	+26	425	956	394	-18	6,116
Arizona.....	585	577	+20	319	986	642	-5	4,456
Utah.....	414	411	+66	174	1,468	663	-4	3,847
Nevada.....	221	219	+14	73	248	89	-34	494
Pacific.....	8,050	7,993	-0	3,531	32,974	18,702	+8	119,677
Washington.....	587	586	+25	350	2,353	1,501	+4	17,997
Oregon.....	338	333	-49	218	2,682	1,592	-10	14,665
California.....	7,125	7,074	+3	2,963	27,939	15,609	+11	87,015
Alaska.....	14	14	-26	5	82	68	+162	144
Hawaii.....	41	38	-32	20	117	96	-33	809

¹ Adjusted for number of working days in month.

TABLE 4.—Operations of United States Employment Service, November 1938

Division and State	Placements					Applications			Active file, Nov. 30, 1938
	Total	Private			Public	Total	New		
		Number	Percent of change from October ¹	Regular (over 1 month)			Number	Percent of change from October ¹	
United States.....	11,599	6,296	-17	2,060	5,303	42,189	13,894	-5	380,469
New England.....	660	358	-12	202	302	2,684	967	-18	31,906
Maine.....	102	32	+52	22	70	500	82	-14	2,282
New Hampshire.....	111	64	+12	38	47	392	71	-33	2,134
Vermont.....	46	20	+54	8	26	105	31	-24	731
Massachusetts.....	178	97	-17	66	81	1,010	539	-28	18,984
Rhode Island.....	37	18	-69	5	19	164	76	+23	2,873
Connecticut.....	186	127	-14	63	59	513	168	+2	4,902
Middle Atlantic.....	843	480	-22	195	363	5,615	2,047	-5	80,975
New York.....	392	263	-29	74	129	2,156	959	+4	18,567
New Jersey.....	111	99	-2	38	12	1,038	233	-22	10,699
Pennsylvania.....	340	118	-19	83	222	2,421	855	-8	51,709
East North Central.....	1,671	1,043	-9	396	628	7,711	2,634	-10	96,631
Ohio.....	354	186	-17	55	168	1,568	515	-8	29,069
Indiana.....	176	150	+10	72	26	1,510	514	+7	15,116
Illinois.....	538	390	-13	91	148	1,391	399	+3	19,228
Michigan.....	320	195	0	131	125	1,541	763	-30	24,613
Wisconsin.....	283	122	-12	47	161	1,701	443	+4	8,605
West North Central.....	1,688	738	-15	181	950	4,302	1,132	-11	42,420
Minnesota.....	309	157	-4	57	152	958	252	-11	13,457
Iowa.....	678	304	-17	52	374	1,065	293	+13	5,836
Missouri.....	172	90	+5	18	82	808	297	-22	13,530
North Dakota.....	76	46	-29	15	30	247	24	-8	1,333
South Dakota.....	107	46	-6	11	61	183	33	-3	2,080
Nebraska.....	157	36	-37	9	121	453	91	-1	2,089
Kansas.....	189	59	-30	19	130	588	142	-25	4,095
South Atlantic.....	1,441	531	-27	189	910	5,209	1,805	-7	39,167
Delaware.....	55	21	-13	4	34	120	23	-8	859
Maryland.....	103	59	-34	25	44	882	172	-9	3,691
District of Columbia.....	106	82	-20	22	24	621	197	+4	3,262
Virginia.....	304	66	-34	34	238	753	214	-16	1,884
West Virginia.....	162	79	+11	40	83	612	123	-20	7,487
North Carolina.....	284	94	-34	32	190	1,058	481	+25	5,007
South Carolina.....	142	29	-45	5	113	369	189	-36	4,870
Georgia.....	212	101	-32	27	111	560	253	+6	5,530
Florida.....	73	0		0	73	234	153	-29	7,177
East South Central.....	786	271	+1	159	515	2,258	929	+2	20,929
Kentucky.....	223	42	+35	22	181	513	164	+45	5,044
Tennessee.....	217	87	+12	48	130	514	218	-10	7,246
Alabama.....	252	118	-4	76	134	696	281	+13	6,519
Mississippi.....	94	24	-35	13	70	535	266	-13	2,120
West South Central.....	1,735	1,276	-2	237	459	4,723	1,395	-7	20,693
Arkansas.....	131	66	-50	15	65	424	146	-9	3,427
Louisiana.....	146	83	-33	52	63	688	226	+10	4,860
Oklahoma.....	169	96	-49	11	73	1,083	416	+29	2,646
Texas.....	1,289	1,031	+21	169	258	2,528	607	-26	9,760
Mountain.....	1,044	546	-46	233	498	2,809	722	+1	11,837
Montana.....	161	49	-67	24	112	351	72	+1	2,014
Idaho.....	218	135	-7	13	83	450	137	-5	1,247
Wyoming.....	76	12	-59	3	64	316	52	+16	571
Colorado.....	154	70	-64	25	84	653	141	+2	2,624
New Mexico.....	113	93	-69	56	20	214	69	+38	1,948
Arizona.....	182	118	+10	87	64	376	175	-8	1,705
Utah.....	93	44	-32	8	49	341	53	0	1,490
Nevada.....	47	25	0	17	22	108	23	+10	238
Pacific.....	1,675	1,044	-15	266	631	6,802	2,217	+15	35,480
Washington.....	105	75	-3	16	30	716	232	+13	10,453
Oregon.....	221	82	-44	52	139	732	234	+21	4,869
California.....	1,349	887	-12	198	462	5,354	1,751	+15	20,158
Alaska.....	33	5	-62	2	28	53	35	+40	120
Hawaii.....	23	4	-20	0	19	23	11	-31	311

¹ Adjusted for number of working days in month.

Building Operations

SUMMARY OF BUILDING CONSTRUCTION IN PRINCIPAL CITIES, NOVEMBER 1938¹

IN NOVEMBER there was a decrease of 9.4 percent from October in total permit valuations, a smaller drop than the usual seasonal decline. Decreases were shown for all classes of construction. The greatest decrease, 23.2 percent, occurred in the value of permits issued for additions, alterations, and repairs. The value of new residential buildings declined 4.7 percent and the value of new nonresidential buildings showed a decrease of 8.9 percent. These data are based on reports received by the Bureau of Labor Statistics from 2,049 identical cities.

November permit valuations for residential buildings were 67.1 percent higher than in November a year ago. This was the fifth consecutive month for which new residential permit valuations exceeded by more than 50 percent those of the corresponding months of 1937. The value of new nonresidential buildings increased 47.2 percent, while additions, alterations, and repairs declined 7.1 percent. Total permit valuations were 43.2 percent higher than the level of November 1937. Data for November 1937 and 1938 are based on reports of building activity received from 1,584 identical cities.

Comparison of November 1938 with October 1938

A summary of building construction in 2,049 identical cities in October and November 1938 is given in table 1.

TABLE 1.—*Summary of Building Construction for Which Permits Were Issued in 2,049 Identical Cities, October and November 1938*

Class of construction	Number of buildings			Permit valuation		
	November 1938	October 1938	Percentage change	November 1938	October 1938	Percentage change
All construction.....	52, 907	68, 743	-23. 0	\$146, 829, 950	\$162, 088, 787	-9. 4
New residential.....	13, 926	15, 543	-10. 4	74, 331, 638	77, 977, 617	-4. 7
New nonresidential.....	10, 368	12, 890	-19. 6	50, 337, 072	55, 268, 672	-8. 9
Additions, alterations, and repairs.....	28, 613	40, 310	-29. 0	22, 161, 240	28, 842, 498	-23. 2

¹ More detailed information by geographic divisions and individual cities is given in a separate pamphlet entitled "Building Construction, November 1938," copies of which will be furnished upon request.

A summary of permit valuations of housekeeping dwellings and the number of families provided for in new dwellings in 2,049 identical cities having a population of 1,000 and over, is shown in table 2 for November compared with October 1938.

TABLE 2.—Permit Valuation of Housekeeping Dwellings and Number of Families Provided for in 2,049 Identical Cities, October and November 1938

Type of dwelling	Permit valuation of housekeeping dwellings			Number of families provided for in new dwellings		
	November 1938	October 1938	Percentage change	November 1938	October 1938	Percentage change
All types.....	\$74, 081, 751	\$76, 305, 158	-2.9	20, 186	21, 027	-4.0
1-family.....	52, 312, 385	56, 869, 116	-8.0	13, 076	14, 592	-10.4
2-family ¹	2, 351, 637	2, 862, 986	-17.9	965	1, 170	-17.5
Multifamily ²	19, 417, 779	16, 573, 056	+17.2	6, 145	5, 265	+16.7

¹ Includes 1- and 2-family dwellings with stores.

² Includes multifamily dwellings with stores.

Comparison of November 1938 with November 1937

Table 3 presents a summary of the number of buildings and value of permits issued in 1,584 identical cities in November 1938 compared with the corresponding month of 1937.

TABLE 3.—Summary of Building Construction for Which Permits Were Issued in 1,584 Identical Cities, November 1937 and November 1938

Class of construction	Number of buildings			Permit valuation		
	November 1938	November 1937	Percentage change	November 1938	November 1937	Percentage change
All construction.....	51, 910	45, 533	+14.0	\$143, 371, 628	\$100, 098, 136	+43.2
New residential.....	13, 540	7, 941	+70.5	72, 916, 028	43, 636, 939	+67.1
New nonresidential.....	10, 070	9, 353	+7.7	48, 795, 192	33, 149, 729	+47.2
Additions, alterations, and repairs.....	28, 300	28, 239	+0.2	21, 660, 408	23, 311, 468	-7.1

Table 4 shows a comparison of the value of permits issued for housekeeping dwellings and the number of families provided for in new dwellings in 1,584 identical cities with a population of 2,500 and over in November 1938 with the corresponding month of the preceding year.

TABLE 4.—Permit Valuation of Housekeeping Dwellings and Number of Families Provided for in 1,584 Identical Cities, November 1937 and November 1938

Type of dwelling	Permit valuation of housekeeping dwellings			Number of families provided for in new dwellings		
	November 1938	November 1937	Percentage change	November 1938	November 1937	Percentage change
All types.....	\$72, 666, 141	\$42, 925, 039	+69.3	19, 783	10, 845	+82.4
1-family.....	50, 932, 835	30, 050, 280	+69.5	12, 710	7, 347 ¹	+73.0
2-family ¹	2, 320, 527	1, 886, 525	+23.0	931	708	+31.5
Multifamily ²	19, 412, 779	10, 988, 234	+76.7	6, 142	2, 790	+120.1

¹ Includes 1- and 2-family dwellings with stores.

² Includes multifamily dwellings with stores.

Construction During First 11 Months, 1937 and 1938

Cumulative totals for the first 11 months of 1938 compared with the same months of the preceding year are shown in table 5. The data are based on reports received from cities having a population of 2,500 and over.

TABLE 5.—Permit Valuation of Building Construction, First 11 Months of 1937 and of 1938, by Class of Construction

Class of construction	Permit valuation of building construction, first 11 months of—		
	1938	1937	Percentage change
All construction.....	\$1,552,792,136	\$1,496,511,415	+3.8
New residential.....	780,866,832	673,810,583	+15.9
New nonresidential.....	485,872,429	484,763,987	+0.2
Additions, alterations, and repairs.....	286,052,875	337,936,845	-15.4

Table 6 presents the permit valuation of housekeeping dwellings and number of family-dwelling units provided in cities with a population of 2,500 and over for the first 11 months of 1937 and 1938.

TABLE 6.—Permit Valuation of Housekeeping Dwellings and Number of Families Provided for in New Dwellings, First 11 Months of 1937 and of 1938, by Type of Dwelling

Type of dwelling	Permit valuation of housekeeping dwellings			Number of families provided new dwellings		
	First 11 months of—		Percentage change	First 11 months of—		Percentage change
	1938	1937		1938	1937	
All types.....	\$772,505,017	\$663,023,281	+16.5	210,050	165,727	+28.0
1-family.....	510,041,076	489,554,389	+4.2	128,634	112,862	+14.0
2-family ¹	29,799,024	28,981,562	+2.8	11,339	10,462	+8.4
Multifamily ²	232,664,917	144,487,330	+61.0	72,077	42,403	+70.0

¹ Includes 1- and 2-family dwellings with stores.
² Includes multifamily dwellings with stores.

The information on building permits issued during October and November 1938 is based on reports received by the Bureau of Labor Statistics from 2,049 identical cities having a population of 1,000 and over. The data for November 1937 and 1938 are based on reports from 1,584 identical cities with a population of 2,500 and over.

The information is collected by the Bureau of Labor Statistics from local building officials, except in the States of Illinois, Massachusetts, New Jersey, New York, North Carolina, and Pennsylvania, where the State departments of labor collect and forward the information to the Bureau. The permit valuations shown in this report are estimates made by prospective builders on applying for permits to build.

No land costs are included. Only building projects within the corporate limits of the cities enumerated are included in the Bureau's tabulation. In addition to permits issued for private and municipal building construction, the statistics include the value of contracts for Federal and State buildings in the cities covered by the report. Data concerning public buildings are collected by the Bureau from the various Federal and State agencies having the power to award contracts for building construction. In November 1938 the value of these buildings amounted to \$17,668,000; in October 1938, to \$17,853,000; and in November 1937, to \$6,699,000.

Construction From Public Funds

The value of contracts awarded and force-account work started during November 1938, October 1938, and November 1937 on construction projects financed wholly or partially from various Federal funds is shown in table 7.

TABLE 7.—Value of Contracts Awarded and Force-Account Work Started on Projects Financed From Federal Funds, October and November 1938 and November 1937¹

Federal agency	Value of contracts awarded and force-account work started		
	November 1938	October 1938 ²	November 1937 ²
Total.....	\$160,731,766	³ \$250,505,779	\$85,426,258
Public Works Administration:			
Federal.....	13,878,659	21,621,033	476,373
Non-Federal:			
N. I. R. A.....	676,653	437,936	4,123,074
E. R. A. A.....	89,849,417	113,577,272	33,564,177
Federal projects under The Works Program.....	1,555,023	5,555,726	11,347,291
Regular Federal appropriations.....	54,772,014	97,484,658	35,915,343

¹ Preliminary, subject to revision.

² Revised.

³ Includes \$11,829,154; contracts awarded for housing projects under the U. S. Housing Authority.

The value of public-building and highway construction awards financed wholly from appropriations from State funds, as reported by the various State governments for November and October 1938 and November 1937, is shown in table 8.

TABLE 8.—Value of Public-Building and Highway-Construction Awards Financed Wholly From State Funds

Type of project	Value of contracts		
	November 1938	October 1938	November 1937
Public building.....	\$3,651,020	\$2,273,623	\$1,319,559
Highway construction.....	4,456,701	5,712,173	6,629,309

Retail Prices

RETAIL PRICES OF FOOD IN NOVEMBER 1938

Summary

RETAIL food costs decreased 0.4 percent between October 18 and November 15, due primarily to a decline of 1.8 percent in the cost of meats. Decreases in costs of food ranging from 0.1 percent to 1.8 percent were reported for 34 of the 51 cities included in the food index.

The November index for all foods was 77.8 percent of the 1923-25 average. It was 7.0 percent lower than a year ago, when the index was 83.6. Compared with November 1932, when the index stood at 65.6, the cost of food advanced 18.5 percent. This increase was shared by every commodity group except beverages and chocolate, which showed a decrease of 10.0 percent for the six-year interval. The food cost index was 27.1 percent below the November 1929 level when the index was 106.7.

Details by Commodity Groups

The cost of *cereals and bakery products* declined 0.5 percent between October and November, continuing a downward movement which began in January of this year. The net decrease for the 11 months was 7.3 percent. During the month, 11 of the 13 items included in this group dropped in price. The price of flour, which has tended downward since August 1937, decreased 0.9 percent and was 15.8 percent lower than in November 1937. The decline for white bread began in April 1938, and amounted to 0.5 percent in November. Price decreases for white bread were reported from 9 cities, the largest being 1 cent per pound for Birmingham and 0.5 cent per pound for Denver. The price of white bread was 8.1 percent lower than a year ago. Corn meal and soda crackers declined about 1.5 percent each. Price changes for other items in this group were unimportant.

Meat costs dropped 1.8 percent for the month and were 9.3 percent lower than in November 1937. Lower costs were reported for all the subgroups, reflecting price decreases for 18 of the 21 items included in the group index. These decreases ranged from 0.5 percent for

plate beef and red salmon to 4.0 percent for loin roast. The average decrease for beef and veal was 1.4 percent and for pork, 2.7 percent. A decrease of 0.7 percent in the price of leg of lamb more than offset the slight increases recorded for the other 3 lamb items. The price of roasting chickens dropped 3.4 percent and was 17.9 percent lower than a year ago. The cost of canned salmon decreased 0.6 percent.

The slight increase of 0.1 percent in the cost of *dairy products* was due chiefly to an advance of 0.4 percent in the average price of butter. Higher butter prices were reported for 24 cities and lower prices for 16 cities. The price of butter, however, was 23.2 percent below the level of the corresponding period of a year ago. The average price of fresh milk did not change. The price of cream increased 0.7 percent, while prices of evaporated milk and cheese decreased 0.4 percent and 0.2 percent respectively.

The advance of 1.2 percent in the average price of *eggs* was the net result of increases reported for 41 cities and decreases for 10 cities. This seasonal increase was considerably less than usual. Egg costs for November were 2.6 percent above the level of a year ago.

The average cost of *fruits and vegetables* increased 0.4 percent, due entirely to an advance of 0.6 percent in the cost of the fresh items. Increases reported for 7 of these items ranged from 0.9 percent for apples to 7.7 percent for sweetpotatoes. White potatoes, which constitute approximately 30 percent of the total expenditure for the fresh items, showed an increase of 2.4 percent. Celery rose 6.1 percent; carrots, 5.0 percent; bananas, 2.8 percent; and onions, 1.7 percent. Decreases were recorded for the remaining 6 fresh items, the largest being 23.0 percent for spinach. The average price of oranges declined 6.1 percent and reached the lowest level recorded by the Bureau for any November in the past 20 years.

The decrease of 0.3 percent in the cost of the canned goods was a continuation of the downward trend which began in the summer of 1937. Prices were lower for all items in the group with the exception of canned peas, which remained unchanged.

A decline of 1.5 percent in the cost of the dried products was due chiefly to a drop of 2.9 percent in the price of navy beans and a decrease of 2.1 percent in raisins. Other changes were unimportant.

An advance of 0.1 percent in the cost of *beverages and chocolate* was mainly due to an increase of 0.4 percent in the price of coffee. Higher coffee prices were reported from 32 cities. This was a reversal of the price trend for coffee which has been downward since October 1937. The price of tea decreased 0.3 percent, while cocoa showed an increase of 0.7 percent. No change was recorded for chocolate.

The cost of *fats and oils* declined 0.8 percent as a result of a 2.6 percent decrease in the price of lard. The average price of lard for November was 22.9 percent below the level of the corresponding

month in 1937. Shortening packed in cartons showed a price drop of 1.0 percent, while the tin-packed variety rose 2.0 percent. Prices for other items in the group showed little or no change.

Sugar and sweets averaged 0.2 percent higher for November, reflecting an increase of 0.3 percent in the price of sugar. Sugar prices were higher in 13 cities and lower in 7 cities. The price of corn syrup did not change. Molasses dropped 0.3 percent and strawberry preserves, 0.6 percent.

Indexes of retail food costs for November and October 1938, together with indexes for November 1937, 1932, and 1929 are shown in table 1. The accompanying chart shows the trend in the cost of all foods and of each major commodity group for the period from January 1929 to November 1938, inclusive.

TABLE 1.—*Indexes of Retail Food Costs in 51 Large Cities Combined,¹ by Commodity Groups, November and October 1938, and November, 1937, 1932, and 1929*

[1923-25=100]

Commodity group	1938		1937	1932	1929
	Nov. 15 ²	Oct. 18	Nov. 16	Nov. 15	Nov. 15
All foods.....	77.8	78.1	83.6	65.6	106.7
Cereals and bakery products.....	86.8	87.2	94.0	73.3	98.2
Meats.....	93.2	94.9	102.8	70.0	118.8
Dairy products.....	77.4	77.3	86.6	65.8	102.0
Eggs.....	87.2	86.1	84.9	78.4	129.5
Fruits and vegetables.....	55.9	* 55.6	56.2	50.4	103.9
Fresh.....	54.0	* 53.6	53.5	49.0	104.2
Canned.....	75.0	75.3	80.5	67.6	94.9
Dried.....	57.7	58.6	64.1	50.6	108.5
Beverages and chocolate.....	66.4	66.3	70.1	73.8	108.9
Fats and oils.....	66.6	67.1	74.8	50.0	91.8
Sugar and sweets.....	62.5	62.3	67.1	58.8	76.2

¹ Aggregate costs of 42 foods in each city prior to Jan. 1, 1935, and of 84 foods since that date, weighted to represent total purchases, have been combined with the use of population weights.

² Preliminary.

* Revised.

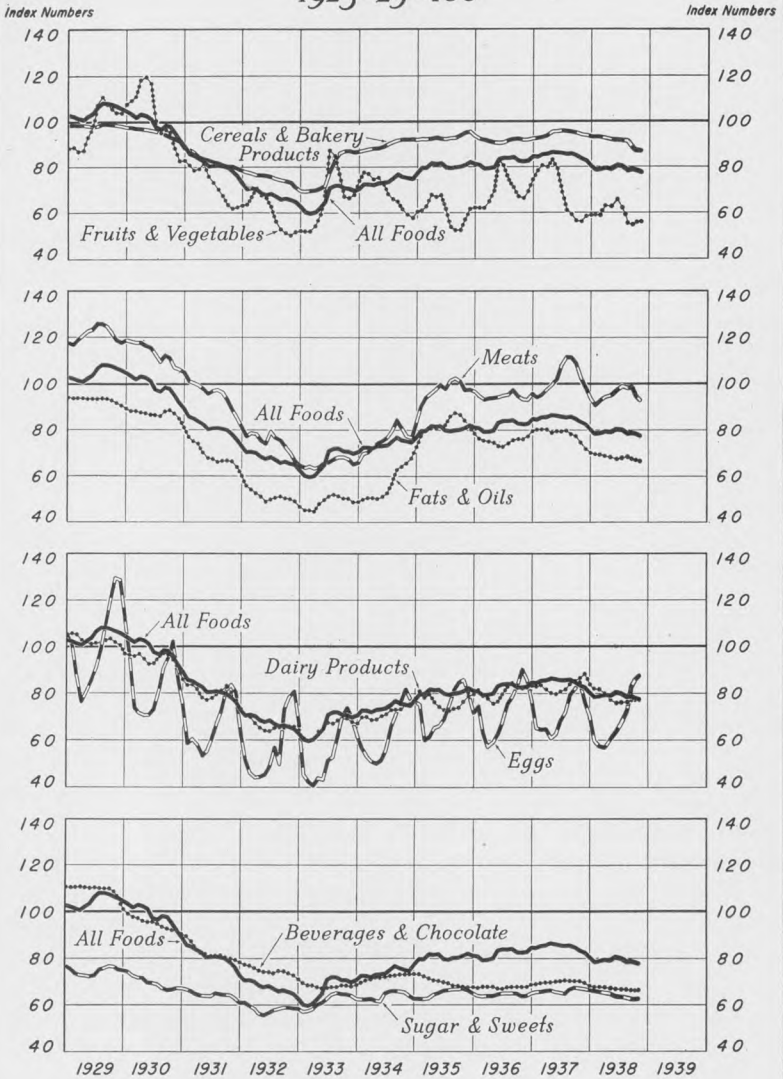
Prices of each of the 84 foods for 51 cities are combined with the use of both consumption and population weights. Quantity weights for each food include the average family consumption in each city, not only of the food priced, but for groups of foods which are related in kind and which seem to follow the same price trend. These weights are based on the cost of living study of 1917-19. Population weights are averages of the population in 1920 and 1930 for each city, including adjacent metropolitan areas and cities of over 50,000 in the same region.

Prices of 57 of the 84 foods included in the index were lower in November than in October, 21 were higher, and 6 were unchanged. Compared with November 1937, 73 foods cost less, and 11 cost more.

Average prices of each of the 84 foods for 51 cities combined are shown in table 2 for November and October 1938, and November 1937.

RETAIL COST OF FOOD

1923-25=100



UNITED STATES BUREAU OF LABOR STATISTICS

TABLE 2.—Average Retail Prices of 84 Foods in 51 Large Cities Combined, November and October 1938 and November 1937

[*Indicates the foods included in indexes prior to Jan. 1, 1935]

Article	1938		1937
	Nov. 15 ¹	Oct. 18	Nov. 16
Cereals and bakery products:			
Cereals:	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>
*Flour, wheat.....pound..	3.7	3.7	4.5
*Macaroni.....do.....	14.6	14.7	15.1
*Wheat cereal.....28-oz. package..	24.4	24.4	24.5
*Corn flakes.....8-oz. package..	7.3	7.3	7.7
*Corn meal.....pound..	4.6	4.7	5.1
Hominy grits.....24-oz. package..	8.7	8.8	9.4
*Rice.....pound..	7.6	7.7	8.1
*Rolled oats.....do.....	7.2	7.2	7.4
Bakery products:			
*Bread, white.....do.....	8.2	8.2	8.9
Bread, whole-wheat.....do.....	9.3	9.3	9.8
Bread, rye.....do.....	9.5	9.6	10.1
Cake.....do.....	24.9	25.1	25.4
Soda crackers.....do.....	15.5	15.8	17.6
Meats:			
Beef:			
*Sirloin steak.....do.....	38.4	39.1	41.5
*Round steak.....do.....	35.2	35.9	38.4
*Rib roast.....do.....	29.7	30.0	33.7
*Chuck roast.....do.....	23.3	23.6	26.1
*Plate.....do.....	15.5	15.6	17.9
Liver.....do.....	25.0	25.4	25.1
Veal:			
Cutlets.....do.....	42.7	43.3	44.7
Pork:			
*Chops.....do.....	31.5	32.7	34.1
Loin roast.....do.....	25.5	26.6	28.6
*Bacon, sliced.....do.....	35.9	36.8	43.1
Bacon, strip.....do.....	30.5	31.0	36.2
*Ham, sliced.....do.....	47.2	48.0	49.7
Ham, whole.....do.....	28.8	29.5	29.9
Salt pork.....do.....	20.0	20.2	25.2
Lamb:			
Breast.....do.....	12.4	12.3	14.6
Chuck.....do.....	21.3	21.2	24.7
*Leg.....do.....	27.3	27.5	31.0
Rib chops.....do.....	34.4	34.3	38.3
Poultry:			
*Roasting chickens.....do.....	29.4	30.4	35.8
Fish:			
Salmon, pink.....16 oz. can..	12.6	12.7	14.0
*Salmon, red.....do.....	23.8	23.9	26.7
Dairy products:			
*Butter.....pound..	33.2	33.1	43.2
*Cheese.....do.....	25.2	25.2	29.6
Cream.....½ pint..	14.6	14.5	14.9
Milk, fresh (delivered and store).....quart..	12.2	12.2	12.7
*Milk, fresh (delivered).....do.....	12.6	12.6	13.0
Milk, fresh (store).....do.....	11.5	11.5	12.1
*Milk, evaporated.....14½ oz. can..	6.9	7.0	7.6
*Eggs.....dozen..	44.5	44.0	43.8
Fruits and vegetables:			
Fresh:			
Apples.....pound..	4.9	4.9	4.4
*Bananas.....do.....	6.2	6.1	6.2
Lemons.....dozen..	24.2	24.3	36.6
*Oranges.....do.....	26.2	27.9	34.2
Beans, green.....pound..	9.8	10.3	12.4
*Cabbage.....do.....	2.5	2.6	3.0
Carrots.....bunch..	5.5	5.3	5.1
Celery.....stalk..	7.6	7.2	8.6
Lettuce.....head..	8.1	8.6	7.3
*Onions.....pound..	3.7	3.6	4.0
*Potatoes.....do.....	1.9	1.9	1.9
Spinach.....do.....	6.1	8.0	6.2
Sweetpotatoes.....do.....	3.4	3.1	3.3
Canned:			
Peaches.....No. 2½ can..	17.2	17.3	19.6
Pears.....do.....	20.6	20.8	21.8
Pineapple.....do.....	21.5	21.6	23.1
Asparagus.....No. 2 can..	28.2	28.4	30.0
Beans, green.....do.....	10.6	10.8	11.6

¹ Preliminary.² Revised

TABLE 2.—Average Retail Prices of 84 Foods in 51 Large Cities Combined, November and October 1938 and November 1937—Continued

Article	1938		1937
	Nov. 15	Oct. 18	Nov. 16
Fruits and vegetables—Continued.			
Canned—Continued.	<i>Cents</i>	<i>Cents</i>	<i>Cents</i>
*Beans with pork.....16-oz. can..	7.3	7.3	8.0
*Corn.....No. 2 can.....	11.0	11.1	12.2
*Peas.....do.....	14.3	14.4	16.0
*Tomatoes.....do.....	8.6	8.7	9.1
Tomato soup.....10½-oz. can..	7.4	7.4	7.9
Dried:			
Peaches.....pound.....	14.9	14.8	16.5
*Prunes.....do.....	9.1	9.1	10.2
*Raisins.....15-oz. package..	9.5	9.7	10.3
Black-eyed peas.....pound.....	7.7	7.8	8.5
Lima beans.....do.....	9.2	9.2	10.1
*Navy beans.....do.....	6.1	6.3	7.2
Beverages and chocolate:			
*Coffee.....do.....	22.9	22.8	25.8
*Tea.....¼ pound.....	17.8	17.9	18.4
Cocoa.....8-oz. can.....	8.6	8.5	10.1
Chocolate.....8-oz. package..	16.2	16.2	16.5
Fats and oils:			
*Lard.....pound.....	12.4	12.7	16.1
Shortening other than lard:			
In cartons.....do.....	13.3	13.4	13.8
In other containers.....do.....	20.5	20.1	20.4
Salad oil.....pint.....	24.5	24.6	25.1
Mayonnaise.....½ pint.....	17.3	17.3	17.6
*Oleomargarine.....pound.....	16.9	16.9	17.7
Peanut butter.....do.....	18.4	18.5	19.1
Sugar and sweets:			
*Sugar.....do.....	5.2	5.1	5.6
Corn sirup.....24-oz. can.....	13.9	13.9	14.4
Molasses.....18-oz. can.....	13.6	13.6	14.5
Strawberry preserves.....pound..	21.2	21.4	22.4

¹ Revised

² Quotations for 1938 are for sales in units of 10 pounds each. Prior to November 1937, prices were quoted on sales in units of various size. The change to a common unit, 10 pounds, resulted in a reduction of ¼ of 1 cent per pound at the time of revision.

Details by Regions and Cities

The average decline of 0.4 percent in the cost of food between October and November was the net result of lower costs in 34 cities and higher costs in 14 cities. Six of the nine geographical areas contributed to this decline. The largest decreases were 1.8 percent for Providence, 1.6 percent for Cleveland, and 1.5 percent for Mobile and New Orleans. In all four cities, costs for fresh fruits and vegetables were lower, contrary to the general movement for this group and decreases for meats were greater than for most cities. In Providence, flour dropped 4.5 percent, and the price of white bread fell 2.8 percent, continuing a downward trend which began in September. In the other three cities, egg costs decreased, while the general movement for eggs was upward.

The greatest relative increase, 1.8 percent, was recorded for Richmond, the only city in the South Atlantic area showing a rise in food costs. Denver was the only other city reporting an advance of as much as 1.5 percent. Costs of fresh fruits and vegetables rose sharply in both of these cities and increases for eggs were more than average.

TABLE 3.—Indexes of the Average Retail Cost of All Foods, by Regions and Cities,¹ November and October 1938, and November 1937

[1923-25=100]

Region and city	1938		1937	Region and city	1938		1937
	Nov. 15 ²	Oct. 18	Nov. 16		Nov. 15	Oct. 18	Nov. 16
United States.....	77.8	78.1	83.6	South Atlantic.....	78.9	77.2	81.8
New England.....	76.2	76.7	83.8	Atlanta.....	71.9	72.3	77.5
Boston.....	74.6	74.9	81.9	Baltimore.....	82.6	83.0	86.6
Bridgeport.....	80.4	80.9	88.9	Charleston, S. C.....	78.6	79.4	83.3
Fall River.....	78.8	78.8	86.4	Jacksonville.....	75.4	76.1	79.7
Manchester.....	79.2	79.1	83.5	Norfolk.....	74.7	75.1	80.0
New Haven.....	79.7	80.5	87.9	Richmond.....	72.0	70.7	76.4
Portland, Maine.....	75.9	76.1	82.8	Savannah.....	77.2	77.6	82.3
Providence.....	74.8	76.2	83.7	Washington, D. C.....	79.4	80.3	85.6
Middle Atlantic.....	79.0	79.2	84.9	East South Central.....	71.4	71.9	77.4
Buffalo.....	77.4	76.6	81.1	Birmingham.....	67.1	67.5	72.8
Newark.....	81.2	81.3	88.5	Louisville.....	80.0	80.7	87.1
New York.....	81.2	81.2	87.3	Memphis.....	73.5	74.3	79.3
Philadelphia.....	77.7	78.6	83.3	Mobile.....	73.6	74.8	78.0
Pittsburgh.....	77.5	77.8	83.5	West South Central.....	76.9	77.6	81.2
Rochester.....	76.7	76.5	83.1	Dallas.....	73.1	74.1	78.8
Scranton.....	72.3	72.8	77.3	Houston.....	77.4	77.6	81.2
East North Central.....	77.5	³ 78.1	83.6	Little Rock.....	72.8	72.6	79.2
Chicago.....	78.3	79.4	85.0	New Orleans.....	82.5	83.7	84.8
Cincinnati.....	78.7	78.9	83.5	Mountain.....	79.0	78.0	85.6
Cleveland.....	77.6	78.9	83.7	Butte.....	75.1	75.2	80.1
Columbus, Ohio.....	75.1	75.2	80.9	Denver.....	81.4	80.2	88.0
Detroit.....	76.3	³ 76.5	82.4	Salt Lake City.....	75.8	75.0	82.8
Indianapolis.....	77.3	77.2	81.8	Pacific.....	76.5	76.5	80.9
Milwaukee.....	79.9	79.9	86.9	Los Angeles.....	71.6	70.7	75.3
Peoria.....	78.6	77.6	81.5	Portland, Oreg.....	78.9	79.0	83.4
Springfield, Ill.....	76.8	76.9	80.5	San Francisco.....	81.4	82.3	86.2
West North Central.....	80.2	80.1	85.2	Seattle.....	77.8	78.1	83.2
Kansas City.....	80.6	80.7	83.4				
Minneapolis.....	82.7	82.2	87.5				
Omaha.....	74.3	73.3	80.2				
St. Louis.....	82.2	82.7	88.0				
St. Paul.....	78.8	78.0	84.1				

¹ Aggregate costs of 42 foods in each city prior to Jan. 1, 1935 and of 84 foods since that date, weighted to represent total purchases, have been combined for regions and for the United States with the use of population weights.

² Preliminary.

³ Revised.

RETAIL PRICES OF CLOTHING AND TEXTILES, 1938

RETAIL prices of goods and services other than foods are collected quarterly in the 32 cities, shown below, by personal visits of field representatives. These prices are used primarily in computing the indexes of changes in the cost of living.

<p>New England:</p> <ul style="list-style-type: none"> Boston Portland, Maine <p>Middle Atlantic:</p> <ul style="list-style-type: none"> Buffalo New York Philadelphia Pittsburgh Seranton <p>East North Central:</p> <ul style="list-style-type: none"> Chicago Cincinnati Cleveland Detroit Indianapolis <p>West North Central:</p> <ul style="list-style-type: none"> Kansas City Minneapolis St. Louis 	<p>South Atlantic:</p> <ul style="list-style-type: none"> Atlanta Baltimore Jacksonville Norfolk Richmond Savannah Washington, D. C. <p>East South Central:</p> <ul style="list-style-type: none"> Birmingham Memphis Mobile <p>West South Central:</p> <ul style="list-style-type: none"> Houston New Orleans <p>Mountain: Denver</p> <p>Pacific:</p> <ul style="list-style-type: none"> Los Angeles Portland, Oregon San Francisco Seattle
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Specifications (descriptions of articles), representative of the current retail market, were first introduced for use in retail price collection in the spring of 1935. These are used as a guide in maintaining accuracy and comparability. In 1937 the descriptions were revised and made more specific. Separate specifications were provided for a greater number of qualities in order that important market levels might be better represented. It is only since the use of these later specifications that the collected price data have lent themselves to the presentation of average prices as shown below for clothing and textiles.

The prices are unweighted averages of approximately 129 quotations, four to a city, for each item. The following data were computed to assist in determining the quality of the prices at different market levels rather than for making time to time comparisons, hence the prices are averages of all quotations secured for March June, and September 1938.

RETAIL PRICES OF SELECTED ITEMS OF CLOTHING AND TEXTILES

Men's clothing

	<i>Average price</i>
TROUSERS, work, cotton, khaki drill (8 oz. per yd.), vat dyed, Sanforized shrunk, 4-leaf twill; pockets of boat sail drill (2.50 yd. per pound); full-sized, well made; 35 to 36 yards per dozen, based on 28-inch fabric and 29 to 42-inch size scale.....	pair... \$1.75
TROUSERS, work, cotton, khaki drill (2.50 yd. per pound), vat dyed, regular finish; pockets of drill (2.85 yd. per lb.); fair workmanship; 33 to 34 yards per dozen, based on 28-inch fabric and 29 to 42-inch size scale.....	pair... 1.24
OVERALLS, cotton, white-back denim (8 oz. per yd.), Sanforized shrunk, high back, bib style, 46 to 48 yards per dozen, based on 28-inch fabric and 32 to 42-inch size scale, triple-stitched seams, bar tacked at points of strain; pockets of boat sail drill (2.50 yd. per lb.); fully trimmed.....	pair... 1.59
OVERALLS, cotton, white-back denim (8 oz. per yd.), Sanforized shrunk, high back, bib style, 42 to 44 yards per dozen, based on 28-inch fabric and 32 to 42-inch size scale, triple-stitched seams, bar tacked at points of strain, pockets of drill (2.85 yd. per lb.); minimum amount of trimming.....	pair... 1.13
OVERALLS, cotton, white-back denim (2.20 yds. per lb.), regular finish, high back, bib style, 40 to 42 yards per dozen, based on 28-inch fabric and 32 to 42-inch size scale, residual shrinkage not to exceed 10 percent, triple-stitched seams, bar tacked at points of strain, pockets of drill (2.85 yd. per lb.); nominal amount of trimming.....	pair... .94
SHIRT, work, cotton, chambray (3.90 yd. per lb.), Sanforized shrunk, vat-dyed, 2 plain pockets with flaps, continuous nonrip sleeve facing, triple-stitched seams, full sized and well made, 30 to 31 yards per dozen, based on 36-inch fabric and neck band size scale 14 to 17.....	each... .86
SHIRT, work, cotton, chambray (3.90 yd. per lb.), regular finish, vat-dyed, 2 plain pockets without flaps, continuous nonrip sleeve facing, triple-stitched seams, fair workmanship, 29 to 30 yards per dozen, based on 36-inch fabric and neck band size scale 14 to 17.....	each... .69
SHIRT, work, cotton, covert (3.90 yd. per lb.), Sanforized shrunk, vat-dyed, 2 plain pockets with flaps, continuous nonrip sleeve facing, triple-stitched seams, full sized and well made, 30 to 31 yards per dozen, based on 36-inch fabric and neck band size scale 14 to 17.....	each... .86
SHIRT, business, collar attached, cotton, combed yarn, broadcloth (1×1, 128×68 or 136×60 construction), white, may or may not have fused collar, full sized and well made, 31 to 32 yards per dozen, based on 36-inch fabric and neck band size scale 14 to 17.....	each... 1.71
SHIRT, business, collar attached, cotton, carded yarn, broadcloth (1×1, 100×60 construction), white, may or may not have fused collar, fair workmanship, 29 to 30 yards per dozen, based on 36-inch fabric and neck band size scale 14 to 17.....	each... .99
SHIRT, business, collar attached, cotton, printed, percale, (68×72 construction) colors fast to washing, may or may not have fused collar, fair workmanship, 29 to 30 yards per dozen, based on 36-inch fabric and neck band size scale 14 to 17.....	each... .76
PAJAMAS, cotton, combed yarn, broadcloth (1×1, 128×68 or 136×60 construction) plain colors fast to washing, with contrasting trim, coat or middy style, full-sized (similar to U. S. Commercial Standard CS15-29) and well made, 53 to 54 yards per dozen, based on 36-inch fabric and size scale A to E.....	pair... 1.95
PAJAMAS, cotton, carded yarn, broadcloth (1×1, 100×60 construction) plain colors fast to washing with contrasting trim, coat or middy style, fair workmanship, 52 to 53 yards per dozen, based on 36-inch fabric and size scale A to E.....	pair... 1.27
PAJAMAS, cotton, printed, percale (64×60 construction) colors fast to washing, coat or middy style, minimum workmanship, 50 to 51 yards per dozen, based on 36-inch fabric and size scale A to E.....	pair... .98

	<i>Average price</i>
SHORTS, cotton, printed, carded yarn, broadcloth (1×1, 100×60 construction) colors fast to washing, woven elastic yarn inserts at waist, full sized, well made with careful attention to detail and trim, 13½ to 14 yards per dozen, based on 36-inch fabric and 30 to 44-inch size scale-----pair--	\$0. 39
SHORTS, cotton, printed, carded yarn, broadcloth (1×1, 80×60 construction) colors fast to washing, woven elastic yarn inserts at waist, fair workmanship, 13 to 13½ yards per dozen, based on 36-inch fabric and 30 to 44-inch size scale-----pair--	. 25
SOCKS, cotton, mercerized, combed yarn, 220 to 240 needles, medium quality, plain colors, reinforced heel and toe, full sized (similar to U. S. Commercial Standard CS 46-33), 1¼ to 1½ pounds per dozen----pair--	. 32
SOCKS, cotton, combed yarn, 180 to 200 needles, inexpensive quality, plain colors, reinforced heel and toe, 1¼ to 2 pounds per dozen-----pair--	. 18

Women's clothing

DRESS, ¹ rayon, printed, crepe, medium quality, size 38, acetate warp and viscose filling yarns (135×64 construction, 100 denier warp and 100 denier filling), full-sized, well made, well styled, with careful attention to detail and trim, one piece, street length-----each--	11. 80
DRESS, ¹ rayon, prints, inexpensive quality, size 38, all viscose yarn (92×68 construction, 100 denier pigmented warp, 150 denier pigmented filling), fair workmanship and moderate amount of styling, inexpensive grade trim, one piece, street length-----each--	7. 07
DRESS, ¹ rayon, prints, very inexpensive quality, size 38, all viscose yarns (72×60 construction, 150 denier pigmented warp, 150 denier pigmented filling), minimum workmanship, very inexpensive grade trim, one piece, street length-----each--	3. 77
SLIP, silk, pure dye, crepe, size 38, all silk fabric (55×84 construction), lace trim at top and bottom, adjustable shoulder straps, seams guaranteed against slipping or pulling, full sized and well made, 46 to 48 inches long and 54 to 56 inches wide at bottom-----each--	2. 10
SLIP, rayon, crepe, size 38, all viscose yarn (92×68 construction, 100 denier pigmented warp and 150 denier pigmented filling), tailored style, adjustable shoulder straps, seams double stitched or taped, full sized and well made, 46 to 48 inches long, and 54 to 56 inches wide at bottom-----each--	1. 09
NIGHTGOWN, cotton, printed, batiste (80×80 construction), combed yarn, size 16, seams machine stitched, remainder of garment hand-made, full sized and well made, 50 to 52 inches long-----each--	1. 07
HOSE, silk, 3-thread, 45 gauge, all silk (yarns to have composite evenness of 87 to 90 percent, 9 meter and seriplane tests), full coursed (not less than 1,380 total courses counted from upper edge of picot to lower edge of looping round of heel, based on standard 30-inch length), not more than five flare narrowings, silk heel, sole and toe, plain knit silk welt with run stop, full fashioned, ringless, crepe, high twist (quality and manufacture similar to Standard "A" of National Association of Hosiery Manufacturers)-----pair--	1. 02
HOSE, silk, 4-thread, 42 gauge, all silk (yarns to have composite evenness of 85 to 87 percent, 9 meter and seriplane tests), full coursed (not less than 1,280 total courses counted from upper edge of picot to lower edge of looping round of heel, based on standard 30-inch length), not more than 4 flare narrowings, heel, sole and toe reinforced with mercerized cotton, plain knit silk welt with run stop, full fashioned, ringless, high twist (quality and manufacture similar to Standard "A" of National Association of Hosiery Manufacturers)-----pair--	. 84
HOSE, silk, 7-thread, 42 gauge, all silk (yarns to have composite evenness of 81 to 83 percent, 9 meter and seriplane tests) full coursed (not less than 1,180 total courses counted from upper edge of picot to lower edge of looping round of heel, based on standard 30-inch length), not more than 4 flare narrowings, heel, sole, and toe reinforced with mercerized cotton,	

¹ Seasonal item; prices for March and June.

plain knit welt, with run stop, reinforced with mercerized cotton, full fashioned (quality and manufacture similar to Standard "A" of National Association of Hosiery Manufacturers)-----pair-- \$0. 92

Boy's clothing

SHIRT, cotton, carded yarn, broadcloth (1×1, 100×60 construction), white, size 12½-inch neck, full sized (similar to U. S. Commercial Standard CS 14-31) and well made-----each-- . 96

SHIRT, cotton, carded yarn, broadcloth (1×1, 80×60 construction), white, size 12½-inch neck, fair workmanship-----each-- . 74

SHIRT, cotton, printed, percale (64×60 construction), size 12½-inch neck, minimum workmanship-----each-- . 57

PAJAMAS, cotton, carded yarn, broadcloth (1×1, 100×60 construction), size 14 years, plain colors fast to washing with contrasting trim, coat or middy style, full sized, well made-----pair-- 1. 33

PAJAMAS, cotton, carded yarn, broadcloth (1×1, 80×60 construction), size 14 years, plain colors with contrasting trim, coat or middy style, fair workmanship-----pair-- . 95

Girls' clothing

DRESS, cotton, printed, percale (80×80 construction), medium quality, size 8 years, colors fast to washing, long or short sleeves, 3- to 4-inch hem, full-sized, well made with careful attention to detail and trim, one piece-----each-- 1. 91

DRESS, cotton, printed, percale (64×60 construction), inexpensive quality, size 8 years, long or short sleeves, 2- to 3-inch hem, fair workmanship, moderate amount of detail and trim, one piece-----each-- 1. 02

Yard goods and textile furnishings

PERCALE, cotton printed, 80×80 construction per yard, made from good quality cotton yarns, prints to have three or more colors fast to washing, finished width 36 inches (gray width 39 inches, gray weight 4.00 yd. per lb)-----yard-- . 23

TOWEL, cotton, terry, 3 pick, double loop construction, size 22×44 inches, bleached, all white or with one color (fast to washing) striped border, weight 5 to 6 pounds per dozen-----each-- . 30

SHEET, cotton, muslin, 64×64 construction, size 81×99 inches before hemming, finish not to contain over 6 percent sizing and/or weighting combined, bleached, hand torn, plain hemmed-----each-- 1. 08

SHEET, cotton, muslin, 68×72 construction, size 81×99 inches before hemming, finish not to contain over 6 percent sizing and/or weighting combined, bleached, hand torn, plain hemmed-----each-- 1. 43

Wholesale Prices

WHOLESALE PRICES IN NOVEMBER 1938 ¹

DURING November wholesale commodity prices on the average declined 0.1 percent to the lowest level of the past 4 years. Lower prices for metals and metal products, building materials, and chemicals and drugs largely accounted for the decline in the all-commodity index of 813 price series. The November index was 77.5 percent of the 1926 average. During the year the general price level has declined 4.2 percent and average prices are 7.0 percent lower than in November 1937.

Average wholesale prices of fuel and lighting materials dropped 2.3 percent in November following smaller declines for the 2 preceding months. The decrease was largely because of sharply lower prices for Kansas-Oklahoma crude petroleum and motor gasoline. The petroleum products subgroup registered a decline of 4.3 percent during the month. Gas prices were 1.8 percent lower and bituminous coal showed a 0.2 percent decline. Coke prices were steady, while anthracite advanced 1.3 percent.

Weakening prices for red cedar shingles, window frames, asphalt, shellac, and linseed oil were largely responsible for the 0.7 percent decline in the building materials index for November. Paint and paint materials on the average showed a decrease of 0.2 percent and average prices of lumber were 0.1 percent lower. The index numbers for structural steel and cement remained at the October level and plumbing and heating items and brick and tile showed slight advances. The group index, 89.2, is at the level reached in July of this year and is the lowest since December 1936. During the past 2 years building material prices reached their high in May 1937 when the index was 97.2. There was a gradual decline to July 1938 when the index had dropped to 89.2 percent of the 1926 average. The month's index is 4.8 percent below November 1937.

The index for the chemicals and drugs group declined 0.6 percent, primarily because of lower prices for drugs and pharmaceuticals and chemicals together with weaker prices for mixed fertilizers. On the other hand, fertilizer material prices averaged 0.3 percent higher. The metals and metal products group index dropped 0.4 percent

¹ More detailed information on wholesale prices is given in a separate pamphlet, entitled, "Wholesale Prices in November 1938," copies of which will be furnished upon request.

during November. The decline was largely accounted for by recently announced lower prices for farm machinery items and motor vehicles. Average prices for nonferrous metals were 1.8 percent higher than during the preceding month. Iron and steel prices remained unchanged from the October level. The index, 94.9, is the lowest reached since February 1937. From the low of last year average prices followed an upward trend to September when the index was 97.1. Since September 1937 price movements within the group have been somewhat irregular, and the tendency has been downward. The November 1938 index is 2.0 percent lower than it was a year ago.

In contrast to the downward movement for the above groups, market prices of farm products rose 1.5 percent in November. With the exception of livestock and poultry all subgroups showed a higher average. Grains advanced 0.2 percent in price and other farm products, including among other items cotton, eggs, hay, and fresh vegetables, rose 1.5 percent. In addition to the already mentioned farm product items averaging sharply higher in price were oats, sheep, fresh fruits, hops, and wool. Lower average prices were reported for barley, calves, hogs, and dried beans. The index for November (1938), 67.8, although recording an advance over October, is 10.4 percent below a year ago. Market prices of farm products reached the highest of the past 2 years in March 1937, when the index had advanced to 94.1. The movement since that time has been quite irregular with the tendency mostly downward.

The index for the hides and leather products group showed an increase of 1.3 percent during the month. Hides and skins advanced 4.1 percent; leather, 2.7 percent; and shoes, 0.1 percent. Other leather products, including such items as harness, luggage, and gloves, declined 0.3 percent.

The foods group advanced 0.8 percent during the month, but still remains below the high of the year reached in January. The increase of 9.6 percent in fruit and vegetable prices and 1.3 percent in dairy products more than offset declines of 1.5 percent for cereal products and 1.7 percent for meats. Among important food items which showed price increases were butter, dried apricots, bananas, lamb, molasses, and canned beans. Lower prices were reported for corn meal, baked beans, cured pork, veal, copra, lard, rye flour, oatmeal, oleo oil, and vinegar. The November index, 74.1, is 10.8 percent below the corresponding month of 1937. The past 2-year high was reached in September 1937, when the index had risen to 88.0 percent of the 1926 average. The low point of the year was reached in May when the index was 72.1. From that time average food prices have tended upward to the present level.

Average wholesale prices of cattle feed rose 6.0 percent during the month. Automobile tires and tubes showed an advance of 2.4 per-

cent and soap products increased 0.4 percent. Crude rubber prices dropped 2.8 percent and boxboard prices averaged 0.9 percent lower. Prices of paper and pulp also averaged slightly lower.

Fractionally higher prices for housefurnishing items caused the housefurnishing goods group index to advance 0.1 percent. Because of lower announced prices for bedroom chairs the average for furniture was lower.

The large group of textile products showed no change in average prices. Fluctuations within the group were within a narrow range. Clothing and hosiery and underwear prices did not change. Cotton and woolen textiles increased while silk and rayon and other textiles including raw jute averaged lower.

Index numbers for the groups and subgroups of commodities for October and November 1938 and November 1937 are shown in table 1.

TABLE 1.—Index Numbers of Wholesale Prices by Groups and Subgroups of Commodities
[1926=100]

Group and subgroup	November 1938	October 1938	November 1937	Group and subgroup	November 1938	October 1938	November 1937
All commodities.....	77.5	77.6	83.3	Metals—Continued.			
Farm products.....	87.8	86.8	75.7	Iron and steel.....	96.9	96.9	99.3
Grains.....	50.9	50.8	69.2	Motor vehicles ²	93.6	95.0	95.3
Livestock and poultry.....	75.2	76.2	86.2	Nonferrous metals.....	77.6	76.2	78.5
Other farm products.....	67.4	65.0	70.7	Plumbing and heating.....	78.7	78.5	79.6
Foods.....	74.1	73.5	83.1	Building materials.....	89.2	89.8	93.7
Dairy products.....	72.5	71.6	89.2	Brick and tile.....	91.5	91.1	92.9
Cereal products.....	74.0	75.1	81.5	Cement.....	95.5	95.5	95.5
Fruits and vegetables.....	63.0	57.5	61.5	Lumber.....	90.2	90.3	94.1
Meats.....	81.9	83.3	98.3	Paint and paint materials.....	80.9	81.1	81.5
Other foods.....	71.0	70.4	73.6	Plumbing and heating.....	78.7	78.5	79.6
Hides and leather products.....	94.6	93.4	101.4	Structural steel.....	107.3	107.3	114.9
Shoes.....	100.4	100.3	106.9	Other building materials.....	89.7	91.7	98.7
Hides and skins.....	85.5	82.1	94.6	Chemicals and drugs.....	76.6	77.1	80.2
Leather.....	86.9	84.6	92.7	Chemicals.....	80.2	80.5	84.2
Other leather products.....	96.6	96.9	103.1	Drugs and pharmaceuticals.....	73.6	74.9	76.8
Textile products.....	66.2	66.2	71.2	Fertilizer materials.....	67.7	67.5	71.9
Clothing.....	81.6	81.6	87.3	Mixed fertilizers.....	73.2	73.4	74.5
Cotton goods.....	65.1	64.6	70.5	Housefurnishing goods.....	85.8	85.7	90.4
Hosiery and underwear.....	59.9	59.9	64.2	Furnishings.....	89.7	89.3	94.8
Silk and rayon.....	30.3	30.9	30.1	Furniture.....	81.9	82.1	86.0
Woolen and worsted goods.....	76.4	76.3	85.1	Miscellaneous.....	73.0	72.6	75.4
Other textile products.....	64.5	65.3	69.0	Automobile tires and tubes.....	58.8	57.4	57.4
Fuel and lighting materials.....	73.7	75.4	78.2	Cattle feed.....	70.5	66.5	83.3
Anthracite.....	80.1	79.1	79.8	Paper and pulp.....	81.5	81.7	90.4
Bituminous coal.....	98.5	98.7	99.2	Rubber, crude.....	34.3	35.3	30.6
Coke.....	104.2	104.2	105.4	Other miscellaneous.....	81.2	81.2	83.5
Electricity.....	(1)	(1)	83.1	Raw materials.....	71.5	70.9	77.2
Gas.....	(1)	87.1	83.1	Semimanufactured articles.....	76.2	75.9	79.8
Petroleum products.....	51.5	53.8	60.6	Finished products.....	80.5	81.1	86.7
Metals and metal products.....	94.9	95.3	96.8	All commodities other than farm products.....	79.5	79.9	84.8
Agricultural implements.....	93.7	95.4	95.9	All commodities other than farm products and foods.....	80.6	81.1	84.3
Farm machinery.....	95.0	96.8	97.6				

¹ Data not available.

² Preliminary revision.

Index Numbers by Commodity Groups, 1926 to November 1938

Index numbers of wholesale prices by commodity groups for selected years from 1926 to 1937, inclusive, and by months from November 1937 to November 1938, inclusive, are shown in table 2.

TABLE 2.—Index Numbers of Wholesale Prices, by Groups of Commodities

[1926=100]

Year and month	Farm products	Foods	Hides and leather products	Textile products	Fuel and lighting	Metals and metal products	Building materials	Chemicals and drugs	House-furnishing goods	Miscellaneous	All commodities
By years:											
1926.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1929.....	104.9	99.9	109.1	90.4	83.0	100.5	95.4	94.2	94.3	82.6	95.3
1932.....	48.2	61.0	72.9	54.9	70.3	80.2	71.4	73.5	75.1	64.4	64.8
1933.....	51.4	60.5	80.9	64.8	66.3	79.8	77.0	72.6	75.8	62.5	65.9
1936.....	80.9	82.1	95.4	71.5	76.2	87.0	86.7	80.4	81.7	70.5	80.8
1937.....	86.4	85.5	104.6	76.3	77.6	95.7	95.2	83.9	89.7	77.8	86.3
By months:											
1937:											
November....	75.7	83.1	101.4	71.2	78.2	96.8	93.7	80.2	90.4	75.4	83.3
December....	72.8	79.8	97.7	70.1	78.4	96.3	92.5	79.5	89.7	75.0	81.7
1938:											
January.....	71.6	76.3	96.7	69.7	78.3	96.6	91.8	79.6	88.3	75.2	80.9
February....	69.8	73.5	94.7	68.6	78.5	96.0	91.1	79.1	88.0	74.8	79.8
March.....	70.3	73.5	93.6	68.2	77.7	96.0	91.5	78.7	87.7	74.4	79.7
April.....	68.4	72.3	92.1	67.2	76.8	96.3	91.2	77.5	87.3	73.4	78.7
May.....	67.5	72.1	91.3	66.1	76.2	96.7	90.4	76.8	87.2	73.1	78.1
June.....	68.7	73.1	90.1	65.5	76.4	96.1	89.7	76.3	87.1	72.9	78.3
July.....	69.4	74.3	91.5	66.1	76.8	95.2	89.2	77.7	86.4	72.7	78.8
August.....	67.3	73.0	91.9	65.9	76.8	95.4	89.4	77.7	86.4	72.4	78.1
September..	68.1	74.5	92.0	65.8	76.6	95.5	89.5	77.3	86.2	72.4	78.3
October.....	66.8	73.5	93.4	66.2	75.4	95.3	89.8	77.1	85.7	72.6	77.6
November....	67.8	74.1	94.6	66.2	73.7	94.9	89.2	76.6	85.8	73.0	77.5

The price trend for specified years and months since 1926 is shown in table 3 for the following groups of commodities: Raw materials, semimanufactured articles, finished products, commodities other than farm products, and commodities other than farm products and foods. The list of commodities included under the classifications "Raw materials," "Semimanufactured articles," and "Finished products" was given in the December 1937 issue of the Wholesale Price pamphlet.

TABLE 3.—Index Numbers of Wholesale Prices, by Special Groups of Commodities

[1926=100]

Year and month	Raw materials	Semi-manufactured articles	Finished products	All commodities other than farm products	All commodities other than farm products and foods	Year and month	Raw materials	Semi-manufactured articles	Finished products	All commodities other than farm products	All commodities other than farm products and foods
By years:						By months—Con.					
1926	100.0	100.0	100.0	100.0	100.0	1938—Contd.					
1929	97.5	93.9	94.5	93.3	91.6	March	73.2	75.6	83.4	81.6	82.6
1932	55.1	59.3	70.3	68.3	70.2	April	71.3	75.3	82.7	80.8	82.0
1933	56.5	65.4	70.5	69.0	71.2	May	70.7	75.4	82.1	80.3	81.6
1936	79.9	75.9	82.0	80.7	79.6	June	71.4	74.1	82.2	80.3	81.3
1937	84.8	85.3	87.2	86.2	85.3	July	72.3	74.3	82.5	80.8	81.4
By months:						August	71.4	74.4	81.8	80.3	81.4
1937:						September	72.0	74.7	81.8	80.4	81.3
November	77.2	79.8	86.7	84.8	84.3	October	70.9	75.9	81.1	79.9	81.1
December	75.4	77.7	85.3	83.5	83.6	November	71.5	76.2	80.5	79.5	80.6
1938:											
January	74.9	76.9	84.3	82.8	83.5						
February	73.6	76.1	83.3	81.9	83.0						

Weekly Fluctuations

Weekly fluctuations in the major commodity group classifications during October and November are shown by the index numbers in table 4.

TABLE 4.—Weekly Index Numbers of Wholesale Prices, by Commodity Groups, October and November 1938

[1926=100]

Commodity group	Nov. 26, 1938	Nov. 19, 1938	Nov. 12, 1938	Nov. 5, 1938	Oct. 29, 1938	Oct. 22, 1938	Oct. 15, 1938	Oct. 8, 1938	Oct. 1, 1938
All commodities	77.3	77.3	77.4	77.3	77.6	77.3	77.7	77.8	78.0
Farm products	68.3	67.8	67.6	67.2	68.2	66.9	67.4	67.4	68.1
Foods	74.0	73.9	73.9	72.9	73.8	73.5	73.6	73.7	74.1
Hides and leather products	95.0	95.1	95.1	95.3	95.1	94.3	93.7	92.8	92.5
Textile products	65.7	65.7	65.7	65.9	65.9	65.7	65.7	65.6	65.4
Fuel and lighting materials	74.4	74.9	74.8	75.2	75.2	75.5	76.9	76.9	77.2
Metals and metal products	95.0	95.0	95.3	95.3	95.9	95.4	95.4	95.7	95.7
Building materials	89.4	89.3	89.0	90.0	89.8	89.8	89.9	89.7	89.5
Chemicals and drugs	76.3	76.4	76.2	76.3	76.6	76.7	76.7	76.7	76.9
Housefurnishing goods	87.7	87.1	87.1	87.1	87.1	87.1	87.1	87.1	87.2
Miscellaneous	72.4	72.5	72.5	72.4	72.4	72.4	72.4	72.4	72.3
Raw materials	71.6	71.4	71.3	70.7	71.3	70.4	71.5	71.5	71.7
Semi-manufactured articles	76.1	76.3	76.2	76.2	76.2	75.9	75.8	75.0	75.1
Finished products	80.6	80.7	80.8	81.0	81.2	81.2	81.4	81.6	81.9
All commodities other than farm products	79.3	79.4	79.5	79.5	79.7	79.6	80.0	80.1	80.3
All commodities other than farm products and foods	80.8	80.9	80.9	81.2	81.3	81.2	81.6	81.5	81.6

Trend of Employment and Pay Rolls

SUMMARY FOR NOVEMBER 1938

Total Nonagricultural Employment

EMPLOYMENT in nonagricultural industries continued to rise in November, contrary to the usual seasonal trend. Although the November gain amounted to only 30,000 workers, it was noteworthy because there have always been declines in November in previous years back to 1929. These declines have ranged from 96,000 to 767,000, the average for the 9 years 1929 to 1937 having been 390,000. Since June nearly 1,000,000 workers have been returned to nonagricultural jobs exclusive of projects of the Works Progress Administration and other Federal emergency agencies and exclusive also of certain types of temporary workers who are not considered part of the normal labor supply, but are drawn into some industries during peaks of activity.

Approximately 140,000 workers found employment in November in retail and wholesale trade, factories, bituminous-coal and metal mines, and brokerage offices.

These gains were partially offset by declines, largely seasonal, on the railroads, in water transportation, in private building construction, in service and other nonmanufacturing industries, and in casual work.

In November employment increased on all work programs financed from Federal funds with the exception of projects financed from regular Federal appropriations, projects operated by the Works Progress Administration, and projects financed by the Reconstruction Finance Corporation. In the regular services of the Federal Government an increase occurred in the military service and decreases in the executive, legislative, and judicial services.

Industrial and Business Employment

Employment gains were reported by 57 of the 87 manufacturing industries surveyed monthly by the Bureau of Labor Statistics and by 6 of the 16 nonmanufacturing industries covered. Pay-roll increases were shown by 44 of the manufacturing and 7 of the non-manufacturing industries.

For all manufacturing industries combined, the increase in the number of wage earners between mid-October and mid-November was 1.1 percent or 80,000. The rise was particularly significant as an

indication of recovery in industrial activity, as the typical factory employment decline in November is about 1.5 percent. Factory pay rolls rose 0.4 percent in the same period indicating an increase of \$550,000 in weekly wage disbursements. The typical change in factory pay rolls is a decrease of 3.2 percent. The pay-roll gain is significant, not only because it is contraseasonal, but also because the national observance of Armistice Day for the first time would be expected to cause a relatively greater decline than in previous years. The uninterrupted succession of increases since June has raised the Bureau's employment index for November to 90.5 percent of the 1923-25 average, the highest level since December 1937. The November factory pay-roll index (84.1) likewise stands above the level of any month since December 1937. Employment in manufacturing industries was still 10.5 percent lower in November than in the same month a year ago, while pay rolls were 9.5 percent lower.

The durable-goods group of manufacturing industries showed an employment gain of 4.1 percent between October and November, while the nondurable-goods group showed a decline of 1.1 percent, largely because of seasonal recessions in canning, in the clothing and shoe industries, and in confectionery. The more important manufacturing industries showing substantial employment gains were automobiles, steel, cotton goods, woolen and worsted goods, electrical machinery, foundries and machine shops, meat packing, wirework, and radios. Among the industries reporting large declines in employment, for the most part seasonal, were canning, women's clothing, shoes, men's clothing, sawmills, millinery, stoves, and confectionery.

Among the nonmanufacturing industries, employment in retail stores which showed the largest increase (1.0 percent) accounted for 35,200 additional employees. Department stores, variety and general merchandise stores and mail-order houses taken as a group, showed a seasonal employment gain and jewelry and furniture stores and automobile and accessory firms also employed more people. Retail food stores showed a small gain in employment. Among the lines of retail trade in which employment declined were apparel; wood, coal, and ice; and building materials. Wholesale trade establishments expanded employment in November, the gain of 0.8 percent indicating 11,200 additional workers. A sharp seasonal increase in employment was reported by wholesalers of farm products, and smaller gains were reported by chemical and drug firms and dealers in paper and paper products, food products, hardware, furniture and house furnishings, leather and leather goods, and iron and steel scrap. Wholesalers dealing in automotive products and plumbing and heating supplies reported sizable employment losses, and small decreases were reported by wholesale grocery, petroleum products, and dry goods and apparel firms.

Anthracite mines had 2,000 fewer men employed in mid-November than in the preceding month, while bituminous-coal mines increased their forces by 1.6 percent, or 6,400 workers. Metal mines continued to expand their forces, increased activity resulting in a gain of 6.0 percent or 3,800 workers. Employment in the public utilities showed slight decreases, dyeing and cleaning firms reported a seasonal recession of 3.9 percent or 2,500 workers, and year-round hotels and laundries reported smaller seasonal declines.

Employment in private building construction decreased less than seasonally, according to reports received from approximately 14,500 contractors employing over 124,000 workers. All parts of the country reported declines with the exception of a small increase in the East South Central States. These figures do not cover projects financed by the Public Works Administration, the Reconstruction Finance Corporation, or regular appropriations of the Federal, State, and local governments.

A preliminary report of the Interstate Commerce Commission indicated a decrease between October and November of 1.5 percent, or 15,598, in the number of employees on class I railroads. The total number employed in November was 960,776. Corresponding pay-roll figures were not available for November when this report was prepared. For October they amounted to \$155,270,047 as against \$148,511,507 for September, a gain of 4.6 percent.

Hours and earnings—The average hours worked per week by wage earners in manufacturing industries was 36.5 in November, a decrease of 2.5 percent since October. The corresponding average hourly earnings were 64.5 cents, an increase of 1.4 percent as compared with the preceding month. Average weekly earnings fell 0.7 percent to \$23.82.

Of the 14 nonmanufacturing industries for which man-hour data are available, 5 showed gains in average hours worked per week and 8 showed increases in average hourly earnings. Average weekly earnings were higher for 7 of the 16 nonmanufacturing industries surveyed.

Prior to January 1938 the wording of the definition on the schedules for public utilities, wholesale and retail trade, hotels, and brokerage and insurance firms called for the inclusion of higher-salaried employees such as corporation officers, executives, and others whose duties are mainly supervisory. These employees have, for the most part, always been excluded from employment reports for other industries, and beginning with January it was requested that they be omitted also for the industries named above. For this reason the average hours worked per week, average hourly earnings, and average weekly earnings for these industries are not comparable with the figures appearing in issues of the Review dated earlier than April 1938, except for the January figures appearing in the March issue.

Employment and pay-roll indexes and average weekly earnings in November 1938 for all manufacturing industries combined, for selected nonmanufacturing industries, and for class I railroads, with percentage changes over the month and year intervals except in the few industries for which data are not available, are presented in table 1.

TABLE 1.—*Employment, Pay Rolls, and Earnings in All Manufacturing Industries, Combined and in Nonmanufacturing Industries, November 1938 (Preliminary Figures)*

Industry	Employment			Pay roll			Average weekly earnings		
	Index, November 1938	Percentage change from—		Index, November 1938	Percentage change from—		Average in November 1938	Percentage change from—	
		October 1938	November 1937		October 1938	November 1937		October 1938	November 1937
All manufacturing industries combined ¹	(1925-25 = 100) 90.5	+1.1	-10.5	(1925-25 = 100) 84.1	+0.4	-9.5	\$23.82	-0.7	+1.1
Class I steam railroads ²	53.8	-1.5	=9.4	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)	(⁴)
Coal mining: Anthracite.....	(1929 = 100) 51.0	-2.6	-16.3	(1929 = 100) 36.2	-16.5	-26.1	23.14	-14.3	-11.7
Bituminous ³	88.6	+1.6	-12.7	81.4	+4.0	-10.7	24.56	+2.3	+2.3
Metalliferous mining.....	61.4	+6.0	-18.5	51.6	+4.8	-27.9	25.96	-1.1	-11.5
Quarrying and nonmetallic mining.....	44.4	+2	-10.9	37.2	-5.1	-10.9	21.15	-5.3	-(⁶)
Crude-petroleum producing.....	68.1	-2.0	-11.8	62.8	-1.5	-10.7	33.50	+6	+1.3
Public utilities: Telephone and telegraph.....	74.4	-5	-5.7	93.0	-2.5	+1.7	730.98	-2.0	+7.9
Electric light and power and manufactured gas.....	92.0	-6	-5.4	98.6	-1.3	-5.1	733.71	-7	+4
Electric-railroad and motor-bus operation and maintenance.....	69.5	-6	-5.0	68.8	-3	-4.3	732.36	+3	+8
Trade: Wholesale.....	89.8	+8	-4.0	75.3	+3	-3.8	729.22	-4	+2
Retail.....	87.0	+1.0	-5.1	71.6	+8	-4.9	721.26	-2	+1
General merchandising.....	105.4	+4.7	-4.0	93.1	+3.7	-4.2	718.00	-1.0	-2
Other than general merchandising.....	82.2	-(⁶)	-5.3	67.2	+1	-5.0	723.97	+1	+3
Hotels (year-round) ⁵	92.4	-5	-4.3	81.1	+4	-3.8	714.96	+9	+5
Laundries ⁶	93.7	-8	-4.2	79.3	-3	-2.2	17.30	+5	+2.0
Dyeing and cleaning ⁶	102.6	-3.9	-9	73.8	-5.4	+2	19.63	-1.5	+1.1
Brokerage.....	(⁴)	+8	-11.4	(⁴)	+1.6	-15.6	736.36	+8	-4.8
Insurance.....	(⁴)	-2	+2.3	(⁴)	+1.3	-2.4	736.02	+1.6	-4.6
Building construction.....	(⁴)	-4.2	-25.0	(⁴)	-8.4	-27.1	28.95	-4.4	-3.3

¹ Revised indexes—Adjusted to 1935 Census of Manufactures. Indexes for earlier months and years given in table 3 of the November 1938 issue of the Monthly Labor Review.

² Does not include railroad repair shops.

³ Preliminary; Source—Interstate Commerce Commission.

⁴ Not available.

⁵ Indexes adjusted to 1935 Census. Comparable series back to January 1929 presented in January 1938 issue of the pamphlet, Employment and Pay Rolls.

⁶ Less than 1/10 of 1 percent.

⁷ Average weekly earnings not strictly comparable with figures published in issues of the Monthly Labor Review dated earlier than April 1938 (except for the January figures appearing in the March issue), as they now exclude corporation officers, executives, and other employees whose duties are mainly supervisory.

⁸ Cash payments only; the additional value of board, room, and tips cannot be computed.

Public Employment

The upward movement of employment and pay rolls on projects of the Public Works Administration continued. The gain of 25,000 workers and the increase in pay rolls of \$2,771,000 was attributed to the new projects financed from funds provided by the Public Works Administration Appropriation Act of 1938. For the month ending November 15, 173,000 men were working and pay rolls amounted to \$14,861,000. Of the total number at work in November, 15,000 were working on Federal and non-Federal projects financed from National Industrial Recovery Act funds; 57,000 on non-Federal projects financed from funds provided by the Emergency Relief Appropriation Acts of 1935, 1936, and 1937; and 101,000 on Federal and non-Federal projects financed with funds provided by the Public Works Administration Appropriation Act of 1938.

During the month ending November 15, 1,200 men were working on new construction and demolition projects of the U. S. Housing Authority; pay rolls amounted to \$150,000. These figures pertain only to new projects under the U. S. Housing Authority and not to those formerly under the Public Works Administration.

On construction projects financed from regular Federal appropriations during the month ending November 15, a decrease of 20,000 employees was reported. Seasonal reductions in the number working on roads under the jurisdiction of the Bureau of Public Roads and the transfer of some workers on reclamation projects to the pay rolls of the Public Works Administration accounted for the greater part of this decline. In addition decreases were also reported for the following types of projects: Building construction, forestry, heavy engineering, locks and dams, naval vessels, and miscellaneous projects. The pay rolls for the 240,000 workers on construction projects financed from regular Federal appropriations in November were \$23,015,000.

During the month ending November 15, the maximum number of workers employed and the man-hours worked on projects financed by the Reconstruction Finance Corporation decreased; pay-roll disbursements, on the other hand, increased. The 3,000 men working in November were paid \$390,000.

On projects operated by the Works Progress Administration, a small reduction occurred in working forces during November. There were 3,213,000 persons at work, a decrease of 32,000 from October, but an increase of 1,646,000 from November 1937. Pay rolls amounting to \$172,373,000 were \$2,026,000 greater than in October due to a marked increase in the number of man-hours worked during the pay period.

On Federal projects under The Works Program, employment for the month ending November 15 showed a gain of 2,000, primarily on projects on which work was starting, while pay rolls dropped \$130,000, because of the transfer of some workers with high wage rates on reclamation projects to the pay rolls of the Public Works Administration. There were 225,000 persons employed on work projects of the National Youth Administration. Data on employment and pay rolls for Student Aid in November will not be available until next month.

In the regular services of the Federal Government an increase in the number working was reported for the military service; decreases occurred in the executive, legislative, and judicial services. Of the 865,000 employees in the executive service in November, 119,000 were working in the District of Columbia and 746,000 outside the District. Force-account employees (employees who are on the Federal pay roll and are engaged on construction projects) were 11 percent of the total number of employees in the executive service. Increases in employment occurred in the Navy Department and in the administrative offices of the Public Works Administration and of the Works Progress Administration. Among the departments reporting decreases were War, Agriculture, Interior, and Commerce.

The total number in camps of the Civilian Conservation Corps was 335,000, a gain of 11,000 from October. Of the total number in camps during November 298,000 were enrollees, 5,000 reserve officers, 300 nurses, 1,600 educational advisers, and 30,000 supervisory and technical employees. Monthly pay-roll disbursements for all groups of workers totaled \$14,718,000.

On State-financed road projects the number of men engaged in maintenance work increased sufficiently to offset the decrease in the workers on new construction. For the month ending November 15, 232,000 were at work, or 11,000 more than during the preceding period. Of the total number working, 29,000 were engaged on new road construction and 203,000 on maintenance. Pay rolls for both types of work were \$14,960,000.

A summary of Federal employment and pay-roll data for October and November is given in table 2.

TABLE 2.—Summary of Federal Employment and Pay Rolls, November 1938
(Preliminary Figures)¹

Class	Employment		Per-centage change	Pay rolls		Per-centage change
	November	October		November	October	
Federal services:						
Executive ²	865,058	³ 873,548	-1.0	\$131,267,145	³ \$131,591,185	-0.2
Judicial.....	2,264	2,265	-(⁴)	544,630	548,093	- .6
Legislative.....	5,163	5,244	-1.5	1,205,224	1,217,374	-1.0
Military.....	339,938	337,408	+ .7	26,795,878	26,791,118	+(⁴)
Construction projects:						
Financed by P. W. A. ⁵	173,310	147,973	+17.1	14,861,489	12,090,092	+22.9
U. S. H. A. Low-Cost Housing...	1,199	727	+64.9	149,530	102,658	+45.7
Financed by R. F. C. ⁶	3,243	3,305	-1.9	390,238	388,027	+ .6
Financed by regular Federal ap- ropriations.....	239,511	259,402	-7.7	23,014,693	24,649,559	-6.6
Federal projects under The Works Program.....	123,119	120,754	+2.0	5,925,239	6,055,209	-2.1
Projects operated by W. P. A.....	3,213,115	3,245,271	-1.0	172,373,413	170,347,326	+1.2
National Youth Administration:						
Work projects.....	225,088	220,066	+2.3	4,110,810	4,012,209	+2.5
Student Aid.....	(⁷)	316,536	-----	(⁷)	1,951,914	-----
Civilian Conservation Corps.....	335,479	324,747	+3.3	14,718,482	14,602,688	+ .8

¹ Includes data on projects financed wholly or partially from Federal funds.

² Includes force-account and supervisory and technical employees shown under other classifications to the extent of 124,314 employees and pay-roll disbursements of \$14,712,421 for November and 125,667 employees and pay-roll disbursements of \$15,182,697 for October.

³ Revised.

⁴ Less than $\frac{1}{2}$ of 1 percent.

⁵ Data covering P. W. A. projects financed from Emergency Relief Appropriation Acts of 1935, 1936, and 1937 funds and Public Works Administration Appropriation Act of 1938 funds are included. These data are not shown under The Works Program. Includes 57,000 wage earners and \$5,191,123 pay roll for November; 67,733 wage earners and \$5,866,208 for October, covering Public Works Administration projects financed from Emergency Relief Appropriation Acts of 1935, 1936, and 1937 funds. Includes 101,590 wage earners and \$8,085,341 pay roll for November; 62,550 wage earners and \$4,471,342 pay roll for October covering Public Works Administration projects financed from funds provided by the Public Works Administration Appropriation Act of 1938.

⁶ Includes 347 employees and pay-roll disbursements of \$35,177 for November; 283 employees and pay-roll disbursements of \$30,771 for October on projects financed by the R.F.C. Mortgage Co.

⁷ November data not available.



DETAILED TABLES FOR OCTOBER 1938

Industrial and Business Employment

A MONTHLY report on employment and pay rolls is published as a separate pamphlet by the Bureau of Labor Statistics. This gives detailed data regarding employment, pay rolls, working hours, and earnings for the current month for industrial and business establishments and for the various forms of public employment. This pamphlet is distributed free upon request. Its principal contents for the month of October, insofar as industrial and business employment is concerned, are reproduced in this section of the Monthly Labor Review.

Monthly reports on employment and pay rolls are available for the following groups: 87 manufacturing industries; 16 nonmanufacturing industries, including private building construction; and class I steam railroads. The reports for the first two of these groups—manufacturing and nonmanufacturing—are based on sample surveys by the Bureau of Labor Statistics, and in virtually all indus-

tries the samples are large enough to be entirely representative. The figures on class I steam railroads are compiled by the Interstate Commerce Commission and are presented in the foregoing summary.

EMPLOYMENT, PAY ROLLS, HOURS, AND EARNINGS

The indexes for the manufacturing industries have been adjusted to the 1935 Census of Manufactures and are not comparable to those published in the July 1938 and earlier issues of this pamphlet. Electric and steam railroad repair shops have been excluded from the new series in keeping with the reclassification for the 1937 Census of Manufactures.

The average hours worked per week, average hourly earnings, and average weekly earnings for all manufacturing industries combined now relate to 87 industries instead of 89, because of the exclusion of electric and steam railroad repair shops. This exclusion also affects the averages for the durable-goods group because these industries were classified in that group. The average hours and hourly earnings for the 87 manufacturing industries combined, and for the manufacturing groups are weighted on the basis of estimated employment for the separate industries. As these estimates have been affected by the revision of the indexes, it follows that the weighted averages for September and October differ from the averages that would result if the former estimates of employment were used as weights. Revised averages for earlier months will be computed and made available in the near future.

The indexes and averages for the iron and steel group and the nonferrous metal products group have been affected by the transfer of the stamped and enameled ware industry from the latter group to the former. The indexes, hours, and hourly earnings for the knit-goods industry are now weighted on the basis of four subdivisions (hosiery, knitted outerwear, knitted underwear, and knitted cloth) for which separate figures are now given. Tractor manufacturing establishments have been transferred from the engine, turbine, water wheel, and windmill industry to the agricultural implements industry, thereby affecting the figures for both industries.

The revised series of employment and pay-roll indexes, as well as average hours worked per week, average hourly earnings, and average weekly earnings for August, September, and October 1938, where available, are presented in table 1. The August and September averages where given, may differ in some instances from those previously published not only because of the foregoing, but also because of revisions necessitated by the inclusion of late reports and other causes.

The weekly average earnings shown in table 1 are computed by dividing the total weekly pay rolls in the reporting establishments

by the total number of full- and part-time employees reported. As all reporting establishments do not supply man-hour data, average hours worked per week and average hourly earnings are necessarily based on data supplied by a smaller number of reporting firms. The size and composition of the reporting sample varies slightly from month to month and therefore the average hours per week, average hourly earnings, and average weekly earnings shown in table 1 are not strictly comparable from 1 month to another, even after revisions. The sample, however, is believed to be sufficiently adequate in virtually all instances to indicate the general movements of earnings and hours over the period shown. The changes from the preceding month, expressed as percentages, are based on identical lists of firms for the 2 months, but the changes from October 1937 are computed from chain indexes based on the month-to-month percentage changes.

TABLE 1.—*Employment, Pay Rolls, Hours, and Earnings in Manufacturing and Nonmanufacturing Industries*

MANUFACTURING

[Indexes are based on 3-year average, 1923-25=100, and are adjusted to 1935 Census of Manufactures. Not comparable to indexes published in pamphlets prior to August 1938. Comparable series available upon request.]

Industry	Employment index			Pay-roll index			Average weekly earnings ¹			Average hours worked per week ¹			Average hourly earnings ¹		
	October 1938	September 1938	August 1938	October 1938	September 1938	August 1938	October 1938	September 1938	August 1938	October 1938	September 1938	August 1938	October 1938	September 1938	August 1938
All manufacturing industries.....	89.5	88.8	85.7	83.9	81.0	76.9	\$23.92	\$23.32	\$22.90	37.4	36.9	36.3	<i>Cents</i> 63.7	<i>Cents</i> 63.2	<i>Cents</i> 62.9
Durable goods.....	79.1	75.3	71.7	75.4	69.7	63.7	26.92	25.81	24.98	37.4	36.0	35.4	71.0	70.8	70.2
Nondurable goods.....	99.8	101.7	99.0	93.5	94.9	91.7	21.34	21.34	21.25	37.4	37.5	36.9	57.9	57.7	57.8
<i>Durable goods</i>															
Iron and steel and their products, not including machinery.....	84.1	81.7	79.4	74.9	68.6	65.3	26.09	24.59	24.11	34.9	33.0	32.4	75.3	75.3	75.3
Blast furnaces, steel works, and rolling mills.....	86.6	85.1	84.0	73.8	67.6	65.3	27.11	25.25	24.70	32.2	30.0	29.6	84.0	83.9	83.5
Bolts, nuts, washers, and rivets.....	84.9	81.9	78.1	81.0	73.1	66.3	24.42	22.82	21.68	35.0	32.5	30.7	69.9	70.5	70.7
Cast-iron pipe.....	65.4	64.6	63.0	53.8	53.8	53.0	19.54	19.77	20.00	34.1	34.2	34.3	56.9	57.4	57.8
Cutlery (not including silver and plated cutlery) and edge tools.....	80.0	77.6	74.5	73.4	67.3	60.9	23.22	21.82	20.63	39.3	36.8	34.6	59.7	60.0	60.8
Forgings, iron and steel.....	45.6	43.5	41.5	41.9	37.7	34.5	26.94	25.45	24.48	36.3	34.5	33.0	74.3	73.9	74.1
Hardware.....	79.5	66.9	60.6	86.3	65.7	57.6	26.32	23.86	23.06	38.8	36.3	35.2	68.0	65.8	65.7
Plumbers' supplies.....	73.1	73.2	73.1	62.0	59.6	57.3	24.14	23.21	22.38	36.1	35.0	34.0	66.7	66.3	65.8
Stamped and enameled ware.....	129.1	121.6	114.1	135.1	119.9	109.9	23.94	23.67	23.13	39.5	37.9	37.0	60.5	62.6	62.7
Steam and hot-water heating apparatus and steam fittings.....	71.3	69.8	69.0	59.0	53.3	55.5	24.98	23.00	24.27	36.3	33.3	35.2	69.0	69.1	69.2
Stoves.....	83.1	79.7	76.0	75.7	69.2	61.5	26.98	25.71	23.95	41.0	39.4	36.0	66.2	65.9	66.6
Structural and ornamental metalwork.....	61.1	60.5	59.8	50.5	49.7	51.2	26.12	25.93	26.94	36.3	35.8	36.9	72.0	72.6	73.1
Tin cans and other tinware.....	86.2	97.6	99.5	89.2	103.0	107.0	22.60	22.85	23.40	37.3	38.2	39.2	60.6	59.9	59.7
Tools (not including edge tools, machine tools, files, and saws).....	77.0	74.8	71.9	71.9	67.4	63.0	23.11	22.28	21.64	38.2	36.4	35.2	60.8	61.5	61.3
Wirework.....	146.5	127.9	106.2	156.1	134.2	99.8	25.65	25.31	22.64	37.9	36.9	34.0	68.0	68.7	66.7
Machinery, not including transportation equipment.....	87.2	85.4	84.1	81.9	78.6	76.1	26.07	25.57	25.08	36.3	35.4	34.6	71.7	72.1	72.0
Agricultural implements (including tractors).....	93.7	90.3	99.8	92.4	87.1	95.6	27.11	26.55	26.43	35.2	34.6	34.5	77.7	77.1	76.8
Cash registers, adding machines, and calculating machines.....	136.1	136.4	135.0	119.7	120.8	120.5	28.43	28.62	28.82	34.9	35.3	35.7	82.2	81.8	81.6
Electrical machinery, apparatus, and supplies.....	80.7	77.4	74.0	78.0	73.0	67.7	26.71	26.07	25.28	36.5	35.3	34.2	73.2	73.7	73.8
Engines, turbines, water wheels, and windmills.....	83.4	83.1	82.6	90.4	90.0	89.9	28.01	28.00	28.13	35.8	35.6	35.9	78.5	78.8	78.7
Foundry and machine-shop products.....	77.5	77.7	77.1	69.4	68.1	67.2	25.54	25.02	24.87	36.0	35.2	34.9	70.9	71.0	70.9
Machine tools.....	115.8	114.2	107.1	110.5	107.8	97.4	27.12	26.87	25.86	36.8	36.3	35.4	73.8	74.1	73.2
Radios and phonographs.....	108.0	93.5	88.9	97.9	83.5	75.5	22.53	22.21	21.20	39.1	37.5	35.7	57.7	59.4	59.5
Textile machinery and parts.....	61.2	59.8	57.7	56.2	53.8	50.2	24.09	23.42	22.78	36.6	35.3	33.9	66.0	66.5	67.3
Typewriters and parts.....	125.3	121.6	117.7	128.1	115.7	97.9	24.55	22.85	19.97	38.0	35.4	31.0	64.6	64.6	64.3

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Transportation equipment.....	79.9	63.8	51.0	84.7	64.8	49.9	33.87	32.65	31.22	38.6	36.4	35.3	87.8	89.7	88.3
Aircraft.....	785.8	755.5	758.7	780.8	727.2	712.8	30.79	29.87	29.10	40.4	40.1	39.8	75.5	75.1	74.1
Automobiles.....	86.9	64.9	48.0	92.5	66.3	47.0	35.03	33.81	32.33	39.0	36.3	34.6	90.0	93.3	93.6
Cars, electric- and steam-railroad.....	25.2	27.7	24.3	23.4	25.7	22.3	25.61	25.48	25.26	34.7	35.0	34.7	73.9	72.8	72.8
Locomotives.....	16.1	16.1	18.0	11.1	11.1	13.1	22.14	22.13	23.37	29.2	29.0	31.1	75.9	76.4	75.2
Shipbuilding.....	92.1	89.9	89.1	95.1	92.3	90.0	30.75	30.60	29.99	36.9	36.5	35.9	83.2	83.7	83.6
Nonferrous metals and their products.....	92.2	87.9	83.0	88.5	81.4	74.1	26.06	25.15	24.14	39.7	37.8	36.2	65.9	66.1	66.6
Aluminum manufactures.....	142.4	136.3	128.5	148.4	138.8	125.8	26.66	26.04	24.89	40.1	38.8	36.9	66.5	67.2	67.5
Brass, bronze, and copper products.....	96.4	92.7	89.0	96.2	89.1	83.4	27.28	26.32	25.63	38.5	36.9	35.9	70.9	71.3	71.5
Clocks and watches and time-recording devices.....	83.6	79.9	77.7	85.6	78.1	70.3	21.66	20.66	19.11	37.7	36.3	33.0	57.5	56.9	57.8
Jewelry.....	100.3	96.0	86.7	91.8	81.4	70.1	25.89	23.95	22.70	45.0	41.0	38.6	56.6	57.7	57.7
Lighting equipment.....	85.4	76.2	68.4	78.1	69.2	58.2	25.53	25.31	23.73	38.7	38.1	35.4	65.9	66.5	67.1
Silverware and plated ware.....	64.0	59.8	57.5	62.4	55.6	48.5	26.77	25.56	23.13	41.5	39.5	35.9	64.5	64.6	64.6
Smelting and refining—copper, lead, and zinc.....	66.4	65.4	63.1	62.2	60.3	57.9	26.34	25.95	25.72	38.2	37.7	37.6	68.9	68.8	68.4
Lumber and allied products.....	65.7	65.8	64.0	60.0	60.0	58.1	21.09	21.31	21.02	41.0	40.3	40.5	52.0	52.6	52.3
Furniture.....	79.7	79.0	76.0	68.4	68.1	62.5	20.77	21.50	20.43	40.5	39.9	39.3	51.8	52.4	52.4
Lumber:															
Millwork.....	54.0	54.0	52.8	46.0	45.5	45.6	22.40	22.17	22.79	42.4	41.6	41.8	52.8	53.4	54.6
Sawmills.....	53.1	53.5	52.4	50.4	50.6	50.2	20.94	20.85	20.90	40.9	40.3	40.9	52.0	52.5	51.9
Stone, clay, and glass products.....	70.1	87.8	66.3	63.0	58.3	58.5	23.96	23.00	22.77	37.1	36.2	35.9	64.0	63.2	63.4
Brick, tile, and terra cotta.....	52.0	51.2	49.9	40.6	38.6	37.2	20.37	19.77	19.56	38.8	38.0	38.3	52.6	51.6	51.1
Cement.....	70.1	68.0	69.9	65.4	63.4	65.4	26.02	25.96	26.06	37.8	37.4	37.8	69.2	69.4	69.0
Glass.....	87.5	82.1	78.7	92.9	82.6	78.6	25.47	24.13	23.95	35.6	34.3	33.6	71.6	70.7	71.2
Marble, granite, slate, and other products.....	42.3	43.0	43.3	30.1	31.3	32.0	23.99	24.31	24.37	35.1	35.7	35.7	67.5	67.1	67.7
Pottery.....	77.7	74.8	72.3	72.8	63.9	58.7	23.33	21.40	20.40	37.4	35.7	34.4	62.0	62.4	62.9
<i>Nondurable goods</i>															
Textiles and their products.....	97.5	97.9	95.1	83.1	84.1	80.0	17.00	17.03	16.87	35.5	35.4	34.7	48.6	49.2	48.9
Fabrics.....	87.2	86.6	85.1	76.5	74.8	73.4	16.64	16.43	16.56	37.0	36.3	36.1	45.9	46.2	46.4
Carpets and rugs.....	76.9	72.7	67.6	66.3	60.9	55.4	22.95	22.31	21.65	36.1	34.9	34.1	63.6	63.9	63.7
Cotton goods.....	83.7	83.2	81.3	72.5	71.1	68.4	14.03	13.82	13.67	36.8	36.2	35.6	38.1	38.3	38.3
Cotton small wares.....	79.9	76.5	72.1	77.5	71.2	65.3	18.56	17.95	17.17	39.9	39.0	36.8	46.9	46.4	46.6
Dyeing and finishing textiles.....	105.8	104.1	101.9	92.0	89.5	87.4	20.99	20.85	20.75	39.2	38.6	38.3	53.0	53.4	53.8
Hats, fur-felt.....	89.1	90.0	88.1	78.0	95.0	87.2	22.13	26.85	25.21	31.2	36.4	35.3	67.2	71.1	73.1
Knit goods.....	114.5	111.8	109.2	121.9	116.0	111.7	18.63	18.11	17.88	37.7	36.4	35.9	50.8	51.1	51.6
Hosiery.....	143.9	140.7	138.2	167.0	159.1	154.3	20.13	19.60	19.38	37.5	36.2	35.7	54.4	54.9	55.5
Knitted outerwear.....	83.3	80.1	74.4	77.0	71.6	65.2	17.91	17.27	16.89	39.2	38.2	37.1	45.4	44.8	44.6
Knitted underwear.....	70.2	69.1	68.4	61.9	59.3	57.7	14.86	14.39	14.12	36.1	34.6	34.1	41.5	41.6	41.6
Knitted cloth.....	156.3	150.3	150.3	131.0	128.1	126.1	18.99	19.06	18.91	40.8	40.8	40.4	46.0	47.6	47.0
Silk and rayon goods.....	61.2	63.2	61.3	50.2	50.6	50.2	15.83	15.99	16.22	37.2	35.7	36.7	42.2	44.5	43.8
Woolen and worsted goods.....	71.9	72.7	75.1	58.1	57.5	62.1	18.75	18.39	19.21	35.6	35.0	36.4	52.7	52.9	52.9
Wearing apparel.....	119.6	122.1	116.3	93.0	99.5	90.4	18.01	18.68	17.68	33.1	33.9	32.5	53.1	53.9	53.1
Clothing, men's.....	104.5	107.5	104.3	74.9	80.1	74.4	18.68	19.33	18.40	31.5	32.3	31.3	59.1	59.4	58.6
Clothing, women's.....	171.4	177.1	165.9	128.8	137.6	128.1	19.94	20.69	20.23	33.0	34.0	32.9	54.8	55.4	54.8
Corsets and allied garments.....	98.9	97.3	94.7	104.8	96.1	85.8	17.75	16.54	15.27	38.8	36.2	33.3	45.8	45.7	46.0
Men's furnishings.....	149.2	138.1	127.2	140.1	124.9	109.5	14.85	14.17	13.46	36.7	34.9	33.8	36.4	35.7	36.0
Millinery.....	74.2	79.3	68.2	62.7	91.6	59.6	21.92	28.29	21.98	33.9	40.1	34.3	62.3	69.0	62.3
Shirts and collars.....	119.2	117.9	117.3	99.3	97.4	93.4	12.84	12.69	12.17	34.7	34.9	33.9	37.0	36.5	36.4
Leather and its manufactures.....	89.6	92.3	92.7	69.6	74.0	77.0	18.32	18.98	19.80	35.3	36.8	38.4	53.0	52.4	51.6
Boots and shoes.....	89.9	93.8	94.6	64.5	70.9	75.1	16.97	17.87	18.85	34.6	36.3	38.4	50.6	50.1	49.3
Leather.....	81.2	78.6	77.3	81.7	78.9	77.9	24.23	24.24	24.29	38.5	38.7	38.7	63.0	62.9	62.9

Trend of Employment and Pay Rolls

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See footnotes at end of table.

TABLE 1.—Employment, Pay Rolls, Hours, and Earnings in Manufacturing and Nonmanufacturing Industries—Continued

MANUFACTURING—Continued

Industry	Employment index			Pay-roll index			Average weekly earnings ¹			Average hours worked per week ¹			Average hourly earnings ¹		
	Octo-ber 1938	Septem-ber 1938	August 1938	Octo-ber 1938	Septem-ber 1938	August 1938	Octo-ber 1938	Septem-ber 1938	August 1938	Octo-ber 1938	Septem-ber 1938	August 1938	Octo-ber 1938	Septem-ber 1938	August 1938
<i>Nondurable goods—Continued</i>															
Food and kindred products.....	128.7	142.7	138.3	127.0	136.7	131.1	\$24.16	\$23.43	\$23.18	41.0	41.3	39.7	59.8	57.6	58.6
Baking.....	144.3	145.6	144.5	139.5	143.5	139.8	25.30	25.86	25.33	42.0	42.8	41.6	60.9	61.0	61.5
Beverages.....	233.6	250.3	260.0	272.6	297.6	322.0	32.50	33.12	34.51	38.5	39.2	40.8	85.5	85.4	85.2
Butter.....	99.4	103.7	110.1	85.6	90.0	94.4	22.52	22.76	22.89	46.6	46.9	47.7	48.3	48.3	47.8
Canning and preserving.....	147.3	272.0	251.2	130.3	238.1	203.8	16.07	15.83	14.67	37.4	38.3	35.1	44.8	42.5	42.9
Confectionery.....	93.0	87.9	71.6	91.6	90.9	69.3	18.23	19.22	18.03	40.2	42.1	37.0	45.9	46.2	49.0
Flour.....	77.5	77.2	77.9	79.7	81.2	78.7	26.88	27.72	26.75	45.2	46.1	44.6	58.7	59.9	59.6
Ice cream.....	73.8	83.4	93.1	63.7	70.1	80.3	29.33	28.19	28.92	45.1	46.0	48.3	63.5	60.7	59.8
Slaughtering and meat packing.....	97.4	95.5	94.2	110.0	108.7	104.8	28.51	28.66	27.93	41.8	41.9	40.6	68.5	68.6	68.9
Sugar, beet.....	260.7	100.2	74.7	226.1	97.3	67.7	22.22	25.00	23.33	43.7	41.3	36.2	51.4	61.7	64.6
Sugar refining, cane.....	90.0	92.7	90.1	80.0	84.8	80.1	24.15	24.59	23.90	38.6	40.3	38.8	62.5	61.0	61.6
Tobacco manufactures.....	66.3	66.3	64.8	60.7	61.0	59.0	16.84	16.96	16.89	37.1	37.1	36.7	45.6	45.8	46.2
Chewing and smoking tobacco and snuff.....	57.7	62.6	60.4	63.3	71.8	66.1	17.17	17.97	17.17	35.0	35.5	34.0	49.3	50.7	50.7
Cigars and cigarettes.....	67.4	66.8	64.8	60.3	59.6	58.0	16.77	16.72	16.82	37.4	37.2	37.0	45.2	45.3	45.9
Paper and printing.....	105.5	104.3	102.7	103.7	101.1	98.0	28.14	27.91	27.48	38.6	38.0	37.7	76.4	76.5	76.0
Boxes, paper.....	102.8	98.8	94.8	112.7	105.4	97.3	22.29	21.74	20.90	42.2	40.8	38.9	53.2	53.8	54.2
Paper and pulp.....	104.8	104.0	102.8	106.5	101.5	101.9	24.85	23.92	24.26	40.6	39.1	39.4	61.3	61.3	61.7
Printing and publishing:															
Book and job.....	99.6	98.9	99.0	87.9	88.2	86.2	29.35	29.68	29.01	37.3	37.5	37.1	79.9	80.0	79.3
Newspapers and periodicals.....	106.0	105.1	102.5	108.7	106.4	101.1	37.25	37.26	36.25	36.5	36.2	36.1	99.1	98.8	97.1
Chemicals and allied products, and petroleum re- fining.....	113.4	113.0	108.1	120.1	118.9	116.9	28.35	28.36	29.02	38.7	38.3	38.1	73.6	74.4	76.3
Petroleum refining.....	119.5	121.0	121.9	132.8	134.6	138.1	34.45	34.58	35.25	35.5	35.3	36.0	97.6	98.4	98.6
Other than petroleum refining.....	111.9	111.1	104.8	116.2	114.1	110.4	25.64	25.70	26.16	39.9	39.5	39.0	64.8	65.3	67.2
Chemicals.....	115.0	112.5	110.3	128.3	121.4	121.0	30.65	29.90	30.39	39.9	38.3	38.8	76.8	78.1	78.5
Cottonseed—oil, cake, and meal.....	122.1	113.5	68.4	104.0	95.1	57.0	13.04	12.93	12.83	51.3	50.8	48.6	25.2	25.3	26.8
Druggists' preparations.....	110.3	109.6	108.2	123.9	118.6	117.2	25.31	24.40	24.48	40.3	39.4	39.3	58.9	58.7	58.9
Explosives.....	84.1	84.9	81.9	96.5	93.1	93.1	31.62	30.16	31.26	39.4	37.7	38.6	80.3	80.1	80.9
Fertilizers.....	79.5	82.1	65.4	70.1	77.4	65.4	16.41	17.58	17.70	36.7	38.3	37.3	44.8	45.9	47.5
Paints and varnishes.....	112.9	112.5	110.6	116.3	114.5	111.2	27.83	27.70	27.39	40.1	39.7	39.2	69.4	69.9	70.0
Rayon and allied products.....	314.4	315.2	293.9	302.6	308.2	289.0	23.63	24.02	24.16	37.0	37.7	37.8	63.9	63.8	63.9
Soap.....	93.2	92.6	90.7	94.8	94.6	91.2	28.98	29.10	28.64	39.4	39.7	39.0	73.7	73.5	73.5
Rubber products.....	77.7	75.9	72.5	79.7	76.7	69.5	27.27	26.91	25.39	36.6	35.9	33.9	75.6	75.8	76.0
Rubber boots and shoes.....	60.1	58.0	54.1	61.6	57.7	50.9	23.48	22.79	21.54	38.7	37.7	35.8	60.7	60.5	60.2
Rubber tires and inner tubes.....	63.5	61.9	60.6	69.1	67.3	60.6	31.25	31.27	28.73	33.1	33.0	30.3	94.4	94.6	94.1
Rubber goods, other.....	123.3	121.0	113.2	122.6	116.6	107.7	23.43	22.73	22.34	40.0	38.5	37.7	59.2	59.4	59.7

NONMANUFACTURING

[Indexes are based on 12-month average, 1929=100]

Coal mining:																
Anthracite ¹	52.4	46.4	37.6	43.4	29.4	20.0	\$26.99	\$20.64	\$17.35	23.8	22.1	18.6	92.5	91.1	90.5	
Bituminous ¹	87.2	83.4	80.1	78.3	71.9	64.2	23.84	22.93	21.38	26.8	26.0	23.6	88.7	88.5	88.8	
Metalliferous mining.....	57.9	55.2	51.4	49.2	46.1	43.7	26.52	26.04	26.62	39.5	39.0	39.5	67.5	67.0	67.7	
Quarrying and nonmetallic mining.....	44.4	44.6	44.6	39.2	38.4	39.2	22.37	21.68	22.17	40.9	40.6	41.2	54.4	53.5	53.7	
Crude-petroleum producing.....	69.3	71.5	72.4	63.9	66.5	66.8	33.30	34.38	34.11	39.9	40.2	40.5	83.9	83.8	82.9	
Public utilities:																
Telephone and telegraph ³	74.7	74.9	74.8	95.3	92.6	91.3	31.57	30.72	30.25	39.8	39.1	38.6	82.7	81.6	81.3	
Electric light and power and manufactured gas ³	92.5	92.5	92.7	99.8	98.4	98.9	33.79	33.19	33.54	39.7	39.8	40.4	84.7	83.4	83.4	
Electric-railroad and motor-bus operation and maintenance ³	69.9	69.3	69.5	68.9	68.4	69.5	32.22	32.27	32.73	44.7	44.8	45.3	71.3	71.3	71.4	
Trade:																
Wholesale ¹	89.2	88.5	87.6	75.1	74.3	73.7	29.69	29.38	29.35	42.4	42.1	42.3	70.7	70.3	69.9	
Retail ¹	86.1	85.0	80.0	71.1	69.7	66.8	21.04	20.81	21.38	42.4	42.2	42.7	53.8	53.3	54.6	
General merchandising ¹	100.7	98.2	86.4	89.7	86.8	78.8	17.62	17.58	18.12	39.0	38.6	38.7	48.1	48.2	49.8	
Other than general merchandising ¹	82.3	81.5	78.3	67.2	66.1	64.3	24.04	23.71	23.98	43.5	43.4	43.8	55.7	54.9	56.0	
Hotels (year-round) ^{2,4}	92.9	91.8	90.4	80.8	78.9	77.4	15.04	14.81	14.64	46.7	46.4	47.1	32.0	31.6	30.7	
Laundries ²	94.4	96.5	97.5	79.5	81.4	83.1	17.24	17.05	17.36	41.4	41.9	42.5	41.8	41.3	41.1	
Dyeing and cleaning ²	106.8	107.8	105.0	78.0	81.7	74.3	19.91	20.85	19.47	42.1	43.5	42.0	47.9	48.3	46.8	
Brokerage ^{2,6}	-9	-1.4	+1.0	+1.2	-1.2	+4	35.76	34.82	34.71	(6)	(6)	(6)	(6)	(6)	(6)	
Insurance ^{2,7}	-4	+6	+ (7)	+1	-8	-2.5	35.50	35.18	35.70	(6)	(6)	(6)	(6)	(6)	(6)	
Building construction ²	+3.2	-4	+2.6	+5.0	-5	+3.6	30.19	29.66	29.69	33.8	32.9	32.9	89.4	90.3	90.3	

¹ Average weekly earnings are computed from figures furnished by all reporting establishments. Average hours and average hourly earnings are computed from data supplied by a smaller number of establishments, as all reporting firms do not furnish man-hours. The figures are not strictly comparable from month to month because of changes in the size and composition of the reporting sample. Hours and earnings for all manufacturing industries now relate to 87 industries instead of 89 which were covered in the July and prior issues of the pamphlet. The two industries excluded are electric and steam-railroad repair shops. The averages for the durable goods group have also been affected by this exclusion. See text in section headed, "Employment, Pay Rolls, Hours, and Earnings."

² Indexes adjusted to 1935 census. Comparable series back to January 1929, presented in January 1938 issues of the pamphlet Employment and Pay Rolls.

³ Average weekly earnings, hourly earnings, and hours not strictly comparable with figures published in pamphlets prior to January 1938 as they now exclude corporation officers, executives, and other employees whose duties are mainly supervisory.

⁴ Cash payments only; the additional value of board, room, and tips cannot be computed.

⁵ Indexes of employment and pay rolls are not available; percentage changes from preceding month substituted.

⁶ Not available.

⁷ Less than 1/10 of 1 percent.

INDEXES OF EMPLOYMENT AND PAY ROLLS

Indexes of employment and pay rolls are given in table 2 for all manufacturing industries combined, for the durable- and nondurable-goods groups of manufacturing industries, and for 13 nonmanufacturing industries, including 2 subgroups under retail trade, by months, from October 1937 to October 1938, inclusive. The accompanying chart indicates the trend of factory employment and pay rolls from January 1919 to October 1938.

The indexes of factory employment and pay rolls are computed from returns supplied by representative manufacturing establishments in 87 manufacturing industries and relate to wage earners only. Formerly 89 manufacturing industries were covered in the Bureau's monthly survey, but two of these—electric and steam railroad repair shops—are now excluded. The base used in computing the indexes is the 3-year average 1923–25 as 100. In October 1938 reports were received from 24,943 manufacturing establishments employing 4,094,975 workers, whose weekly earnings were \$97,963,237. The employment reports received from these establishments cover more than 55 percent of the total wage earners in all manufacturing industries of the country and more than 65 percent of the wage earners in the 87 industries included in the monthly survey of the Bureau of Labor Statistics.

The indexes for the nonmanufacturing industries are based on the 12-month average for 1929 as 100. Figures for mining, laundries, dyeing and cleaning, and building construction cover wage earners only, but the figures for public utilities, trade, hotels, brokerage, and insurance relate to all employees, except corporation officers, executives, and other employees whose duties are mainly supervisory. For crude-petroleum producing they cover wage earners and clerical field force.

Data for both manufacturing and nonmanufacturing industries are based on reports of the number of employees and amount of pay rolls for the pay period ending nearest the 15th of the month.

TREND OF INDUSTRIAL AND BUSINESS EMPLOYMENT, BY STATES

A comparison of employment and pay rolls, by States and geographic divisions, in September and October 1938, is shown in table 3 for all groups combined, and for all manufacturing industries combined based on data supplied by reporting establishments. The percentage changes shown, unless otherwise noted, are unweighted—that is, the industries included in the manufacturing group and in the grand total have not been weighted according to their relative importance.

EMPLOYMENT & PAY ROLLS ALL MANUFACTURING INDUSTRIES

1923-25=100



UNITED STATES BUREAU OF LABOR STATISTICS

TABLE 2.—Indexes of Employment and Pay Rolls in Selected Manufacturing¹ and Non-manufacturing² Industries, October 1937 to October 1938, Inclusive

Industry	Employment													
	1937				1938									
	Avg. 1937	Oct.	Nov.	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.
<i>Manufacturing</i>														
All industries.....	105.8	107.2	101.1	94.5	87.8	88.2	87.7	85.7	83.4	81.6	81.9	85.7	88.8	89.5
Durable goods ³	104.0	106.6	100.8	91.7	81.7	80.1	79.3	77.0	75.0	72.4	70.3	71.7	75.3	79.1
Nondurable goods ⁴	107.6	107.8	101.4	97.2	93.7	95.9	95.8	94.0	91.5	90.3	92.9	99.0	101.7	99.3
<i>Nonmanufacturing</i>														
Anthracite mining.....	60.2	61.5	60.9	61.4	59.6	60.0	59.3	57.0	52.8	56.0	44.6	37.6	46.4	52.4
Bituminous-coal mining.....	99.3	102.4	101.4	99.4	96.9	95.5	93.2	85.8	82.2	80.2	78.5	80.1	83.4	87.2
Metalliferous mining.....	76.8	82.9	75.4	70.4	67.4	63.6	62.3	61.6	58.8	56.0	49.7	51.4	55.2	57.9
Quarrying and nonmetallic mining.....	51.4	53.3	49.9	43.9	38.2	37.8	38.9	41.7	43.7	43.6	44.1	44.6	44.6	44.4
Crude-petroleum producing.....	76.5	77.5	77.2	76.5	75.3	74.2	73.6	73.8	73.2	72.8	72.3	72.4	71.6	69.5
Telephone and telegraph.....	77.8	79.6	78.9	78.0	77.8	75.7	74.9	74.8	75.0	74.8	74.9	74.8	74.9	74.7
Electric light and power, and manufactured gas.....	95.6	98.5	97.3	96.1	93.8	92.6	92.0	91.8	91.7	92.2	92.3	92.7	92.5	92.5
Electric-railroad and motorbus operation and maintenance ⁵	73.1	73.4	73.2	72.8	72.3	71.2	70.8	71.1	70.6	70.4	70.1	69.5	69.3	69.9
Wholesale trade.....	92.0	94.0	93.5	93.3	91.0	90.4	89.1	88.5	87.3	87.2	86.8	87.6	88.5	89.2
Retail trade.....	89.8	92.1	91.7	100.4	84.1	82.4	83.0	88.2	83.8	83.6	81.1	80.0	85.0	86.1
General merchandising.....	104.3	108.1	109.8	145.9	91.5	88.8	90.5	101.0	92.4	91.9	87.9	86.4	98.2	100.7
Other than general merchandising.....	85.9	87.9	86.9	88.5	82.1	80.7	81.0	84.9	81.5	81.4	79.3	78.3	81.5	82.3
Year-round hotels.....	94.9	96.9	96.6	94.9	94.3	94.5	93.4	93.5	93.7	92.2	90.7	90.4	91.8	92.9
Laundries.....	100.6	99.9	97.8	97.0	96.8	95.7	94.8	95.4	96.2	96.6	97.8	97.5	96.5	94.4
Dyeing and cleaning.....	107.5	110.0	103.5	99.2	96.8	95.6	98.5	111.8	109.9	110.8	108.6	105.0	107.8	106.8
<i>Pay rolls</i>														
<i>Manufacturing</i>														
All industries.....	102.0	104.5	92.9	84.2	75.0	76.9	77.1	74.6	72.9	70.8	70.6	76.9	81.0	83.9
Durable goods ³	103.5	108.2	94.8	81.0	67.1	67.2	67.4	65.6	64.2	61.7	58.6	63.7	68.7	75.4
Nondurable goods ⁴	100.4	100.3	90.8	87.7	84.0	87.8	87.9	84.7	82.6	80.9	84.1	91.7	94.9	93.5
<i>Nonmanufacturing</i>														
Anthracite mining.....	46.9	55.4	49.0	51.3	46.5	46.1	47.3	39.0	38.3	49.7	20.2	20.0	29.4	43.4
Bituminous-coal mining.....	88.5	100.7	91.1	95.1	70.4	74.0	68.4	56.3	55.3	67.0	56.8	64.2	71.9	78.3
Metalliferous mining.....	74.0	81.7	71.6	65.1	59.1	55.8	56.3	53.3	51.2	46.1	38.0	43.7	46.1	49.2
Quarrying and nonmetallic mining.....	45.4	49.3	41.7	33.4	27.7	28.6	30.2	33.9	38.3	37.3	37.0	39.2	38.4	39.2
Crude-petroleum producing.....	68.2	69.9	70.2	69.8	68.2	69.6	68.0	68.0	66.7	67.6	66.6	66.8	66.5	63.7
Telephone and telegraph.....	89.6	94.9	91.4	94.7	93.7	89.9	92.6	91.6	91.3	90.9	90.9	91.3	92.6	95.3
Electric light and power, and manufactured gas.....	99.6	105.3	103.8	102.4	98.9	98.5	98.6	97.6	97.4	98.6	98.3	98.9	98.4	99.8
Electric-railroad and motorbus operation and maintenance ⁵	70.6	71.4	71.8	71.9	70.6	70.2	69.9	70.0	71.2	69.7	69.0	69.5	68.4	68.9
Wholesale trade.....	76.6	79.3	78.3	77.8	75.4	75.3	74.7	74.6	75.1	73.8	73.6	73.7	74.3	75.1
Retail trade.....	73.1	75.9	75.3	80.6	70.1	68.4	68.6	72.2	70.0	69.5	68.1	66.8	69.7	71.1
General merchandising.....	92.5	96.2	97.1	123.3	84.6	81.5	82.2	89.4	84.4	84.3	80.4	78.8	86.8	89.7
Other than general merchandising.....	69.1	71.7	70.8	71.8	67.1	65.7	65.8	68.6	67.0	66.4	65.6	64.3	66.1	67.2
Year-round hotels.....	80.6	84.1	84.3	82.6	81.6	83.6	80.9	80.5	80.5	79.6	77.4	77.4	78.9	80.8
Laundries.....	83.0	83.4	81.1	81.1	80.1	79.1	78.6	80.6	80.9	81.8	83.0	83.1	81.4	79.5
Dyeing and cleaning.....	77.6	83.6	73.7	68.6	65.5	65.2	68.2	87.2	80.7	83.3	77.5	74.3	81.7	78.0

¹ 3-year average, 1923-25=100—adjusted to 1935 Census of Manufactures. Comparable indexes for earlier months are in the November issue of Monthly Labor Review.

² 12-month average for 1929=100. Comparable indexes are in November 1934 and subsequent issues of Employment and Pay Rolls, or in February 1935 and subsequent issues of Monthly Labor Review, except for anthracite and bituminous-coal mining, year-round hotels, laundries, and dyeing and cleaning. Indexes for these industries from January 1929 forward have been adjusted to the 1935 census and are presented in the January 1938 and subsequent issues of Employment and Pay Rolls.

³ Includes: Iron and steel, machinery, transportation equipment, railroad repair shops, nonferrous metals, lumber and allied products, and stone, clay, and glass products.

⁴ Includes: Textiles and their products, leather and its manufactures, food and kindred products, tobacco manufactures, paper and printing, chemicals and allied products, products of petroleum and coal, rubber products, and a number of miscellaneous industries not included in other groups.

⁵ Not including electric-railroad car building and repairing.

The totals for all manufacturing industries combined include figures for miscellaneous manufacturing industries in addition to the 87 manufacturing industries presented in table 1. The totals for all groups combined include all manufacturing industries, each of the nonmanufacturing industries presented in table 1 (except building construction), and seasonal hotels.

Similar comparisons showing only percentage changes are available in mimeographed form for "all groups combined," for "all manufacturing," for anthracite mining, bituminous-coal mining, metalliferous mining, quarrying and nonmetallic mining, crude-petroleum producing, public utilities, wholesale trade, retail trade, hotels, laundries, dyeing and cleaning, brokerage, and insurance.

TABLE 3.—Comparison of Employment and Pay Rolls in Identical Establishments in September and October 1938, by Geographic Divisions and by States

[Figures in italics are not compiled by the Bureau of Labor Statistics, but are taken from reports issued by cooperating State organizations]

Geographic division and State	Total—all groups					Manufacturing				
	Number of establishments	Number on pay roll October 1938	Percentage change from September 1938	Amount of pay roll (1 week) October 1938	Percentage change from September 1938	Number of establishments	Number on pay roll October 1938	Percentage change from September 1938	Amount of pay roll (1 week) October 1938	Percentage change from September 1938
				<i>Dollars</i>					<i>Dollars</i>	
New England	13,585	853,831	+1.6	19,897,099	+4.4	3,611	576,313	+0.9	12,612,182	+2.8
Maine.....	850	53,238	-2.6	1,054,100	-1.9	289	42,613	-3.1	790,371	-3.5
New Hampshire.....	641	39,889	+2	831,875	+1.5	206	33,317	-1	668,265	-3
Vermont.....	468	15,959	-8	349,824	+7	153	9,639	-1.3	199,259	-1.8
Massachusetts.....	¹ 7,960	<i>461,330</i>	+1.9	<i>10,904,002</i>	+3.3	<i>1,786</i>	<i>264,629</i>	+8	<i>5,820,111</i>	+7
Rhode Island.....	1,226	89,984	+2.0	1,999,866	+9.6	432	70,153	+1.4	1,437,948	+7.2
Connecticut.....	2,440	193,431	+2.5	4,757,432	+7.0	745	155,962	+2.3	3,696,198	+6.9
Middle Atlantic	33,503	2,068,279	+1.3	54,036,932	+3.1	6,369	1,148,256	+8	28,902,563	+2.3
New York.....	20,768	948,273	+1.1	26,174,490	+1.0	² 2,522	<i>424,934</i>	+5	<i>11,421,198</i>	-5
New Jersey.....	4,350	338,537	-5	8,754,506	+1.7	1,541	264,234	-3	6,709,533	+2.5
Pennsylvania.....	8,385	781,469	+2.4	19,107,936	+6.7	³ 2,306	<i>459,088</i>	+1.4	<i>10,771,832</i>	+5.7
East North Central	25,390	1,985,576	+3.8	53,256,453	+7.9	8,548	1,446,368	+5.1	39,955,604	+10.5
Ohio.....	7,386	522,665	+1.5	13,545,023	+5.1	2,459	376,139	+1.9	9,937,539	+6.3
Indiana.....	2,987	<i>239,133</i>	+1.0	<i>5,896,444</i>	+7.1	1,089	<i>185,511</i>	+1.1	<i>4,703,787</i>	+8.3
Illinois.....	⁴ 6,730	<i>562,590</i>	+1.7	<i>14,628,363</i>	+3.0	<i>2,458</i>	<i>368,660</i>	+1.0	<i>9,478,591</i>	+3.1
Michigan.....	3,966	434,719	+14.3	13,556,915	+20.0	1,046	<i>363,593</i>	+18.9	<i>12,019,158</i>	+24.6
Wisconsin.....	⁵ 4,321	<i>226,469</i>	-4	<i>5,629,708</i>	+3.1	⁶ 1,496	<i>152,465</i>	+2.0	<i>3,816,529</i>	+4.1
West North Central	12,251	450,537	-2	10,699,338	+1.0	2,495	209,720	+5	5,030,125	+1.9
Minnesota.....	⁷ 2,561	<i>125,744</i>	-2.5	<i>3,269,177</i>	-5	<i>640</i>	<i>49,183</i>	-3.4	<i>1,294,315</i>	+5
Iowa.....	2,182	66,791	+3	1,517,082	+7	387	35,466	-1.0	849,771	-1.0
Missouri.....	2,946	160,730	+2	3,709,523	+2.4	816	88,551	+2.1	1,979,372	+4.2
North Dakota.....	618	5,815	-3	133,741	-5	30	482	-2.0	12,472	-4.0
South Dakota.....	525	8,751	+1.1	219,115	+2.9	29	2,367	+9.8	59,937	+11.9
Nebraska.....	1,183	29,821	+5.2	641,773	+2.9	135	10,593	+15.1	244,139	+10.3
Kansas.....	⁸ 2,236	<i>52,885</i>	+1.0	<i>1,208,927</i>	-2	468	<i>23,078</i>	-1.0	<i>590,119</i>	-1.9
South Atlantic	11,216	847,510	+1.7	16,187,449	+3.1	2,899	565,408	+1.1	9,826,435	+3.1
Delaware.....	260	15,270	-6.6	349,740	-2.1	84	<i>10,014</i>	-7.2	<i>226,247</i>	-4.0
Maryland.....	<i>1,632</i>	<i>129,416</i>	+1.4	<i>3,019,254</i>	+3.6	<i>642</i>	<i>87,262</i>	+5	<i>2,000,416</i>	+3.1
District of Columbia.....	1,109	41,389	+2.9	1,091,925	+2.8	41	3,435	-5	117,062	-1
Virginia.....	2,073	113,142	+7	2,068,286	+9	486	76,686	+4	1,372,685	-6
West Virginia.....	1,205	135,046	+2.3	3,338,243	+5.0	213	48,248	+1.3	1,170,782	+7.0

See footnotes at end of table.

TABLE 3.—Comparison of Employment and Pay Rolls in Identical Establishments in September and October 1938, by Geographic Divisions and by States—Continued

Geographic division and State	Total—all groups				Manufacturing					
	Number of establishments	Number on pay roll October 1938	Percentage change from September 1938	Amount of pay roll (1 week) October 1938	Percentage change from September 1938	Number of establishments	Number on pay roll October 1938	Percentage change from September 1938	Amount of pay roll (1 week) October 1938	Percentage change from September 1938
South Atlantic—Continued.				<i>Dollars</i>				<i>Dollars</i>		
North Carolina.....	1,617	172,092	+1.5	2,601,828	+1.9	668	154,917	+1.3	2,329,812	+1.7
South Carolina.....	798	89,114	+1.0	1,255,850	+2.4	241	80,876	+1.0	1,105,535	+2.3
Georgia.....	1,483	110,398	+2.4	1,730,469	+5.3	371	83,774	+2.9	1,187,878	+7.4
Florida.....	1,039	41,643	+5.4	731,854	+3.7	193	20,196	+2.2	316,018	+1.7
East South Central.....	4,725	289,576	+1.2	5,330,968	+3.0	1,052	177,279	+9.9	3,056,679	+3.1
Kentucky.....	1,411	78,242	+8.8	1,686,564	+3.5	292	30,870	+8.8	650,952	+6.2
Tennessee.....	1,344	99,736	+2.2	1,774,124	+7.7	372	71,581	-2.1	1,246,526	+4.2
Alabama.....	1,444	92,578	+2.2	1,601,488	+4.8	301	61,906	+1.4	988,282	+4.3
Mississippi.....	526	19,020	+4.0	268,792	+4.7	87	12,922	+4.5	170,919	+6.0
West South Central.....	6,302	235,027	+6.6	5,087,481	-2.2	1,380	115,235	+10.0	2,445,799	-6.6
Arkansas.....	¹¹ 1,126	55,277	+2.8	605,761	+2.1	506	22,217	+2.1	575,404	+3.0
Louisiana.....	1,087	57,719	+1.4	1,132,353	+1.0	233	32,257	+8.8	588,230	+1.1
Oklahoma.....	1,455	42,852	+1.1	1,038,175	-1.2	131	10,705	+3.3	254,440	-1.4
Texas.....	¹² 6,634	99,179	-4.4	2,311,192	-9.9	710	50,056	-1.4	1,227,725	-1.8
Mountain.....	4,465	126,557	+5.3	3,033,091	+4.4	544	39,418	+10.6	905,521	+9.0
Montana.....	687	13,772	+9.6	374,910	+8.4	75	4,976	+26.2	132,500	+23.5
Idaho.....	560	12,182	+11.8	288,218	+9.0	60	4,186	+19.6	93,814	+10.0
Wyoming.....	347	9,319	+4.0	261,046	+3.2	37	1,929	+32.6	56,455	+26.5
Colorado.....	1,299	45,292	+5.3	1,033,078	+2.7	193	16,308	+13.2	365,883	+8.1
New Mexico.....	310	7,354	+6.8	141,591	+3.1	29	1,010	+11.0	16,856	+6.2
Arizona.....	452	15,057	+4.4	393,749	+6.9	40	2,776	+2.7	68,350	+3.0
Utah.....	623	20,827	+4.4	458,756	+1.6	97	7,968	-5.7	164,002	-7.7
Nevada.....	187	2,754	+1.2	81,743	+4.4	13	265	-7.7	7,661	-2.1
Pacific.....	10,522	454,826	-5.3	12,828,700	-2.5	2,616	237,938	-8.7	6,475,254	-5.1
Washington.....	2,893	92,425	-2.0	2,427,138	+1.0	532	48,069	-3.9	1,248,062	+7.7
Oregon.....	1,415	49,459	-9.1	1,291,478	-7.0	289	27,748	-14.4	721,028	-12.0
California.....	¹² 6,214	312,942	-6.7	9,110,084	-2.8	1,795	162,121	-9.0	4,506,164	-5.4

¹ Includes banks and trust companies; construction, municipal, agricultural, and office employment; amusement and recreation; professional services; and trucking and handling.

² Includes laundering and cleaning; and water, light, and power.

³ Weighted percentage change.

⁴ Includes automobile and miscellaneous services, restaurants; and building and contracting.

⁵ Includes construction but not public works.

⁶ Does not include logging.

⁷ Includes banks, real estate, pipe-line transportation, trucking and transfer, railroads (other than repair shops), motor transportation (other than operation and maintenance), water transportation, hospitals and clinics; personal, business, mechanical repair, and miscellaneous services; and building construction.

⁸ Includes financial institutions, miscellaneous services, and restaurants.

⁹ Weighted percentage change including hired farm labor.

¹⁰ Less than 1/10 of 1 percent.

¹¹ Includes automobile dealers and garages; and sand, gravel, and building stone.

¹² Includes banks, insurance, and office employment.

INDUSTRIAL AND BUSINESS EMPLOYMENT IN PRINCIPAL METROPOLITAN AREAS

A comparison of employment and pay rolls in September and October 1938 is made in table 4 for 13 metropolitan areas which had a population of 500,000 or over in 1930. Cities within these areas, but having a population of 100,000 or over, are not included. Data concerning them are presented in a supplementary tabulation which is available on request.

Footnotes to the table indicate which cities are excluded. The figures represent reports from cooperating establishments and cover both full- and part-time workers in the manufacturing and nonmanufacturing industries presented in table 1, with the exception of building construction, and include also miscellaneous industries.

Revisions made in the figures after they have gone to press, chiefly because of late reports by cooperating firms, are incorporated in the supplementary tabulation mentioned above. This supplementary tabulation covers these 13 metropolitan areas as well as other metropolitan areas and cities having a population of 100,000 or more according to the 1930 census of population.

TABLE 4.—Comparison of Employment and Pay Rolls in Identical Establishments in September and October 1938, by Principal Metropolitan Areas

Metropolitan area	Number of establishments, October 1938	Number on pay roll October	Percentage change from September	Amount of pay roll (1 week) October	Percentage change from September
New York, N. Y. ¹	14, 814	671, 762	+2.7	\$18, 520, 472	+1.7
Chicago, Ill. ²	4, 549	410, 416	+2.0	11, 213, 099	+2.7
Philadelphia, Pa. ³	2, 183	194, 378	+1.6	5, 233, 604	+1.7
Detroit, Mich.....	1, 670	270, 181	+17.7	9, 080, 752	+21.4
Los Angeles, Calif. ⁴	3, 051	150, 607	+ (?)	4, 376, 377	+1.3
Cleveland, Ohio.....	1, 723	118, 162	+2.1	3, 169, 953	+5.6
St. Louis, Mo.....	1, 494	117, 085	+5	2, 794, 483	+3.3
Baltimore, Md.....	1, 188	98, 649	+1.9	2, 337, 820	+5.1
Boston, Mass. ⁵	1, 574	108, 539	+2.7	2, 961, 959	+1.6
Pittsburgh, Pa.....	1, 241	168, 212	+3.5	4, 295, 360	+8.4
San Francisco, Calif. ⁶	1, 691	79, 784	-2.8	2, 365, 111	-2
Buffalo, N. Y.....	895	72, 746	+5.6	2, 035, 694	+7.1
Milwaukee, Wis.....	1, 159	92, 045	-3	2, 450, 021	+4.1

¹ Does not include Elizabeth, Jersey City, Newark, or Paterson, N. J., or Yonkers, N. Y.

² Does not include Gary, Ind.

³ Does not include Camden, N. J.

⁴ Does not include Long Beach, Calif.

⁵ Figures relate to city of Boston only.

⁶ Does not include Oakland, Calif.

⁷ Less than $\frac{1}{10}$ of 1 percent.

Recent Publications of Labor Interest

DECEMBER 1938

Coal Industry

Report of Anthracite Coal Industry Commission [Pennsylvania]. Philadelphia, 1528 Walnut Street, 1938. 652 pp., maps, charts.

In addition to the recommendations of the commission, which would involve important changes in both the production and distribution of anthracite, this volume contains reports on various aspects of the industry. One of these gives the results of a comprehensive investigation of the "bootlegging" of anthracite in Pennsylvania.

Report of Committee on Prices in Bituminous Coal Industry. Prepared for Conference on Price Research. New York, National Bureau of Economic Research, 1938. xx, 144 pp.

Cooperative Movement

Cooperatives in America, their past, present, and future. By Ellis Cowling. New York, Coward-McCann, Inc., 1938. xvii, 206 pp.

Recounts briefly the development of Rochdale cooperatives in England and in other European countries, and shows how the American movement was built on the efforts of early farmers' organizations and on those of immigrants from countries where cooperatives had thrived. The account of present-day cooperatives in this country includes a chapter on the struggle in the farmers' organizations between the producer and consumer points of view, and one analyzing the factors of strength and weakness. The latter contains an enlightening account of the overlapping in the cooperative wholesale movement.

Index of laws pertaining to cooperation. New York, Works Progress Administration for City of New York, 1938. 42 pp., mimeographed. (Literary development of cooperative principles and data, series A, Pt. I.)

The first of a series of bibliographical studies on the subject of cooperatives, undertaken as a Works Progress Administration study.

Operations of credit unions in 1937. Washington, U. S. Bureau of Labor Statistics, 1938. 4 pp. (Serial No. R. 832, reprint from October 1938 Monthly Labor Review.)

Scottish Cooperative Wholesale Society, Ltd., 1868-1936. Glasgow, [1937?]. 80 pp., illus.

Gives the history of the wholesale society, data on its organizational structure, and description of its productive enterprises and distributive sections. Very few statistics are included except incidentally in the descriptive accounts.

The Vories experiment. By Willard Price. (In Occupational Psychology, National Institute of Industrial Psychology, Vol. XII, No. 4, London, 1938, pp. 326-332.)

Account of a successful cooperative industrial and social organization which was started in Japan about three decades ago by an American missionary. Some of the activities carried on are building construction, manufacturing of certain articles, merchandising of materials which the organization has either manufactured or imported for sale, and educational work. The emphasis of the review is on the social non-profit-making phases of the undertaking.

Cost and Standards of Living

Standards of living in an Indian-Mexican village and on a reclamation project.

By C. P. Loomis and O. E. Leonard. Washington, U. S. Farm Security Administration, in cooperation with U. S. Bureau of Agricultural Economics, 1938. 49 pp., charts; mimeographed. (Social Research Report No. XIV.)

Data from this report are published in this issue of the Monthly Labor Review.

Economic and Social Problems

Freedom for wage earners. By Witt Bowden. (In *Annals of American Academy of Political and Social Science*, Philadelphia, November 1938, pp. 185-209.)

One of a series of studies of "freedom of inquiry and expression," made under the sponsorship of the Social Science Research Council and published in the November 1938 *Annals of the American Academy*. It is held that the essentials of the liberal method are the processes of inquiry, discussion, democratic decision, and concerted action for giving effect to decisions; and that the dependent nature of the employee's relation to his employer makes collective action by wage earners a necessary instrument for their effective participation in these processes, whether in the field of collective agreements or in other fields affecting the general interest as well as that of wage earners.

Hunger and work—statistical studies. By Jürgen Kuczynski. London, Lawrence & Wishart, 1938. 132 pp.

The author makes use of B. Seeborn Rowntree's estimate of family income necessary in 1936 for "physical efficiency" and of official statistics of wages for making estimates of the number of wage earners receiving wages below the minimum as estimated by Rowntree. The number of adult workers in Great Britain receiving less than this minimum is estimated by the author as about 6,000,000, while the number of persons dependent on wages below the minimum is given as about 10,000,000. There are also estimates that indicate a significant decline in labor's share in the industrial product from 1931 to 1937.

Labor problems and labor law. By Albion Guilford Taylor. New York, Prentice-Hall, Inc., 1938. 663 pp.

Cuba's three year plan, or social economic reconstruction plan. Habana, Cultural, S. A., [1938?]. 59 pp.

This exposition of the "three year plan" for social and economic reconstruction in Cuba, enunciated in 1937 and approved by the President and a majority in both Houses of Congress, lists reforms in labor legislation which are recommended in connection with the plan.

The mobilization of labor reserves in Germany. By Helmut Vollweiler. (In *International Labor Review*, International Labor Office, Geneva, October 1938, pp. 447-471; November 1938, pp. 591-613.)

Describes the measures taken to remedy the growing shortage of workers in Germany, especially in the highly skilled trades and in industries in which the Four-Year Plan called for increased production.

The Puerto Rican migrant in New York City. By Lawrence R. Chenault. New York, Columbia University Press, 1938. 190 pp.

A discussion of Puerto Rico as a source of migration to the United States is followed by a review of the occupations, employment opportunities, housing, health problems, and social adjustment of Puerto Rican workers and their families in New York City. A bibliography of material on social and economic problems of Puerto Rico is appended.

Group Insurance

Improved industrial relations through group insurance. By Thomas I. Parkinson. (In *Manufacturers News*, Chicago, November 1938, pp. 18, 20-21.)

The author reviews the development of the group-insurance movement since 1911. He states that in the past 13 years, the only period for which adequate data are available, "the large group-writing companies have paid claims equivalent to 77 percent of premium income and dividends amounting to nearly 7 percent of the premiums; the balance consisting of reserves, taxes, and expenses, the latter figure averaging about 9 percent. It would be difficult to find any type of public service in which the cost of administration has been so low and the return so high."

Health and Industrial Hygiene

Disabling sickness among male industrial employees during final quarter of 1937 and entire year. By William M. Gafafer and Elizabeth S. Frazier. Washington, U. S. Public Health Service, 1938. 5 pp., charts. (Reprint No. 1922 from Public Health Reports, April 8, 1938.)

The data cover disabilities of over 1 week's duration among male members of industrial sick-benefit organizations in 26 companies. The report shows that the frequency of cases of sickness and nonindustrial injuries was 99.7 cases per 1,000 men in 1937—the highest annual rate since 1929.

Frequency of sickness and nonindustrial accidents causing disability lasting eight calendar days or longer among 60,000 white male railroad employees, 1930-34, inclusive. By William M. Gafafer. Washington, U. S. Public Health Service, 1938. 19 pp. (Reprint No. 1924 from Public Health Reports, April 15, 1938.)

Reviewed in this issue.

The relative amount of ill health in rural and urban communities. By Harold F. Dorn. Washington, U. S. Public Health Service, 1938. 16 pp. (Reprint No. 1957 from Public Health Reports, July 15, 1938.)

Shows that although mortality rates have decreased more rapidly in urban than in rural areas since 1900, rural residents still have lower rates than urban residents in spite of the better medical facilities available to the latter.

The effects of occupation and of its accompanying environment on mortality. By Percy Stocks, M. D. (In Journal of Royal Statistical Society, Vol. CI, Part IV, London, 1938, pp. 669-696.)

In addition to the paper itself, which was read at a meeting of the Royal Statistical Society on May 17, 1938, there are several pages of discussion.

Medical care in the United States and foreign countries, with special reference to socialization: Selected list of recent writings. Compiled by Anne L. Baden. Washington, Library of Congress, Division of Bibliography, 1938. 26 pp.; mimeographed. (Supplementing mimeographed list of March 28, 1935.)

Proceedings of special meeting of members of Air Hygiene Foundation of America, Inc., November 30, 1937. Pittsburgh, [1938?]. 65 pp.

The committee reports presented include one on recent progress in the medical field toward further improvement of industrial health, the report of the preventive engineering committee on engineering progress toward controlling occupational disease, a résumé of the work of the legal committee during 1937, and a critical review of workmen's compensation legislation.

Rapport annuel du Service Médical du Travail [Belgium], 1937. (In Revue du Travail, Ministère du Travail et de la Prévoyance Sociale, Brussels, October 1938, pp. 1229-1293.)

This annual report of the Belgian industrial medical service contains reports regarding health hazards found by medical inspectors in various industries, the results of periodic examinations of workers in especially dangerous industries, and special studies of hazards in industries handling hides and wool, the airplane industry, and steel mills. An account is also given of the results of periodic medical examinations carried out among young workers.

Eighteenth annual report of Industrial Health Research Board, Great Britain, to June 30, 1938. London, 1938. 62 pp.

Gives a general résumé of the work of the board for a 20-year period, covering hours of labor, environmental conditions, methods of work, vocational suitability, and industrial sickness. The report on the work of the current year covers studies of environmental conditions, physiology and psychology of work, accidents and vocational aptitudes, and occupational sickness.

Contribution à l'étude toxicologique du benzène. By Pierre Laurian. Lille, France, Imprimerie L. Danel, 1937. 235 pp., diagrams, illus.

A study of the toxic qualities of benzene including the results of experimental poisoning in animals.

Silicosis and allied disorders—history and industrial importance. Pittsburgh, Air Hygiene Foundation of America, Inc., 1937. 178 pp., illus.; bibliography.

Reviews the history of silicosis in foreign countries and the United States and discusses the pathology of silicosis, tuberculosis, and asbestosis and the diagnosis and prevention of these diseases.

Housing

The effect of housing upon population growth. By Warren S. Thompson. (In Milbank Memorial Fund Quarterly, New York, October 1938, pp. 359-368.)

The writer finds that high rents have a depressing effect upon population growth among families of sound stock. It is suggested that more attention should be given to rural or semirural housing for city workers if the birth rate is to be increased. The conclusion reached is that a socially sound housing program should be based on the qualitative and quantitative population needs.

Let's look at housing. New York, Citizens' Housing Council of New York, [1938?]. 9 pp., illus.

Treats the housing problem in a general way, touching on existing slums and methods of replacing them.

Housing the industrial worker: Part XII, Housing and taxation. By Horace L. Seymour. (In Canadian Unionist, All-Canadian Congress of Labor, Ottawa, November 1938, pp. 138, 139.)

Shows the high cost of slums to the taxpayer and the relatively more favorable tax position where good housing is provided. The first article in this series on housing the industrial worker appeared in the Canadian Unionist for November 1937.

Home financing. (In Law and Contemporary Problems, Duke University, School of Law, Vol. V, No. 4, Durham, N. C., 1938; 148 pp.)

Collection of articles, by different writers, on legislative and other phases of the subject.

Annual report of State Board of Housing, Massachusetts, for year ending November 30, 1937. Boston, [1938?]. 49 pp., maps, plans, illus. (Public Document No. 154.)

Includes reports of State and city housing boards and the results of special housing surveys.

Report on investigation and public hearings on living and housing conditions in City of New York. New York, New York City Housing Authority, January 25, 1937. 83 pp.

Covers the curtailment of construction, the shortage of low-rent dwellings, and proposals for improving conditions considered by the New York City Housing Authority.

Slums of New York. By Harry Manuel Shulman. New York, Albert & Charles Boni, Inc., 1938. 394 pp.

A study of family and neighborhood life in four slum areas of immigrant settlement in New York City in prosperity and depression.

Housing in Philadelphia, 1937. By Bernard J. Newman. (In Housing Quarterly, Philadelphia Housing Association, November 1938; 34 pp., chart, illus.)

Some footnotes to housing figures [in Great Britain]. By E. H. Y. Kennet. (In Journal of Royal Statistical Society, Vol. CI, Part IV, London, 1938, pp. 709-729.)

Gives housing statistics and traces the development of the Government's housing program, with particular reference to slum clearance and overcrowding.

Industrial Accidents and Workmen's Compensation

Industrial accident statistics. Geneva, International Labor Office (American branch, 734 Jackson Place N.W., Washington, D. C.), 1938. 129 pp. (Studies and Reports, Series N, No. 22.)

In this volume the International Labor Office presents the results of an examination of data on industrial accidents, made with special reference to comparability. Chapters on the difficulties of international comparisons of accident risks and on industrial accident rates in principal industrial branches are followed by an appendix giving the available data on industrial accidents in 33 countries for the period 1927 to 1936.

Employment and accidents at coke ovens in the United States during 1937. By W. W. Adams, V. E. Wrenn, and H. L. Sims. Washington, U. S. Bureau of Mines, 1938. 13 pp.; mimeographed. (Health and Safety Statistics, No. 254.)

Returns for 1937 from the coke-manufacturing industry show a total of 54,444,978 man-hours worked, and 587 injuries resulting in 9 fatalities, and 1 per-

manent total, 32 permanent partial, and 554 temporary total disabilities. Statistics are given by State, by type of oven, and by cause of injury. Frequency rates for the years 1916-37 show a reduction during the period from 72.35 to 8.54.

Employment and accidents at iron-ore mines in the United States, 1936 and 1937.

By W. W. Adams, E. E. Getzin, and M. E. Kolhos. Washington, U. S. Bureau of Mines, 1938. 9 pp.; mimeographed. (Health and Safety Statistics, No. 255.)

The report contains accident data by type of mine and cause of injury. During 1937, man-hours worked totaled 45,914,195, and injuries 1,383, as compared with 34,692,621 man-hours and 868 injuries in 1936—an increase in frequency rate from 25.9 to 30.8 per million man-hours.

A study of explosives accidents reported to National Safety Competition [in mining and quarrying industries], 1925-35. By W. J. Fene. Washington, U. S. Bureau of Mines, 1938. 23 pp.; mimeographed. (Information Circular 7038.)

Necessity for more extended use of safety equipment in mining. By D. Harrington. Washington, U. S. Bureau of Mines, 1938. 14 pp.; mimeographed. (Information Circular 7063.)

Summary and analysis of accidents on steam railways in the United States subject to Interstate Commerce Act, calendar year 1937. Washington, U. S. Interstate Commerce Commission, Bureau of Statistics, 1938. 109 pp., charts. (Accident Bulletin No. 106.)

Reviewed in this issue.

Occupational Hazards and Safety, Volume 1, No. 1. Cleveland, Ohio, Industrial Publishing Co., October 1938. 48 pp., illus.

The first issue of a new monthly periodical.

Our workmen's compensation: I, The benefits. Washington, U. S. Division of Labor Standards, 1938. 24 pp.

Workmen's compensation in the United States, as of July 1, 1938. Washington, U. S. Bureau of Labor Statistics, 1938. 23 pp. (Serial No. R. 815, reprint from September 1938 Monthly Labor Review.)

Causes of compensated accidents [New York State], four years, 1932, 1933, 1934, and 1935. Albany, State Department of Labor, Division of Statistics and Information, 1938. 212 pp., charts. (Special Bulletin No. 196.)

The analysis covers a total of 296,608 industrial injuries, for which final awards were made in the 4-year period, of which 3,202 were fatal, 479 resulted in permanent total disability, 65,953 in permanent partial disability, and 226,974 in temporary disability of more than 1 week. The compensation awarded to injured workers or their dependents totaled \$99,964,769, exclusive of administrative and medical costs.

The greatest number of accidents (36 percent) occurred in connection with handling objects and using hand tools, but the awards in these cases amounted to only 21 percent of the total compensation cost. Falls of workers caused the second largest number of compensated injuries (22 percent), but these cases ranked highest in total compensation cost (29 percent). Mechanical apparatus was the third cause in numerical rank (12 percent), but fourth in compensation cost (15 percent). Vehicles ranked as fourth cause in number of injuries (9 percent) but third in compensation cost (16 percent).

Proceedings of Casualty Actuarial Society, May 20, 1938. New York, 1938. 267 pp.

Papers presented at the conference included: "Special funds under the New York Workmen's Compensation Law," by Grady H. Hipp; "Graduation of an American remarriage table for joint life annuities," by Edward Olifiers; and "The retrospective rating plan for workmen's compensation risks," by Sydney D. Pinney.

Report for 1937 of Ontario Workmen's Compensation Board. Toronto, 1938. 71 pp.

During 1937, a total of 70,582 industrial injuries were reported to the board. Either compensation or medical aid, amounting to \$6,129,961, was awarded in 66,368 cases. This sum does not include medical aid furnished by railroad, navigation, express, telegraph, and telephone companies, or municipal corpora-

tions, nor in Dominion and Provincial Crown cases. The administrative expense of the board, paid out of funds collected from employers, was 4.52 percent of receipts.

Industrial Relations

Report of Commission on Industrial Relations in Great Britain. Washington, U. S. Department of Labor, 1938. 146 pp.

Report of Commission on Industrial Relations in Sweden. Washington, U. S. Department of Labor, 1938. 77 pp.

The findings of the Commission as regards both Great Britain and Sweden were summarized in an article in the October 1938 Monthly Labor Review.

Sweden, the middle way. By Marquis W. Childs. New Haven, Yale University Press, 1938. 184 pp.

Revised edition of the earlier book by the same title, giving later information and containing a chapter designed to modify the impression given by the earlier study that Sweden is a Utopia.

This is democracy: Collective bargaining in Scandinavia. By Marquis W. Childs. New Haven, Yale University Press, 1938. xvii, 169 pp., illus.

Describes the development of organization among the workers and the employers; the process of collective bargaining; the attitudes and accomplishments of labor governments; relations between farmers and industrial workers; the adult-education system of the labor organizations; the "company towns" in which there is no attempt to control workers by threat of eviction and other measures within the power of the employing company, and in which most of the workers are unionized; and the relation between the workers and the cooperatives. Two chapters deal, respectively, with unions of white-collar workers and unions of domestic servants.

A municipal labor relations board for Cincinnati; a brief account of experience in other cities and a recommended plan. Cincinnati, Cincinnati Bureau of Governmental Research, Inc., 1938. 38 pp. (Report No. 78.)

Brief account of the experience of municipal mediation agencies in Toledo, Ohio, Newark and Paterson, N. J., Philadelphia, Minneapolis, and New York City and New York State.

Economic enquiries as a basis for democratic adjustment of labor disputes. By Jørgen S. Dich. (In International Labor Review, Geneva, November 1938, pp. 575-590.)

The rôle of grievance machinery in union-management relations. By Ira B. Cross, Jr. (In Harvard Business Review, Vol. XVII, No. 1, New York, 1938, pp. 105-116.)

Short study of the structure and functioning of grievance machinery, based on field investigations of plants in the Boston area. It discusses the advantages and disadvantages in the different methods of selecting shop stewards, as well as the procedures followed in taking up and making decisions with regard to individual grievances.

Labor and Social Legislation

Reports of committees and resolutions adopted by Fifth National Conference on Labor Legislation, November 14-16, 1938. Washington, U. S. Division of Labor Standards, 1938. 34 pp. (Bulletin 25-A.)

State labor legislation, 1938. Washington, U. S. Bureau of Labor Statistics, 1938. 10 pp. (Serial No. R. 826, reprint from October 1938 Monthly Labor Review.)

Survey of present status of problem of transient and State settlement laws. Chicago, Council of State Governments, 1938. 15 pp.; mimeographed.

Legislation, 1930-1938, Brazil. [Rio de Janeiro?], Ministry of Labor, Industry, and Commerce, 1938. 121 pp. (In Portuguese.)

Historical account of the development of the existing body of social and labor legislation in Brazil, with a classified index to all legislation now effective in the fields of labor, industry, commerce, social welfare, and statistics.

Labor Organization

The International Typographical Union. By Boris Stern. (In Labor Information Bulletin, U. S. Bureau of Labor Statistics, Washington, November 1938, pp. 4-7.)

An outline of trade union history in Great Britain, the United States, and Canada, with special emphasis on causes leading to present division in Canadian labor movement. By Margaret Mackintosh. Ottawa, Department of Labor, 1938. 30 pp.; mimeographed.

Report of proceedings at 70th annual Trades Union Congress, Blackpool [England], September 5-9, 1938. London, Trades Union Congress, 1938. 512 pp.

In addition to the proceedings of the meeting, the volume contains statistics of union membership and reports on important questions such as industrial disputes and unemployment.

Forty-fourth annual report of Irish Trade Union Congress. Dublin, National Executive of Irish Trade Union Congress, 1938. 174 pp.

Includes the report of the executive officers for 1937-38 and the proceedings of the annual meeting.

Occupations

Job descriptions for cleaning, dyeing, and pressing industry. Washington, U. S. Employment Service, Division of Standards and Research, 1938. xxxix, 344 pp., illus.

An occupational study of the fruit and vegetable canning industry in California. By Edward G. Stoy and Frances W. Strong. San Francisco, National Youth Administration of California, 1938. 41 pp., illus.

Radio service and related occupations. Louisville, National Youth Administration for Kentucky, 1938. 37 pp.

Other occupational studies issued by the Kentucky office included the following: The beautician and barber; The professional salesman; Clerical occupations; Occupations in air conditioning; Occupations in the baking industry; The tobacco industry in Louisville and Kentucky; Sales persons.

Forecasting occupational needs—discovering community placement opportunities. By Lorin A. Thompson, Jr. (In Occupations—The Vocational Guidance Magazine, New York, October 1938, pp. 22-27.)

Contains suggestions and recommendations for the adjustment of curricula to future occupational requirements. Also presents additional proof of the ineffectiveness of occupational guidance and training efforts without definite data on placement opportunities with particular reference to future demands for skilled workers.

Your vocation—introduction. Prepared on an N. Y. A. work project. Louisville, National Youth Administration for Kentucky, 1937. 35 pp.

This introductory brochure has been followed by a series of occupational summaries dealing with a number of occupations which have been reported on in greater detail in other publications of the same office.

Old-Age Pensions

List of references on old-age assistance. Washington, U. S. Social Security Board, Library, September 1938. 8 pp.; mimeographed.

Wages and employment under old age insurance program. By John J. Corson. (In Social Security Bulletin, U. S. Social Security Board, Washington, September 1938, pp. 20-24.)

Sickness Insurance

Health insurance plans: A, Mutual benefit associations. New York, National Industrial Conference Board, 1938. 34 pp. (Studies in Personnel Policy No. 9.)

The study was made in the spring of 1938, and covers the plans of 279 mutual-benefit associations. It was found that neither recent social-security legislation nor union agitation has greatly influenced the present status of these associations.

Health security for the Nation. By John A. Kingsbury. New York, League for Industrial Democracy, 1938. 39 pp.; bibliography.

Outlines the principles which the author believes should be followed in establishing a health insurance system in the United States.

Health insurance with medical care: The British experience. By Douglass W. Orr, M. D., and Jean W. Orr. New York, Macmillan Co., 1938. 271 pp.

Report on a first-hand study of the British health-insurance system, including interviews with officials, physicians, and insured persons, as well as a questionnaire study for the purpose of showing in what way the British experience can contribute to the understanding of both principles and methods of national health insurance in this country.

Social Security (General)

The application of social insurance in Bulgaria. (In International Labor Review, Geneva, November 1938, pp. 667-676.)

El seguro social en Chile en su aspecto medico sanitario. By Carlos Maldonado Boggiano. Santiago, Caja de Seguro Obligatorio, 1938. 37 pp., charts.

Report on the medico-social activities carried on in Chile by the Compulsory Insurance Fund, as presented to the Tenth Pan-American Sanitary Conference by the director of the medical services of that fund. A brief general account is given of social insurance in Chile. Vital statistics, general social benefits, protection to mother and child, the campaign against tuberculosis, and protection of workers through medical examinations, are discussed, with statistics through June 1938.

14a memoria anual correspondiente al ejercicio financiero [Chile], julio 1937-junio 1938. Santiago de Chile, Caja de Seguro Obligatorio, 1938. 63 pp., charts.

Fourteenth annual report of Compulsory Insurance Bank of Chile, July 1937 to June 1938, showing medical services rendered to various groups, financial administration of the Bank, and social welfare work carried on by the use of the Bank's funds.

Technological Changes

Changes in technology and labor requirements in crop production: Cotton. By William C. Holley and Lloyd E. Arnold. Washington, U. S. Works Progress Administration, 1938. xvi, 132 pp., maps, charts, illus. (National Research Project, Studies of Changing Techniques and Employment in Agriculture, Report No. A-7.)

Reviewed in this issue.

Mineral technology and output per man studies: Grade of ore. By Andrew V. Corry and O. E. Kiessling. Washington, U. S. Works Progress Administration, 1938. xv, 114 pp., charts. (National Research Project, Mineral Technology and Output per Man Studies, Report No. E-6.)

Reviewed in this issue.

Textile Industry

Management of a textile business: A study of the operation of an individual enterprise. By C. Canby Balderston and Victor S. Karabasz. Washington, Textile Foundation, 1938. 210 pp.

The subject of one section is the control of labor and of labor costs.

The marketing of textiles. By Reavis Cox. Washington, Textile Foundation, 1938. 367 pp.

Part VI covers price problems and policies of the textile industry.

Textile costing—an aid to management. By Jeremiah Lockwood and Arthur D. Maxwell. Washington, Textile Foundation, 1938. 282 pp.

Part of the book is devoted to basic principles of material, labor, and overhead costs.

Second annual report of Spindles Board, Great Britain. London, 1938. 10 pp. (Cmd. 5873.)

Summary of operations under Cotton Spinning Industry Act, 1936. This legislation was designed to reduce the number of surplus spindles.

Unemployment Insurance and Relief

Seasonal workers and unemployment compensation. By Ida Craven Merriam. (In Social Security Bulletin, U. S. Social Security Board, Washington, September 1938, pp. 8-15.)

Seasonality in Ohio canning establishments in relation to unemployment compensation. By William Papier. (In Social Security Bulletin, U. S. Social Security Board, Washington, October 1938, pp. 6-10.)

Unemployment compensation interpretation service: Benefit decisions of British Empire; a codification and text of selected decisions. Washington, U. S. Social Security Board, June 1, 1938. 867 pp. (Benefit Series, General Supplement No. 1.)

Report of Secretary of Labor, New Zealand, upon activities and proceedings under Employment Promotion Act, 1936. Wellington, Department of Labor, Employment Division, 1938. 38 pp., maps.

Industry's obligation to the unemployed. By James W. Hook. New Haven, Conn., Tuttle, Morehouse & Taylor Co., 1938. 39 pp.

Two addresses on the problem of unemployment—one covering the obligation of industry to the unemployed and the other a plan for taking care of unemployed persons who are able and willing to work.

Wages and Hours of Labor

Wages in cotton-goods manufacturing. By A. F. Hinrichs. Washington, U. S. Bureau of Labor Statistics, 1938. 154 pp., charts. (Bulletin No. 663.)

Summary data from this study were published in the December 1938 Monthly Labor Review.

Earnings and hours in fireworks industry, October 1937. Washington, U. S. Bureau of Labor Statistics, 1938. 14 pp. (Serial No. R. 821, reprint from April 1938 Monthly Labor Review.)

Railroads and railroad wages, 1938. Washington, Bureau of Information of the Southeastern Railways, 1938. 16 pp., charts.

The wages of railroad labor, 1938. Washington, Railway Labor Executives' Association, 1938. 28 pp., charts.

Merchant marine statistics, fiscal year 1937. Washington, U. S. Bureau of Marine Inspection and Navigation, 1938. 90 pp. (Report Series, No. 3.)

The statistics presented include average monthly wages of seamen on American merchant vessels of 500 gross tons and over, 1920-37, and on steam and motor cargo vessels of 5,000 gross tons and over, 1935-37.

Report of proceedings under Agricultural Wages (Regulation) Act [Great Britain], 1924, for year ended September 30, 1937. London, Ministry of Agriculture and Fisheries, 1938. 61 pp.

Covers activities on behalf of agricultural labor under the Wage Regulation Act and gives information on wages and hours.

Wage policy in relation to industrial fluctuations. By A. G. Pool. London, Macmillan & Co., Ltd., 1938. xiii, 305 pp., charts.

In Part I the author analyzes the theory of adjustment of wage rates to industrial fluctuations. He compares depressed industries and prosperous industries and holds that the maintenance of employment calls for the transfer of workers from depressed to prosperous industries. Reductions of wages in depressed industries will not bring about such transfers. Part II deals with methods of adjusting wages for the purpose of increasing the flexibility of wage rates. Incidental attention is given to the bearing of wages, as income for consumption, on demand for goods and on employment of workers. The author deals primarily with British experience and problems.

Hours of work in American industry. By Leo Wolman. New York, National Bureau of Economic Research, 1938. 20 pp., charts. (Bulletin 71.)

A study of full-time or normal hours per week in manufacturing, building trades, and coal mining, and on the railroads. Some of the figures go back to 1890.

Wholesale Prices

Wholesale commodity prices in the United States, 1700-1861. By Arthur Harrison Cole. Cambridge, Mass., Harvard University Press, 1938. 2 vols.; 187 and 359 pp.

Números índices de precios al por mayor en Venezuela, 1913-1937. Caracas, Ministerio de Fomento, Dirección de Estadística, [1938?]. 129 pp., charts.

Wholesale prices and indexes thereof for 49 commodities, by month, from 1913 through 1937.

General Reports

Index of research projects, Volume 1. Washington, U. S. Works Progress Administration, 1938. 291 pp.

Annotated list of research projects conducted under the auspices of the U. S. Civil Works Administration, the U. S. Works Progress Administration, and State emergency relief administrations, classified under the following general heads: Natural resources; planning; science and technology; anthropology; history; art, literature, and philosophy; economics; governmental research; social research; and education. There is a detailed subject index to the volume.

Handbook of Latin American studies: A selective guide to the material published in 1937 on anthropology, art, economics, education, folklore, geography, government, history, international relations, law, language, and literature. Edited by Lewis Hanke. Cambridge, Mass., Harvard University Press, 1938. 156 pp.

Labor fact book, Volume IV. Prepared by Labor Research Association. New York, International Publishers, 1938. 223 pp.

The data are presented under the following heads: From recovery to crisis; labor and progressive political movements; legislation; labor and social conditions; farmers and farm workers; the struggle for civil rights; trade-union trends; labor abroad; war begins.

Statistical report on prices, wage rates and hours of labor, unemployment, industrial accidents, etc. [in New Zealand], for the year 1936. Wellington, Census and Statistics Department, 1938. xxxviii, 123 pp.

Statistical survey, General Federation of Jewish Labor in Eretz-Israel (Palestine). Tel Aviv, Palestine, 1938. Various paging.

Presents data for Palestine on labor organization, employment and unemployment, wages, industrial accidents, industrial disputes, Jewish population, immigration, and age distribution of Jewish workers. The statistics are mainly for the year 1937, although in some cases figures are given for January or March 1938.

Síntesis estadística de la República Oriental del Uruguay. Montevideo, Dirección General de Estadística, 1938. 165 pp., charts. (Publication 153, No. 16.)

A section on social welfare and labor contains figures, mainly through 1937, on old-age pensions in force, Government loans, family budgets, operation of people's restaurants administered by the Government, strikes and lock-outs, and industrial accidents.

