

NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

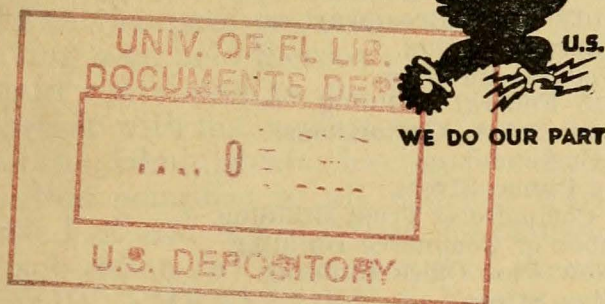
FOR THE

COATED ABRASIVES
INDUSTRY

AS APPROVED ON DECEMBER 30, 1933

BY

PRESIDENT ROOSEVELT



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Approved Code No. 189

CODE OF FAIR COMPETITION
FOR THE
COATED ABRASIVES INDUSTRY

As Approved on December 30, 1933

BY
PRESIDENT ROOSEVELT

Executive Order

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 Coated Abrasives 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 and recommendations, and findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

Approval recommended:

HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
December 30, 1933.

DECEMBER 14, 1933.

The PRESIDENT,
The White House.

SIR: This is a report on the Code of Fair Competition for the Coated Abrasives Industry in the United States, the hearing having been conducted in Washington on October 5, 1933, in accordance with the provisions of the National Industrial Recovery Act.

PROVISIONS FOR HOURS AND WAGES

The maximum hours provided for factory workers are 40 per week and 8 per day, except during peak periods when 36 additional hours will be permitted in any 3 months' period but not more than 48 hours in any one week. Time and one half for hours in excess of 40 per week and 8 per day will be paid to the above employees. Exceptions to the above hour limitation apply to employees on maintenance work who will be limited to 44 hours in any 3 months' period and 48 hours in any one week, to the Coating Department where workers using perishable glue will be permitted to work 48 hours a week. Employees on emergency work, executives, supervisors, and salesmen are not limited in hours. Shipping crews will be limited to 48 hours a week, and will be paid the one and a half rate for time in excess of 44 hours a week and 9 hours a day. Office employees will be limited to 40 hours averaged over a 3 months' period and 48 hours in any one week, and watchmen to 56 hours.

The minimum wage to factory workers will be 40 cents an hour, except on light work for which male employees under 18 years and female employees will be paid a minimum of 35 cents. On other than light work, female employees and male employees, under 18 years, will be paid the 40-cent minimum.

CHILD LABOR

The minimum age of employees will be 16 years, except in hazardous occupations, where the minimum will be 18 years.

ECONOMIC EFFECT OF CODE

The 40-hour normal week as provided by the Code and put into effect after June 16, 1933, has added 435 persons to the 1,051 employees in June 1933 a 40 percent gain. This present number is 247 more than in 1929, when the working time averaged 50 hours a week. In spite of a drop in sales volume from \$15,000,000 in 1928 to \$10,000,000 in 1932, or 33 percent, employment has actually increased in this industry.

The wage rates provided by the Code will increase the minimum pay for female employees and male employees between the ages of 16 and 18 years, raise the minimum for all other operations, and will result in an appreciably higher average for all workers in the industry.

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 applicant group imposes no inequitable restrictions on admission to membership therein and is truly representative of the Coated Abrasives 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.

It is recommended, therefore, that this Code be approved.

Respectfully,

HUGH S. JOHNSON,
Administrator.

CODE OF FAIR COMPETITION
FOR THE
COATED ABRASIVES 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 Coated Abrasives Industry, and upon approval by the President shall be the standard of fair competition for such industry and shall be binding upon every member thereof.

ARTICLE II—DEFINITIONS

The term "Coated Abrasives Industry" or "Industry" as used herein includes the manufacture of Coated Abrasive Products comprising a backing of paper and/or cloth or other cellulosic backing in which a coating of abrasive grains is bonded to the backing by means of an adhesive after the manner of sandpaper and other products incidental or correlated thereto.

The term "Member of the Industry" as used herein includes any manufacturer who shall be subject to this Code.

The term "Employee" as used herein includes anyone engaged in the Industry in any capacity receiving compensation for his services, irrespective of the nature or method of payment of each compensation.

The term "Employer" as used herein includes anyone by whom any employee is compensated or employed.

The term "Administrator" as used herein means the Administrator of Title I of the National Industrial Recovery Act.

The term "Member of the Code" as used herein includes any member of the Industry who shall expressly signify assent to this Code.

The term "Act" as used herein means Title I of the National Industrial Recovery Act.

The term "President" as used herein means the President of the United States.

Population for the purposes of this Code shall be determined by reference to the 1930 Federal Census.

ARTICLE III—HOURS

SECTION 1. No employee shall work or be permitted to work in excess of forty (40) hours in any seven (7) day period or in excess of eight (8) hours in any twenty-four (24) hour period, except as follows:

(a) Employees in a managerial, executive, or supervisory capacity (not including under foremen or bosses engaged on production

work) receiving not less than thirty-five dollars (\$35.00) or more per week, and employees engaged on emergency maintenance and emergency repair work involving breakdowns or protection of life or property, and commercial traveling salesmen.

(b) Accounting, clerical, office, service, and sales employees, who may, except, as hereinafter provided, be permitted to work not more than a maximum week of forty (40) hours averaged over a three (3) month period; provided, however, that such employees shall not be employed more than forty-eight (48) hours in any one week.

(c) Factory and mechanical workers and artisans, who during periods in which a concentrated demand upon any division of the Industry shall place an unusual and temporary burden for production upon its facilities, shall be permitted to work not more than thirty-six (36) additional hours in any three (3) months period, but not more than forty-eight (48) hours in any seven (7) day period.

(d) Watchmen who shall not be permitted to work in excess of fifty-six (56) hours in any seven (7) day period.

(e) Employees on automotive or horse-drawn passenger, express, delivery, or freight service, including shipping crews, who shall be permitted to work such hours as may be necessary, but not in excess of forty-eight (48) hours in any seven (7) day period; provided that such employee shall be paid at the rate of not less than one and one half ($1\frac{1}{2}$) times their regular hourly rate for all hours worked in excess of nine (9) hours in any twenty-four (24) hour period, or forty-four (44) hours in any seven (7) day period.

(f) Engineers, firemen, water tenders, and oilers, who may be permitted to work an average of forty-four (44) hours in any three (3) month period, but not in excess of forty-eight (48) hours in any seven (7) day period.

(g) Employees engaged in coating operations, who may be permitted to work a maximum of forty-eight (48) hours per week, during any period when raw materials used in such operations may be subject to deterioration and consequent loss.

SEC. 2. Any employee, included under Section 1 (a), (c), (f), and (g) of this Article III, except employees in a managerial, executive, or supervisory capacity and commercial travelling salesmen, working in excess of eight (8) hours in any twenty-four (24) hour period or in excess of forty (40) hours in any calendar week, shall be paid for such excess hours not less than one and one half ($1\frac{1}{2}$) times the regular hourly rate of such employee.

SEC. 3. If any employee works for more than one employer, no such employer or employers shall permit such employee to work for a total number of hours in excess of the number of hours prescribed, and all employers in the Industry shall exercise due diligence to carry out the purposes of this Section.

SEC. 4. No employee shall be employed for more than the maximum number of hours hereinabove provided, whether by one or more employers; provided that if any employee should be employed by more than one employer for an aggregate period in excess of such maximum without the knowledge or connivance of any one of such employers, such employer shall not be deemed to have violated this Section.

ARTICLE IV—WAGES

SECTION 1. Except as hereinafter provided, no male employee eighteen (18) years of age or over, shall be paid at a rate of less than forty (40) cents per hour; and no male employee, between the ages of sixteen (16) and eighteen (18) years, who is engaged in light work such as inspecting, counting abrasive and other light sheets, making light packages, stenciling and stamping the sheets and placing them in reams, nor any female employee engaged in such light work shall be paid at a rate of less than thirty-five (35) cents per hour.

SEC. 2. Female employees, and male employees under eighteen (18) years of age, performing substantially the same work as male employees, eighteen (18) years of age and over, shall receive the same rate of pay as such male employees, eighteen (18) years of age and over.

SEC. 3. Except as hereinafter provided, the minimum wage that shall be paid to any accountant, clerical or office employee (not including traveling salesmen), shall be fifteen (\$15) dollars per week in any city of over 500,000 population or in the immediate trade area of such city; not less than fourteen dollars and fifty cents (\$14.50) per week in any city of between 250,000 and 500,000 population or in the immediate trade area of such city; and not less than fourteen (\$14) dollars per week in any city of between 2,500 and 250,000 population or in the immediate trade area of such city. In towns of less than 2,500 population, all wages of such employees shall be increased not less than twenty (20) percent, provided that this increase shall not require wages in excess of twelve (\$12) dollars per week.

SEC. 4. Office boys and girls and messengers shall be paid at a rate of not less than eighty (80) percent of the minimum salary provided in Section (3) of this Article IV, provided that such office boys and girls and messengers so paid shall constitute not more than five (5) percent of the total number of employees of any one employer; but in any case, such employer shall be entitled to employ two (2) such employees.

SEC. 5. This Article IV establishes a minimum rate of pay, regardless of whether the employee is compensated on the basis of a time-rate or a piecework performance or otherwise.

SEC. 6. A person whose earning capacity is limited because of age or physical or mental handicap may be employed on light work at a wage below the minimum established by this Code if the employer obtains from the State authority designated by the United States Department of Labor a certificate authorizing his employment at such wages and for such hours as shall be stated in the certificate; provided that such employees so paid shall constitute no more than five (5) percent of the total number of employees of such employer; but in any case such employer shall be entitled to employ two (2) such employees. Each employer shall file with the Code Authority a list of all such persons employed by him.

SEC. 7. The wage rates for all operations and duties shall be equitably adjusted when this Code becomes effective, and in making such adjustments in no case shall the hourly rate be decreased. Each member of the Industry shall report all such adjustments to the Code Authority within 30 days of the effective date.

SEC. 8. No members of the industry shall reclassify any employee or duties or occupations performed by such employee so as to defeat the purposes of the Act. In determining his classification under this Code, each employee shall be entitled to claim the benefits of the classification of occupation existing on June 16, 1933.

ARTICLE V—CHILD LABOR

No person under 16 years of age shall be employed in the industry. No person under eighteen (18) years of age shall be employed at operations or occupations which are hazardous in nature or dangerous to health. The Code Authority shall submit to the Administrator before February 1, 1934, a list of such operations or occupations. In any State an employer shall be deemed to have complied with this provision as to age if he shall have on file a valid certificate or permit duly signed by the Authority in such State empowered to issue employment or age certificates or permits showing that the employee is of the required age.

ARTICLE VI—GENERAL LABOR PROVISIONS

SECTION 1. Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the 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.

SEC. 2. 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.

SEC. 3. Every employer shall make reasonable provision for the safety and health of his employees at the place and during the hours of their employment. Standards for safety and health shall be submitted by the Code Authority to the Administrator for approval within six (6) months after the effective date of this Code.

SEC. 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.

SEC. 5. Within each State this Code shall not supersede any laws of such State imposing more stringent requirements on employer regulating the age of employees, wages, hours of work, or health, fire, or general working conditions than under this Code.

SEC. 6. Each employer shall post in conspicuous places full copies of this Code.

ARTICLE VII—ADMINISTRATION

SECTION 1. For the purpose of carrying into effect the policies set forth in the National Industrial Recovery Act, the Board of Directors of the Coated Abrasives Association, and additional membership including not more than three (3) members without vote, to be appointed by the Administrator if he so desires, shall constitute a

General Planning Committee which shall be known as the Code Authority of the Coated Abrasives Industry. The President of the Coated Abrasives Association shall preside over the Code Authority, but shall not be entitled to vote.

No decision of the Code Authority shall be binding unless concurred in by 51 percent of the members thereof, provided that at least one member representing less than 20 percent of the volume in dollars of net sales shall be included in the 51 percent, and members representing 75 percent in volume in dollars based upon the preceding year's volume figures in dollars as shown by the records of the Coated Abrasives Association.

SEC. 2. Each trade or industrial association directly or indirectly participating in the selection or activities of the Code Authority shall: (1) Impose no inequitable restrictions on membership, and (2) submit to the Administrator true copies of its articles of association, bylaws, regulations, and any amendments when made thereto, together with such other information as to membership, organization, and activities as the Administrator may deem necessary to effectuate the purposes of the Act.

SEC. 3. 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.

Any member of the Industry who is not a member of the Coated Abrasives Association may secure representation on the Code Authority by accepting his proper pro rata share of the cost of creation and administration of the Code and his share of the responsibility of such administration.

SEC. 4. The Constitution and Bylaws of the Coated Abrasives Association shall not be amended so as to impose any inequitable restrictions upon membership therein.

SEC. 5. Any member of the Industry may participate in the preparation of any revisions of or additions to the Code by accepting his proper pro rata share of the cost of the creation and administration of the Code and his share of the responsibility of such administration, or by becoming a member of the Coated Abrasives Association.

ARTICLE VIII—STATISTICS

The Code Authority shall collect and compile all reports required by the National Industrial Recovery Act. Members of the Industry shall furnish such reports to the Code Authority.

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 IX—IMPORTS

The Coated Abrasives Industry is making a special study of the conditions surrounding the importation of Coated Abrasives into the United States of America. In due course and from time to time it may submit complaints to the President of the United States showing in detail the kinds of Coated Abrasives which are being imported into the United States in substantial quantities. Such complaint or complaints will include a request pursuant to the laws in such case made and provided, that appropriate steps be taken by the President to the end that such importations of foreign Coated Abrasives shall not defeat the purposes of the National Industrial Recovery Act and the provisions of this Code in furtherance thereof.

ARTICLE X—MONOPOLIES

No provision in this Code shall be interpreted or applied in such a manner as to (a) Promote monopolies; (b) Permit or encourage unfair competition; (c) Eliminate, oppress, or discriminate against small enterprises.

ARTICLE XI—MODIFICATIONS

SECTION 1. This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of Section 10 (b) of Title I of the National Industrial Recovery Act, to cancel or modify any order, approval, license, rule, or regulation issued pursuant to the provisions 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.

SEC. 2. Such provisions of this Code as are not required by the National Industrial Recovery Act to be included therein, may (with the approval of the President provided such approval be required) be modified or eliminated by a vote of 51 percent of the members of the Industry, provided that at least one member representing less than 20 percent of the volume in dollars of net sales shall be included in the 51 percent, and members representing 75 percent in volume in dollars of net sales based upon the preceding year's volume figures in dollars, at a meeting to be called upon ten days' notice by the Coated Abrasives Association.

SEC. 3. This Code shall continue in effect for the period provided in the National Industrial Recovery Act, unless sooner terminated in accordance with the law in such case made and provided.

ARTICLE XII—EFFECTIVE DATE

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

Approved Code No. 189.
Registry No. 1001-02.

