

NATIONAL RECOVERY ADMINISTRATION

SUPPLEMENTARY  
CODE OF FAIR COMPETITION

FOR THE

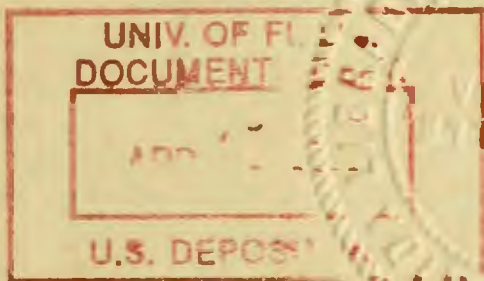
**PAINING, PAPERHANGING  
AND DECORATING  
INDUSTRY**

(A Division of the Construction Industry)

AS APPROVED ON MARCH 12, 1934

BY

**PRESIDENT ROOSEVELT**



UNITED STATES

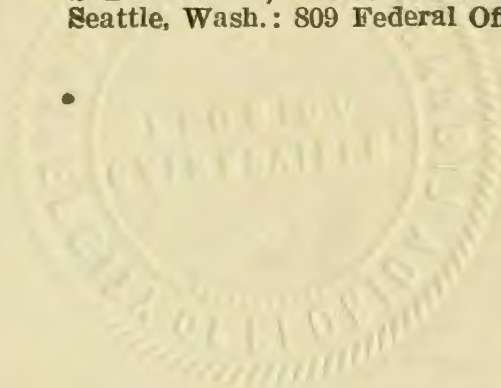
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Approved Code No. 244—Supplement No. 2

**SUPPLEMENTARY CODE OF FAIR COMPETITION**

FOR THE

**PAINTING, PAPERHANGING AND DECORATING  
INDUSTRY**

As Approved on March 12, 1934

BY

**PRESIDENT ROOSEVELT**

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**EXECUTIVE ORDER**

**SUPPLEMENTARY CODE OF FAIR COMPETITION FOR THE PAINTING,  
PAPERHANGING AND DECORATING INDUSTRY**

A DIVISION OF THE CONSTRUCTION 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, and pursuant to and in full compliance with the provisions of Section 5 of Article VIII of Chapter I of the Code of Fair Competition for the Construction Industry, approved January 31, 1934, for approval of Chapter III of said Code, which Chapter III is applicable to the Painting, Paperhanging and Decorating Division of the Construction Industry, and hearings having been held thereon, and the Administrator having rendered his report containing an analysis of said Chapter III and of said Code of Fair Competition as modified by the addition thereto of said Chapter III, together with his recommendations and findings with respect thereto, and the Administrator having found that the said Chapter III and the said Code of Fair Competition, as modified by the addition thereto of said Chapter III, comply 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 Chap-

ter III be and it is hereby approved, and that the previous approval of said Code of Fair Competition for the Construction Industry is hereby modified to include an approval of said Code in its entirety as modified by the addition thereto of said Chapter III.

FRANKLIN D. ROOSEVELT.

Approval recommended:

HUGH S. JOHNSON,  
*Administrator.*

THE WHITE HOUSE,  
*March 12, 1934.*

## LETTER OF TRANSMITTAL

The PRESIDENT,  
*The White House.*

SIR: This is a report on the Painting, Paperhanging and Decorating Chapter of the Code of Fair Competition for the Construction Industry which was approved by you on January 31, 1934, and which is described as Chapter I.

This Chapter is a revision after public hearings conducted in Washington on September 6, 1933 and November 20, 1933, which hearings were conducted in accordance with the provisions of the National Industrial Recovery Act. This Chapter amplifies Chapter I but applies specifically to Painting, Paperhanging and Decorating.

### THE INDUSTRY

The Painting, Paperhanging and Decorating contractors are of major importance in the Construction Industry, in the original construction and also do a great deal of maintenance and rehabilitation. The types of their work are described by the title.

### PROVISIONS FOR HOURS AND WAGES

With very minor exceptions, the hours and wages set forth in Chapter I of the Construction Code as approved by you on January 31, 1934 are applicable to this Code.

### ECONOMIC EFFECT OF THE CODE

The Industry gave direct employment to approximately 458,000 in 1930. It is reasonable to suppose that with the prohibition of unfair trade practices and the establishment of uniform rates of pay and hours of work, that better conditions will prevail in this Industry and that employers, employees and the public will be benefited.

### FINDINGS

The Deputy Administrator in his final report to me on said Painting, Paperhanging and Decorating Chapter of the Code of Fair Competition for the Construction Industry, as modified by the addition thereto of said Painting, Paperhanging and Decorating Chapter, having found as herein set forth and on the basis of all the proceedings in this matter:

In find that:

(a) Said Painting, Paperhanging and Decorating Chapter and said Code of Fair Competition for the Construction Industry, as modified by the addition thereto of said Painting, Paperhanging and Decorating Chapter, is well designed to promote the policies and

purposes of Title I of the National Industrial Recovery Act, including removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof and will provide for the general welfare by promoting the organization of industry for the purpose of cooperative action among the trade groups, by inducing and maintaining united action of labor and management under adequate governmental sanctions and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) Said Painting, Paperhanging and Decorating Chapter and the Code of Fair Competition for the Construction Industry, as modified by the addition thereto of said Painting, Paperhanging and Decorating Chapter, as approved, complies in all respects with the pertinent provisions of said Title of said Act, including without limitation subsection (a) of Section 3, Subsection (a) of Section 7, and subsection (b) of Section 10 thereof; and that the applicant association is an industrial association truly representative of the aforesaid Industry; and that said association imposes no inequitable restrictions on admission to membership therein.

(c) Said Painting, Paperhanging and Decorating Chapter and the Code of Fair Competition for the Construction Industry, as modified by the addition thereto of said Painting, Paperhanging and Decorating Chapter, is not designed to and will not permit monopolies or monopolistic practices.

(d) Said Painting, Paperhanging and Decorating Chapter and the Code of Fair Competition for the Construction Industry, as modified by the addition thereto of said Painting, Paperhanging and Decorating Chapter, is not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(e) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said Painting, Paperhanging and Decorating Chapter and of said Code, as modified by the addition thereto of this Painting, Paperhanging and Decorating Chapter thereof.

For these reasons, therefore, I recommend approval of said Painting, Paperhanging and Decorating Chapter and said Code, as modified by the addition thereto of said Painting, Paperhanging and Decorating Chapter thereof.

Respectfully,

HUGH S. JOHNSON,  
*Administrator.*

MARCH 10, 1934.

## CHAPTER III

# PAINTING, PAPERHANGING AND DECORATING DIVISION OF THE CONSTRUCTION INDUSTRY

### ARTICLE I—DEFINITIONS

SECTION 1. The term "Painting, Paperhanging and Decorating Division" or "this division", as used herein, includes the service of painting, woodfinishing, paperhanging, and decorating and preparatory work incidental thereto, and such branches or subdivisions thereof as may from time to time be included under the provisions of this chapter.

(a) The service of painting and/or woodfinishing means the application of all paint, woodfinishing and painting materials of every description in and on all parts of new or old buildings and structures of every kind.

(b) The service of paperhanging and/or decorating means the application and/or installation of wallpapers, hangings and decorative materials of every kind or description applied directly to the surface in or on buildings of all kinds.

SECTION 2. Home-owners and householders, including farmers, shall not be deemed to be included within the definition contained in Section 1 in their performance individually or by their permanent servants or other help of like character on their home premises of any services described in such definition; nor shall any such person, or any building owner or tenant, performing such services by his permanent employees and not for hire on or in buildings or structures owned or occupied by him, be deemed to be included in such definition.

The term "permanent employees" as used in this section means and includes any employee who is given regular and continuous employment for a period of not less than (6) six months.

### ARTICLE II—WAGES, HOURS AND CONDITIONS OF EMPLOYMENT

SECTION 1. The following are exempt from the provisions of Section 2, of Article III of Chapter I of this Code relating to maximum hours:

(a) Outside salesmen and outside estimators.

(b) Executive, administrative or supervisory employees whose fixed salaries are in excess of thirty-five dollars (\$35.00) per week. Supervisory employees are defined as those who perform no manual work.

(c) Watchmen who may be permitted to work not in excess of fifty-six (56) hours in any week or in excess of six (6) days in any week.

SECTION 2. (a) Wages due shall be payable weekly in lawful currency or its equivalent in the form of a negotiable check, payable at par.

(b) Employers and their agents shall accept no rebates, either directly or indirectly on such wages, nor give anything of value or extend favors to any person for the purpose of influencing rates of wages of their employees.

SECTION 3. Any employer shall be subject to the applicable maximum hourly limitations provided in this Code in the performance by him of manual labor or mechanical occupations customarily performed by employees.

SECTION 4. 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 within three (3) months after the effective date of this Code.

SECTION 5. Within thirty (30) days of the approval of this Code, all employers subject to its conditions shall post in a conspicuous place in their respective shops and other places they are doing work complete copies of Chapter I—General Provisions for the Construction Industry and of this Chapter of this Code.

### ARTICLE III—ADMINISTRATION

SECTION 1. A Divisional Code Authority is hereby constituted to administer this Code within this Division. The Divisional Code Authority shall consist of ten (10) individuals, or such other number as may be approved from time to time by the Administrator.

Seven (7) members of the Divisional Code Authority shall be members or representatives of the International Society of Master Painters and Decorators, Inc., appointed by the Executive Board of said Society, to serve for terms of not more than one (1) year.

The three (3) remaining members of the Divisional Code Authority shall be initially selected by the said Executive Board of the said Society from members of this Division who are not members of the said Society, each of said three (3) initially selected members to be approved by the Administrator and to serve for a term of not more than one (1) year, or until he or his successor shall have been selected, by a method of selection satisfactory to and approved by the Administrator, by the members of this Division who are not then members of the said Society.

SECTION 2. In addition to the powers and duties conferred upon it, pursuant to Section 2 of Subdivision B of Article IV of Chapter I of this Code, the Divisional Code Authority shall be empowered:

(a) To make recommendations to the Administrator for the coordination of provisions of this Chapter, and its administration, with the provisions and administration of any other code of fair competition that may be related to this Division or its members.

(b) To cooperate with the Administrator in regulating the use of any N.R.A. insignia solely by those members of this division who have assented to, and are complying with, the provisions of this Code as it applies within this division.



## ARTICLE IV—FAIR TRADE PRACTICE REGULATIONS

SECTION 1. The following provisions are adopted as rules of fair trade practice for members of this division, and any violation of said rules shall constitute an unfair method of competition and a violation of this Code:

(a) No member of this division shall sell goods or render services at a price which is below the reasonable estimate of the sum of the following items of cost:

1. Materials
2. Labor
3. Job Expense
4. General Overhead

The labor item of cost shall include, in respect of labor services or operations performed by any individual member of this division, or any combination or association of such individual members, a charge computed at not less than the minimum rate of wage established in or pursuant to this Code as applicable to the performance of such services or operations by employees.

Job expense shall include all costs which can properly be charged directly to individual jobs such as transportation and delivery of materials, men and equipment; compensation and public liability insurance; code administration expenses chargeable to the job; and an appropriate allowance for the depreciation of special scaffolding and equipment (brushes, dropcloths, etc.).

General overhead shall include office rent and expense, all depreciation on equipment not included in job expense, determined on the federal income tax basis, supervision, unassignable transportation expense, and other actual expenses not directly chargeable to job. It shall not include profit, accounting losses, selling and administration expense, any return on invested capital, or interest on borrowed money.

The Divisional Code Authority, with the approval of the Administrator, shall determine the lowest reasonable percentage of overhead costs during the period from 1927 to 1932, which percentage shall be used in the formula specified above. Until such time as this percentage of overhead be determined, it shall be assumed at ten percent (10%) of labor, material and job expense.

(b) No member of this division shall produce or deliver products or complete contracts, which do not conform to specifications, samples submitted, or representations made prior to securing the orders, without the consent of the purchasers.

(c) No member of this division shall make any secret payment or allowance of rebates, refunds, commissions or unearned discounts, whether in the form of money or otherwise or secretly extend to certain purchasers special services or privileges, not extended to all purchasers under like terms and conditions.

(d) No member of this division shall give, permit to be given, or directly offer to give, anything of value for the purpose of influencing or rewarding the action of any employee, agent, or representative of another in relation to the business of the employer of such employee, the principal of such agent or the represented party, without the knowledge of such employer, principal or party. Commercial

bribery provisions shall not be construed to prohibit free and general distribution of articles commonly used for advertising except as far as such articles are actually used for commercial bribery as hereinabove defined.

(e) Where accurate estimates, sketches, designs or plans are desired for information only, a reasonable fee or fees shall be charged to the parties receiving them.

(f) No member of the division shall sublet (whether by the practice known as "lumping" of labor or otherwise) to any journeyman or other employee, the labor services required by any contract for work within this division.

#### ARTICLE V—REFERENCE TO PROVISIONS OF CHAPTER I

The provisions of Sections 7 (a) and 10 (b) of the Act, which are set forth in Sections 1 and 6 respectively of Article VIII of Chapter I of this Code, are specifically incorporated herein by reference with the same force and effect as if set forth herein in full; all other provisions of Chapter I of this Code, except as herein provided, apply within this division with the same force and effect as if set forth herein in full.

#### ARTICLE VI—REVIEW OF ACTS OF THE CODE AUTHORITY

If the Administrator shall determine that any action of the Divisional Code Authority or any agency thereof may be unfair or unjust or contrary to the public interest, the Administrator may require that such action be suspended to afford an opportunity for investigation of the merits of such action and further consideration by the Divisional Code Authority or agency pending final action which shall not be effective unless the Administrator approves or unless he shall fail to disapprove after thirty days' notice to him of intention to proceed with such action in its original or modified form.

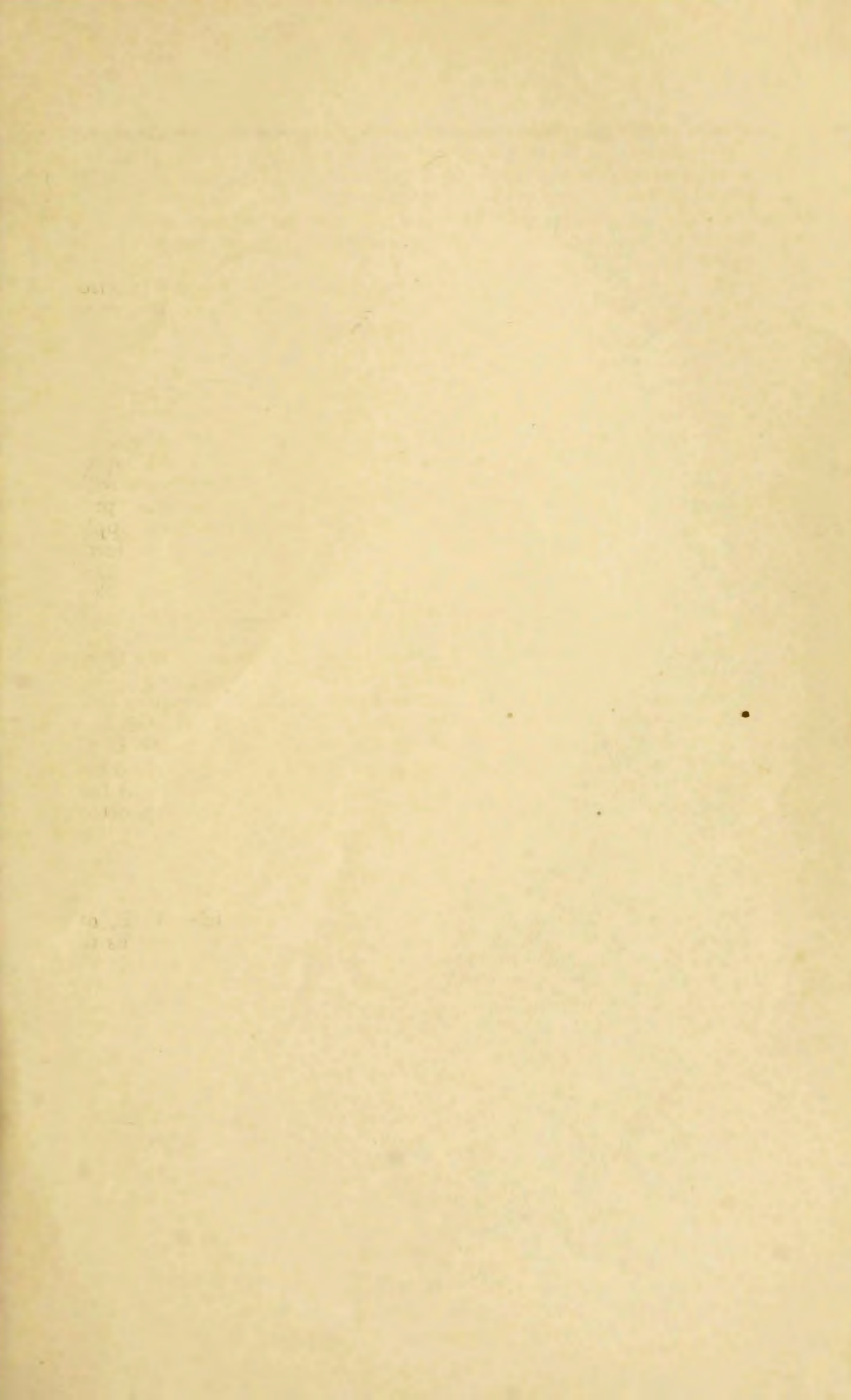
#### ARTICLE VII—MODIFICATIONS

Subject to the provisions of Section 2, (c) of Article IV, B, of Chapter I of this Code, the provisions of this chapter except as to provisions required by the Act, may be modified on the basis of experience or changes in circumstances, such modifications to be based upon application to the Administrator and such notice and hearing as he shall specify, and to become effective on his approval.

#### ARTICLE VIII—EFFECTIVE DATE

This Code (Chapter I and this Chapter) shall become effective within this Division on the tenth (10th) day after the approval of this Chapter by the President.

Approved Code No. 244—Supplement No. 2.  
Registry No. 618-05.



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