Registry No. 1640—04

NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

FOR THE

PIANO MANUFACTURING INDUSTRY

AS APPROVED ON NOVEMBER 4, 1933

BY

PRESIDENT ROOSEVELT

1. Executive Order
2. Letter of Transmittal
3. Code

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EXECUTIVE ORDER

Code of Fair Competition, Piano Manufacturing Industry

An application having been duly made, pursuant to and in full compliance with the provisions of title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Piano Manufacturing Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said code of fair competition, together with his recommendations and findings with respect thereto, and the Administrator having found that the said code of fair competition complies in all respects with the pertinent provisions of title I of said act and that the requirements of clauses (1) and (2) of subsection (a) of section 3 of the said act have been met:

NOW, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations, and findings of the Administrator and do order that the said code of fair competition be, and is hereby, approved.

FRANKLIN D. ROOSEVELT.

The White House,
November 4, 1933.

Approval recommended:
Hugh S. Johnson,
Administrator.

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The President,
The White House.

Sir: A Public Hearing on the Code of Fair Competition for the Piano Manufacturing Industry, submitted by the National Piano Manufacturers Association of America, located at 45 West 45th Street, New York, N.Y., was conducted in Washington on the 27th of September 1933 in accordance with the provisions of the National Industrial Recovery Act. The Association claims to represent 90 percent of the Industry.

The maximum hours permitted under this Code are forty (40) per week, with a tolerance of eight (8) hours per week in cases of emergency, provided that time and one half is paid for all hours in excess of eight (8) per day. The minimum wage is forty cents (40¢) per hour or sixteen dollars ($16.00) per week for all factory workers and thirty-five cents (35¢) per hour or fourteen dollars ($14.00) per week for all other employees, except that not more than 5 percent of each group may be paid not less than 80 percent of the minimum wage and shall include only learners for a period of not to exceed six (6) weeks and office boys and office girls between the ages of sixteen (16) and eighteen (18) years.

In this regard it must be noted that comparison of 1929 figures are not applicable due to the fact that statistics show that the peak year for the Piano Manufacturing Industry was 1923, and that since that time the number of employees has declined steadily until in 1929 only 45 percent of the 1923 wage earners were employed and in 1933 approximately 17 percent. This decline is largely due to the development of radio and mechanical musical devices as well as to the general slump in business. This has resulted in a decrease in the value of products of about 61 percent.

Factory workers constitute approximately 90 percent of the wage earners in the Industry. A statistical analysis by the Division of Economic Planning and Research indicates that the percentage of factory workers in the Industry now receiving less than the forty cents (40¢) minimum is 22.5 percent. At least 75 percent of the total factory employees are highly skilled and provision is made that employers shall endeavor to increase the pay above the present rates when already in excess of the minimum.

Since the volume of business in this Industry has decreased so radically, it is not anticipated that any great number of wage earners will be reemployed as a result of the provisions of this Code as a greatly increased cost of labor will decrease still further the number of sales to consumers.

In 1923 the total number of wage earners in this Industry was 22,206, decreased to 9,970 in 1929, and to approximately 3,710 in 1933. A decrease of approximately 85 percent.

To raise employees to the 1929 level would require the establishment of a 10.6 hour week. Since the cost of labor constitutes about

33 percent of the total cost of the finished article, the increased cost to the consumer would be prohibitive.

The value of products in the Piano Manufacturing Industry in 1929 was $42,500,000 and declined to $15,000,000 in 1931, a decrease of approximately 65 percent.

FINDINGS

The Administrator finds that—

(a) The Code as recommended, complies in all respects with the pertinent provisions of Title I of the Act, including, without limitation, subsection (a) of Section 7, and subsection (b) of Section 10 thereof; and that—

(b) The National Piano Manufacturers Association of America, the applicant group herein, imposes no inequitable restrictions on admission to membership and is truly representative of the Piano Manufacturing Industry; and that—

(c) The Code as recommended is not designed to promote monopolies or to eliminate or oppress small enterprises and will not operate to discriminate against them, and will tend to effectuate the policy of Title I of the National Industrial Recovery Act.

This Industry has cooperated in a most satisfactory manner with the Administration in the preparation of this Code. From evidence adduced during this hearing and from recommendations and reports of the various Advisory Boards it is believed that this Code as now proposed and revised represents an effective, practical, equitable solution for this Industry and its approval as herewith submitted is recommended.

Respectfully,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION FOR THE PIANO MANUFACTURING INDUSTRY

Article I—Purposes

To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are submitted as a Code of Fair Competition for the Piano Manufacturing Industry and, upon approval by the President, shall be the standard of fair competition for this Industry and shall be binding upon every member thereof.

Article II—Definitions

1. The term "Piano Manufacturing Industry" as used herein includes the building, fabricating, repairing, reconstructing, remodeling, and the assembling of pianos, and/or materials, supplies, and parts thereof, and the branches or subdivisions thereof.

2. The term "employee" as used herein includes any person engaged in any phase of the industry, in any capacity, in the nature of employees receiving compensation for his services, irrespective of the method of payment of such compensation.

3. The term "employer" as used herein includes anyone by whom such employee is compensated or employed.

4. The term "member of the industry" includes anyone engaged in the industry as above defined, either as an employer or on his own behalf.

5. The terms "President", "Act", and "Administrator" as used herein shall mean respectively the President of the United States, the National Recovery Act, and the Administrator of said Act.

6. The term "learner", as used herein, shall mean an employee without previous experience or employment in the industry.

7. The term "finishing departments" as used herein shall include the following operations in manufacture:

(a) Side glueing or building of upright piano cases
(b) Installation of keys, actions, hammers, and dampers into the strung piano case
(c) Regulation of keys, actions, and dampers
(d) Tone regulation
(e) Final rubbing and polishing
(f) Fly finishing of the strung piano case (legs, trapwork, hinges, tops, etc.)
(g) Tuning
(h) Final finishing, inspection, and retouching of keys
(i) Final assembling, adjusting, and inspection of piano actions
(j) Final inspection
(k) Packing and shipping

Article III—Hours

1. No member of the industry shall employ or cause to be employed, factory or mechanical workers or artisans, except emergency repair crews, more than forty (40) hours per week nor more than eight (8) hours per day; provided, however, that employees engaged in operations in finishing departments shall be permitted to work not to exceed forty-eight (48) hours per week for a total of six (6) weeks during each twelve (12) months period following the effective date of this Code; provided, further, that time and one-half shall be paid to such employees for all hours per week over forty (40) and all hours per day over eight (8).

2. No member of the industry shall employ or cause to be employed office or salaried employees or other employees not otherwise specifically referred to herein for more than forty (40) hours per week, averaged over any consecutive three (3) months' period, provided that no such employee shall be employed more than forty-eight (48) hours in any one week nor more than eight (8) hours in any one day; and provided further, that the total number of hours worked by such employee shall not exceed five hundred twenty (520) hours in any thirteen (13) weeks' period.

3. The maximum hours provided shall not apply, however, to employees in managerial, supervisory, sales, or executive capacities, outside tuners, and technicians on research and engineering staffs, who now receive thirty-five ($35.00) dollars or more per week, nor to outside salesmen, nor outside service men other than tuners.

4. Watchmen shall be employed in pairs and shall work not more than thirty-six (36) and forty-eight (48) hours on alternate weeks, or an average of forty-two (42) hours per week.

5. Employers shall not reclassify employees or duties of occupations performed by employees so as to defeat the purposes of the Act.

6. No employee shall work, or be permitted to work, for a total number of hours in excess of the number of hours herein prescribed, whether he be employed by one or more employers.

Article IV—Wages

1. The minimum wage that shall be paid by any employer to any particular factory worker shall be forty (40¢) cents per hour. However, learners may be paid not less than eighty (80%) percent of the minimum rate; the number of learners shall not exceed five (5%) percent of the total number of employees engaged in the processing of products and in labor operations directly incident thereto; the period of learning shall be limited to six (6) weeks.

2. The minimum wage that shall be paid by any employer to all other employees, except as already noted, shall be at the rate of fourteen ($14.00) dollars per week, provided, however, that office boys and office girls who shall be between sixteen (16) and eighteen (18) years of age may be paid not less than eighty (80%) percent of such minimum wage, but the total number of such office boys and office girls shall not in any calendar month exceed five (5%) percent of the total number of all employees covered by the provisions of this article.

3. The minimum pay for female labor on such light nonhazardous work as has customarily been performed by female workers shall be

thirty-two (32¢) cents per hour. Female employees performing substantially the same work as male employees shall receive the same rates of pay as male employees.

4. The rate of wages for various classifications of employees receiving more than the minimum wages herein provided shall not be reduced below those in effect for such classifications on June 16, 1933, notwithstanding that the hours of work in such employment may be reduced; and the minimum wages above set forth shall be made to apply as well to compensation for piecework, and all members of this industry shall endeavor to increase the pay of all employees in excess of the minimum wage as herein set forth by an equitable adjustment of all pay schedules proportionate to the increase in compensation as determined by the minimum wage herein provided.

Article V—General Labor Provisions

1. No person under sixteen (16) years of age shall be employed in the industry, nor anyone under eighteen (18) years of age at occupations or operations hazardous in nature or detrimental to health. The Code Authority shall submit to the Administrator within sixty (60) days a list of such occupations. In any State an employer shall be deemed to have complied with this provision if he shall have on file a certificate or permit duly issued by the authority in such State empowered to issue employment or age certificates or permits, showing that the employee is of the required age.

2. Employees shall have the right to organize and bargain collectively, through representatives of their own choosing, and shall be free from interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection;

3. No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing; and

4. Employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment approved or prescribed by the President.

5. Each employer shall post, and keep posted in a conspicuous place, full copies of the wage, hour, and labor provisions of this Code.

6. If any employer of labor in the Piano Manufacturing Industry is also an employer of labor in any other industry, the provisions of this Code shall apply to and affect only that part of his business which is included in the Piano Manufacturing Industry.

7. Within each State, members of the industry shall comply with any laws of such State imposing more stringent requirements, regulating the age of employees, wages, hours of work, or health, fire, or general working conditions, than under this Code.

Article VI—Administration

To further effectuate the policies of the Act, a Code Authority is hereby established to cooperate with the Administrator in the Administration of this Code.

1. Organization and Constitution of Code Authority.

(a) The Code Authority shall consist of five members of the industry, or such other number as may be approved from time to time by the Administrator, elected by a fair method of selection, to be approved by the Administrator and not more than three members without vote to be appointed at the discretion of the Administrator.

(b) The National Piano Manufacturers Association of America is hereby designated the administrative agency for carrying out the provisions of this Code under the direction of the Code Authority, subject to the approval of the Administrator.

(c) The National Piano Manufacturers Association of America shall submit to the Administrator its Article of Association, By-Laws, Regulations, and any amendments when made thereto, and such other information as to its membership, organization, and activities as the Administrator may require to effectuate the purposes of this Act.

(d) Any member of the industry may receive the benefits of the activities of the Code Authority by paying his proper pro rata share of the cost of administering the Code or by becoming a member of the National Piano Manufacturers Association of America and there shall be no inequitable restrictions on such membership.

(e) In order that the Code Authority shall at all times be truly representative of the industry and in other respects comply with the provisions of the Act, the Administrator may provide such hearings as he may deem proper; and thereafter if he shall find that the Code Authority is not truly representative or does not in other respects comply with the provisions of the Act, may require an appropriate modification in the method of selection of the Code Authority.

2. The Code Authority shall have the following duties and powers to the extent permitted by the Act, subject to the power of the Administrator to modify, disapprove, or revoke any Act of such Code Authority.

(a) To require and receive sworn or unsworn reports as to wages, hours of labor, conditions of employment, number of employees, shipments, production, sales, stocks, prices, and other matters pertinent to the purpose of this Code.

(b) To transmit to the Administrator from time to time such reports as he may desire.

(c) To make investigations as to the functioning and observance of any provisions of this Code at its own instance or on complaint by any person affected and report the same to the Administrator.

(d) To formulate and prepare for submission an amendment to this Code, providing for the prohibition of unfair trade practices in this industry.

(e) In addition to the information required to be submitted to the Code Authority, there shall be furnished to government agencies such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the Act.

Article VII—Modification

1. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the pro-

visions of subsection (b) of Section 10 of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act and specifically, but without limitation, to the right of the President to cancel or modify his approval of this Code or any conditions imposed by him upon his approval thereof.

2. This Code, except as to provisions required by the Act, may be modified on the basis of experience or changes in circumstances, such modification to be based upon application to the Administrator and such notice of hearing as he shall specify, and to become effective on approval of the President.

3. Any member of the industry who, prior to June 16, 1933, contracted to buy or sell any goods, wares or merchandise at a price fixed as of the date of said contract for future delivery, shall make a bona fide effort to arrive at an equitable adjustment on the price thereof as fixed by said contract to meet any proper increase in the cost of such goods, wares or merchandise imposed by virtue of any provision of the National Industrial Recovery Act and in the event such effort fails to result in the mutually satisfactory adjustment either party to said contract may refer the same for adjustment to the Code Authority of the industry which, with the aid and assistance of the Administrator or his properly designated agent or agents, shall endeavor to arrive at an equitable adjustment thereof.

Article VIII—Monopolies, Etc.

No provision of this Code shall be so applied as to permit monopolies or monopolistic practices, or to eliminate, oppress or discriminate against small enterprises.

Article IX—Price Increases

Whereas the policy of the Act to increase real purchasing power will be made impossible of consummation if prices of goods and services increase as rapidly as wages, it is recognized that price increases should be delayed and that, when made, the same should, so far as reasonably possible, be limited to actual increases in the seller's costs.

Article X—Effective Date

This Code shall become effective on the second Monday after its approval by the President.

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