

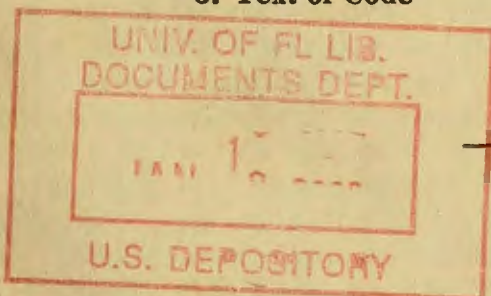
NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION
FOR THE
IRON AND STEEL INDUSTRY

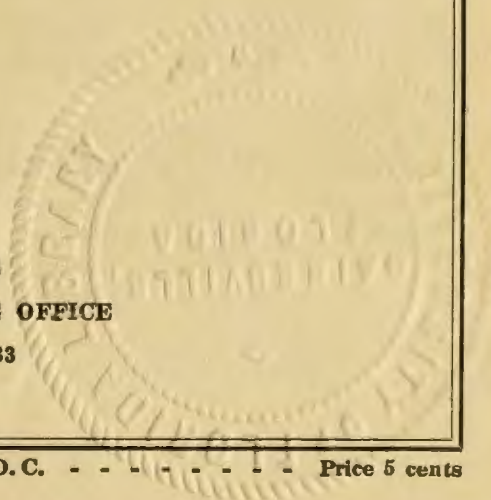
AS APPROVED ON AUGUST 19, 1933
BY
PRESIDENT ROOSEVELT



1. Deputy Administrator's letter of transmittal to Administrator
2. Executive Order
3. Text of Code



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1933



The American Iron and Steel Institute, which presented the Code July 15th, reported that signers of the Code then represented 90% of the total pig-iron and steel-ingot capacity in the United States and that it expected total signatories representing 95% of such capacity.

DESCRIPTIVE OF THE INDUSTRY

The Industry as defined in the Code includes all those producing in the United States pig iron, iron or steel ingots, and rolled or drawn iron or steel products. Purposely excluded from the scope of the Code are other operations and products of iron and steel producers, such as mining of iron ore and coal, transportation, production of cement and other byproducts, castings, and the bulk of forgings. Included, however, are some iron and steel products, not properly or fully described by the words "rolled or drawn", and which are processed after rolling or drawing by the producing company, such as spikes, tieplates, wire fencing, nails and staples, tin plate, and other coated products.

The following statistics are from the Census of Manufactures, 1929, and 1931 Mimeographed Reports:

	1923	1929	1931
Iron and steel industry (blast furnaces, steel works, and rolling mills):			
Wage earners.....	424,900	420,800	278,100
Total wages.....	\$697,000,000	\$733,000,000	\$358,000,000
Wages per worker.....	\$1,640	\$1,742	\$1,287
Value of product.....	\$4,162,000,000	\$4,137,000,000	\$1,714,000,000
Ratio of wages to value added by manufacture percent..	54.0	45.1	57.4
All other manufacturing industries, wages per worker.....	\$1,234	\$1,293	\$1,102

It is significant that 1923 and not 1929 was the peak year for the Industry in point of value of product, although the greatest production and wage payments were in 1929. Since then the Industry has fully experienced the difficulties of the depression, its operating rate declining to 15% and lower during late 1932 and early 1933. The low rate of operations coupled with low prices resulted in substantial operating losses for practically all companies. The Industry operated over 50% capacity in July of this year, however.

Attention is directed to the fact that many members of the Code have been operating under its wage provisions since the middle of July, both as to minimum and higher rates.

It should also be remarked that this Industry has been a leader in the "share-the-work" movement since 1929.

SUMMARY AND DISCUSSION OF CODE PROVISIONS

COLLECTIVE BARGAINING

The mandatory clauses of subsection (a) of Section 7, Title I, N.I.R.A., are stated without qualification. Section 2, Art. IV, of the original Code and its companion Schedule relating to "Employee Representation Plans" were withdrawn at the hearing, prior to which these had been subjected to much criticism.

EMPLOYMENT—HOURS AND WAGES

A full study of the hour and wage provisions of the Code is contained in the Report of the Division of Economic Research and Planning, their summary of which is given below:

The Industry employed 421,000 in 1929, 210,000 in 1932, and 272,000 at the end of July 1933. The hours in the Code should allow of a production without undue strain of about 3,580,000 tons per standard month, this being the half-way recovery point from the May 1933 level of 1,916,000 per standard month to the average of 4,516,000 tons for 1929. This will require 62,000,000 man-hours per month, or say, 65,000,000 to provide for seasonal peaks. This could be provided by 417,000 men on a 40-hour week.

Experience shows that, on the average, 10% of the nominal working time is lost through voluntary absences, breakdown, inability to schedule operations perfectly, and lack of sufficient business for particular products to keep the departments for those products busy all the time; that is, with a maximum work week of 40 hours the hours actually worked cannot average over 40 per week, 36 hours is the maximum *effective* work week, or 156 hours per month. $65,000,000 \div 156 = 417,000$.

About 272,000 men were employed at the end of July and working, roughly, 43 hours a week. With a maximum 40-hour week and 36 hours effective, it is estimated that this number would be increased to about 325,000.

Reemployment, in this Industry, with its subdivisions and specialization of labor, can be much larger than would at first appear from the average hours worked. This is because many men will be working considerably longer than the average, and many considerably shorter. As those working longer are brought down to the Code hours, additional men have to be taken on. But these groups working shorter hours cannot in general double up and release men to the other groups; there are limits to a "share-the-man" movement in the steel industry.

The 8-hour day and 40-hour week will create a great many jobs in cases like the following:

(a) Mill working one 10-hour shift 6 days a week, total of 60 mill-hours per week. The only practicable readjustment would be two 8-hour shifts working 4 or 5 days a week, giving a total of 64 or 80 mill-hours. The number of jobs would be doubled.

(b) Mill working two 10-hour shifts 6 days a week, giving total of 120 mill-hours. The practical readjustment would be three 8-hour shifts working 5 days a week, giving a total of 120 mill-hours. The number of jobs would be increased 50%.

Wages are about half the value added by manufacture.

	1929
Value of steel products.....	\$3, 366, 000, 000
Raw materials.....	1, 904, 000, 000
Value added, steel.....	1, 462, 000, 000
Value added, iron and steel.....	1, 623, 000, 000
Wages (including wages of blast-furnace workers).....	733, 000, 000
Ratio to value added.....percent..	45

Wage rates were much better than average manufacturing wage rates, in the period 1921-1930, but were barely up to the rates paid in those industries requiring skilled labor. Steel wages dropped further than others in 1931 and 1932, and fell definitely below skilled wage rates in other industries. Unskilled wage earners (laborers) averaged about 41.4¢ an hour in 1929. The Code minimum rates average about 39.5¢ in the Pittsburgh and Great Lakes regions (average on weighted basis), 35¢ in the Eastern Region, and 26.5¢ in the Southern. Compared with 1929, these vary from a decrease of 16% in the East to an increase of 13% in the South. The Code minimum wages in the Pittsburgh, Great Lakes, and Middle West Regions will be 10% below the 1929 rate. In relation to early 1933, the Code minima represent advances of from 22% (Pittsburgh) to anywhere from 35% to 80% (the South).

The proposed minimum wages vary from 25¢ per hour in the south to 40¢ in Pittsburgh. The necessity for the lower wage in the south lies in the longer freight hauls to principal interior markets, and also in a high mining cost in terms of labor. One man-hour in Alabama produces 0.533 ton of crude iron ore of 20.1% iron content, or 0.107 ton of iron, while one man-hour in Minnesota produces 1.132 tons of crude iron ore of 49.5% iron content, or 0.56 ton of iron. (Figures for 1932; special study by Bureau of Mines.) One man-hour produces 0.413 ton of coal in Alabama, 0.598 in Pennsylvania, 0.810 in Illinois, and 0.731 in West Virginia. In addition, the Alabama coal has to be washed, which reduces the net yield to 0.37 ton.

Another difficulty facing the South is imports. The South normally ships a large part of its output to the Atlantic, Gulf, and Pacific seaboard.

Both these difficulties are reflected in income account and balance sheets, which reveal a definitely poorer financial status than the Northern companies. One Southern company is in default on bond interest and sinking fund.

The decline in wage rates during the depression has been partially cushioned by the concurrent decline in living costs. The 1929 average common labor rate was 41.4¢ and the 1933 rate about 31¢ (estimated on basis of common labor entrance rates of July 1, 1932, which were 31.84, and U.S. Steel recent minimum of 33¢). Living costs early in 1933 were below 70 in terms of 1929 = 100, so that the 31¢-rate represented in actual purchasing power over 44¢ an hour ($31 \div .70 = 44$), or more than in 1929.

The code minima, which average about 39¢ an hour, represent about 52¢ an hour in 1929 purchasing power, taking the cost of living as 75% of 1929, to allow for increased costs.

While the hourly wages show up very well indeed on a real wage basis, the weekly wages do not. Employees worked about 54 hours a

week in 1929 and often less than 26 in 1932 and early 1933. The unskilled average weekly wage was, therefore, about \$22.40 in 1929 ($\0.414×54) and \$8.05 in 1932 and early 1933 ($\$0.31 \times 26$). (Unskilled workers may have worked longer hours than the average and so have earned more than the above; the National Industrial Conference Board reports unskilled average weekly earnings of \$11.97 in the first four months of 1933.)

	Hourly wages	Hours per week	Weekly earnings	Cost of living	Real wages	Money wages for 1929 purchasing power
1. 1929.....	\$0.414	54	\$22.40	100	\$22.40	\$22.40
2. Early 1933.....	.31	26	8.05	70	11.50	15.70
3. Early 1933.....	.31	-----	11.97	70	17.10	15.70
4. July 1933.....	.31	40	12.40	72	17.20	16.10
5. Code.....	.39	36	14.05	75	18.70	16.80
6. Code.....	.39	40	15.60	75	20.80	16.80

NOTE.—National Industrial Conference Board figure of \$11.97 probably not comparable with others.

It will be seen that working for 31¢ an hour for 26 hours gives a weekly purchasing power of only \$11.50 or but slightly more than half 1929. In July 1933 the average work week was above 40 hours. Average weekly money wages were about \$12.40 (before the 15% wage increase on July 15) which represents \$17.20 in 1929 purchasing power. The code rates for 36- and 40-hour weeks, respectively, will give \$14.05 and \$15.60 in money wages and \$18.70 and \$20.80 in 1929 purchasing power.

CHILD LABOR

None of the members of the Code shall employ in or about its plants in the Industry any person under 16 years of age.

MAXIMUM HOURS FOR ALL EMPLOYEES

Not over 40 hours per week average in any 6 months' period.

Not over 48 hours, or more than 6 days, in any one week.

On and after November 1, 1933, if operating at 60% of capacity or more, not over 8 hours per day.

(Exemptions—Executives, those in supervisory and technical work and their staffs, and emergency work.)

The large number of different manufacturing processes, the dependence of each process upon various percentages of highly skilled workmen such as boss rollers and furnace men, and other craftsmen, and the physical hazards caused by untrained men all contribute to the real obstacles in the way of interchangeability of labor, reduction of working time, and absorption of unemployed workers in this Industry. By systematic and consistent training methods, men will be provided for the highly skilled jobs. This will require some time, however, and meanwhile the provisions for averaging hours and for a 48-hour maximum week have been provided to take care of seasonal and peak labor loads. While the foregoing applies principally to the highly skilled workers, it is applicable in lesser degree to the much larger class of semiskilled workers.

MINIMUM RATES OF PAY FOR COMMON LABOR ARE AS FOLLOWS FOR
THE WAGE DISTRICTS INDICATED

40¢ PER HOUR

Pittsburgh District	Chicago District
Youngstown Valley District	Detroit-Toledo District
North Ohio River District	Colorado District
Cleveland District	

(The above including approximately 60 percent of the Industry.)

39¢ PER HOUR

Utah District

38¢ PER HOUR

Buffalo District

Seattle District

37¢ PER HOUR

Johnstown District
Duluth District
San Francisco District

Canton-Massillon-Mansfield Dis-
trict
South Ohio River District
Indiana-Illinois-St. Louis District

35¢ PER HOUR

Eastern District (comprising ap- proximately north of the State of Virginia and East of Altoona, Pennsylvania)	Kansas City District Los Angeles District
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27¢ PER HOUR

Birmingham District (Jefferson County, Alabama).

25¢ PER HOUR

Southern District (all southeastern and south-central United States,
except Jefferson County, Alabama)
(Exceptions: Apprentices and Learners.)

All employees receiving on July 14th pay at a rate per hour in excess of the common-labor rates then in effect are to receive a rate of pay per hour which shall be at least 15% above that of July 14th, but not above similar rates in the same district paid by other members who have made the 15% increase.

Piecework to yield on the average not less than the minimum rate per hour for common labor.

While it is apparent from the foregoing summary by the Division of Economic Research and Planning that the Industry as a whole through its wage increases has made a genuine contribution toward the objectives of National Industrial Recovery Act, nevertheless, it should be stated that the Bureau of Economic Research and Planning does not necessarily give approval to the continuation of the wage differentials in the Code for the various districts but desires to study this subject further in the light of pertinent data not now available but which it will collect and examine during the 90-day period of observation.

Exceptions from the hour and wage provisions will be subject to study and recommendations by the Administrator and his representatives during the 90-day observation period.

PRODUCTION AND PRICE PROVISIONS

The production and price provisions of the Code provide for a present limitation on the construction of new furnace capacity and possible future production control by the Directors, both subject to the approval of the President of the United States; together with adherence to listed prices, subject to control by the Directors, with notice of decisions of the Directors to the President of the United States. Prices are to be listed for a considerable number of basing points and charged to include listed prices plus rail freight to the points of delivery.

While the members of the Industry and the Industry Advisor report that the scheme of the Code involves no substantial change from present practices, a number of protests have been made against alleged changes in basing points and against the price provisions of the Code as a whole. Protests have also been made against the control of deductions for transportation costs cheaper than all-rail, against the control of quantity discounts, and against the operation of through rail rates on products fabricated in transit. The protestants have not satisfactorily established their objections to the operation of the Code.

In view of the protests and the far-reaching effects of the provisions of the Code, it seems wise to provide for a 90-day period of experimental observation of the operation of the Code. This period will make it possible to insure that competitive conditions continue to exist in the markets for steel, that competitors and purchasers of steel receive adequate protection, and that the Industry has adequate opportunities for reasonable stabilization of its business. For this purpose, the Code as amended expressly provides that the operation of its provisions shall be subject to scrutiny by the Administrator of the Recovery Act, and one or two representatives appointed by him. These representatives may advise the Directors about the desirability of modifying practices provided for in the Code; and they may further recommend to the President the exercise of his reserved power to cancel the Code.

It is to be observed that in partial compensation for increased labor costs, the Steel Industry seems likely to derive substantial market advantages from the price-stabilization provisions of the Code. While leaders in the Industry indicate that they would gain no advantage by raising present prices, they evidently refer to published official base prices. Members of the Industry have not, as is conceded, been able to secure these prices uniformly under the competitive conditions recently prevailing. On the other hand, it seems likely that these prices will be firmer, and result in substantial increases in profits, under the influence of provisions requiring publication of base prices and prohibiting concessions contained in the Code. Further, the mere elimination of credit abuses should greatly help the Industry. Stabilization of prices may have a favorable effect on employment and business generally. On the other hand, the operation of the market influences in question must be subjected to careful observation by the representatives of the Administration.

REPORTS AND STATISTICS

As amended, the Code provides for reports and statistics to be furnished the Administrator on production, sales, conditions of employment, prices, and other information necessary for the purpose of the Code (Art. V, Sec. 1; Art. IX, Sec. 5; Sched. E, Sec. 13; Sched. H, Sec. M).

ADMINISTRATION

The Code is to be administered by the Board of Directors of the American Iron and Steel Institute. As finally submitted, recognizing that questions of public interest are or may be involved, provision is made for the Administrator and one or two of his representatives to attend meetings of the Directors, secure information, and make recommendations relating to the administration of the Code and the effectuation of Title I, National Industrial Recovery Act (Art. VI, Sec. 7).

FINDINGS

I have found that—

(a) The Code complies with the pertinent provisions of Title I, National Industrial Recovery Act, including, without limitation, subsection (a) of Sec. 7, and subsection (b) of Sec. 10 thereof.

(b) The American Iron and Steel Institute is truly representative of the Industry and imposes no inequitable restrictions upon admissions to membership.

(c) The Code, as amended and finally submitted, imposes necessary conditions for the protection of consumers, competitors, and employees, will not permit monopolies or monopolistic practices, or eliminate or oppress small enterprises, and will not operate to discriminate against them.

The Code has been approved by the Labor Advisory Board, the Industrial Advisory Board, and the Consumers' Advisory Board.

I have, therefore, recommended approval of the Code, as amended and finally submitted for a period of 90 days, as provided in Sec. 2 of Art. XII thereof.

Respectfully submitted.

K. M. SIMPSON, *Deputy Administrator*.

EXECUTIVE ORDER CODE OF FAIR COMPETITION FOR THE IRON AND STEEL 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 a Code of Fair Competition for the Iron and Steel Industry, and hearings having been held thereon and the Administrator having rendered his report together with his recommendations and finding 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 it is hereby, approved.

(Signed) FRANKLIN D. ROOSEVELT.

Approval Recommended.

(Signed) HUGH S. JOHNSON,
Administrator.

THE WHITE HOUSE,
August 19, 1933.

CODE OF FAIR COMPETITION OF THE IRON AND STEEL INDUSTRY

ARTICLE I—DEFINITIONS

Wherever used in this Code or in any schedule appertaining hereto the terms hereinafter in this Article and in Schedule E annexed hereto defined shall, unless the context shall otherwise clearly indicate, have the respective meanings hereinafter in this Article and in such Schedule E set forth. The definition of any such term in the singular shall apply to the use of such term in the plural and vice versa.

SECTION 1. The term "the United States" means and includes all of the territory of the United States of America on the North American continent.

SEC. 2. The term "the President" means the President of the United States of America.

SEC. 3. The term "products" means only pig iron, iron or steel ingots, and the rolled or drawn iron or steel products which are generally named in Schedule F to the Code as at the time in effect and standard Tee rails of more than 60 pounds per yard, angle bars and rail joints, or any of such products.

SEC. 4. The term "the Industry" means and includes the business of producing in the United States and selling products, or any of them.

SEC. 5. The term "member of the Industry" means and includes any person, firm, association or corporation operating a plant or plants in the United States for the production of products, or any of them.

SEC. 6. The term "the Code" means and includes this Code and all schedules annexed hereto as originally approved by the President and all amendments hereof and thereof made as hereinafter in Article XII provided.

SEC. 7. The term "member of the Code" means any member of the Industry who shall have become a member of the Code as hereinafter in Section 3 of Article III provided.

SEC. 8. The term "the Institute" means American Iron and Steel Institute, a New York membership corporation.

SEC. 9. The term "the Board of Directors" means the Board of Directors (as from time to time constituted) of the Institute.

SEC. 10. The term "the Secretary" means the secretary of the Institute at the time in office.

SEC. 11. The term "the Treasurer" means the treasurer of the Institute at the time in office.

SEC. 12. The term "unfair practice" means and includes any act described as an unfair practice in Schedule H annexed hereto.

SEC. 13. Wherever used in the Code with reference to the Industry or any member of the Industry or any member of the Code, unless the context shall otherwise clearly indicate.

(a) The term "plant" means only a plant for the production of one or more products in the Industry;

(b) The term "prices" includes only prices for products produced in the Industry;

(c) The term "wages" includes only wages for labor performed in the Industry;

(d) The term "labor" means only labor performed in the Industry;

(e) The term "hours of labor" or "hours of work" includes only hours of labor or hours of work in the Industry; and

(f) The term "employee" means only an employee in the Industry.

SEC. 14. The term "the National Industrial Recovery Act" means the National Industrial Recovery Act as approved by the President June 16, 1933.

SEC. 15. The term "the effective date of the Code" means the date on which the Code shall have been approved by the President pursuant to the National Industrial Recovery Act.

SEC. 16. The term "the Administrator" means the Administrator appointed by the President under the National Industrial Recovery Act and at the time in office.

SEC. 17. The term "the Administration" means the agency established pursuant to the provisions of Section 2 of the National Industrial Recovery Act.

ARTICLE II—PURPOSE OF THE CODE

SECTION 1. The Code is adopted pursuant to Title I of the National Industrial Recovery Act.

SEC. 2. The purpose of the Code is to effectuate the policy of Title I of the National Industrial Recovery Act insofar as it is applicable to the Industry.

ARTICLE III—MEMBERSHIP IN THE CODE

SECTION 1. It is of the essence of the Code that all members of the Industry which shall comply with the provisions of the Code shall be entitled to participate in its benefits upon the terms and conditions set forth in the Code.

SEC. 2. Any member of the Industry is eligible for membership in the Code.

SEC. 3. Any member of the Industry desiring to become a member of the Code may do so by signing and delivering to the Secretary a letter substantially in the form set forth in Schedule A annexed hereto.

SEC. 4. The rules and regulations in respect of meetings of members of the Code are set forth in Schedule B annexed hereto.

ARTICLE IV—HOURS OF LABOR, RATES OF PAY, AND OTHER CONDITIONS OF EMPLOYMENT

SECTION 1. Pursuant to subsection (a) of Section 7 of the National Industrial Recovery Act and so long as the Code shall be in effect, the Code shall be subject to the following conditions:

(1) That 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;

(2) That 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

(3) That 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. 2. Since the beginning of the present depression and the consequent reduction in the total number of hours of work available in the Industry, its members have made every effort to distribute, and with a remarkable degree of success have distributed, the hours of work available in their plants so as to give employment to the maximum number of employees. It is the intention of the Industry to continue that policy insofar as practicable, to the end that the policy of Title I of the National Industrial Recovery Act may be effectuated, and that work in the Industry shall insofar as practicable be distributed so as to provide employment for the employees normally attached to the Industry. The basic processes in the Industry are of a continuous character and they cannot be changed in this respect without serious adverse effect upon production and employment. As demand for the products of the industry and, therefore, for labor shall increase, hours of labor for employees in the Industry must necessarily increase; but, except in the case of executives, those employed in supervisory capacities and in technical work and their respective staffs and those employed in emergency work, insofar as practicable and so long as employees qualified for the work required shall be available in the respective localities where such work shall be required and having due regard for the varying demands of the consuming and processing industries for the respective products, none of the members of the Code shall cause or permit any employee to work at an average of more than 40 hours per week in any six months' period or to work more than 48 hours or more than 6 days in any one week. On or after November 1, 1933, as soon as the members of the Code shall be operating at 60% of capacity, they shall adjust the operations of their plants so that, except as to executives, those employed in supervisory capacities and in technical work and their respective staffs and those employed in emergency work, they will establish the 8-hour day for all their employees. For the purposes of this Section 2 the first six months' period for each employee in the employ of any member of the Code at the effective date thereof shall begin with that date, and the first six months period for any employee thereafter employed by any member of the Code shall begin with the date of employment of such employee by such member. After the date of the employment by any member of the Code of any employee such member shall not knowingly permit such employee who also shall have performed work for one or more other employers to work for such member such number of hours as would result in a violation of the Code had all such work been performed for such member.

SEC. 3. None of the members of the Code shall employ in or about its plants in the Industry any person under 16 years of age.

SEC. 4. Throughout the history of the Industry geographical wage differentials have existed, due in the main to differences in living costs and general economic conditions and the ability adequately to man the industries in the respective localities. The establishments in the

Industry in the different localities have been developed under such differences in wages and, after a survey of the matters bearing on such differences in the various sections of the United States, for the purposes of this Article IV the wage districts described in Schedule C annexed hereto have been established.

SEC. 5. Until changed by amendment of the Code as hereinafter in Article XII provided, the minimum rates of pay per hour which shall be paid by members of the Code for common labor (not including that of apprentices and learners) in the Industry in the respective wage districts described in such Schedule C shall be the rates set forth in Schedule D annexed hereto. None of the members of the Code shall pay common laborers (not including apprentices and learners) in its employ in the Industry in any such district any rate of pay less than the rate specified for such district in such Schedule D, and any violation of this provision of the Code shall be deemed an unfair practice. Such rates of pay shall not, however, be understood to be the maximum rates of pay for their respective districts, but, until changed as aforesaid, none of the members of the Code shall be required to pay its common laborers in the Industry in any of such districts a rate of pay higher than the rate specified for such district in such Schedule D, except as such member shall have agreed to pay such higher rate in any agreement heretofore or hereafter made by such member with its employees. Until this provision shall have been changed by amendment as aforesaid, each member of the Code will pay to each of its employees in the Industry who on July 14, 1933, was receiving pay at a rate of pay per hour in excess of the rate of pay per hour then being paid by such member for common labor a rate of pay per hour which shall be at least 15% greater than that which such employee was then receiving; provided, however, that the foregoing provision shall not be so construed as to require any member of the Code to make any increase in the rate of pay per hour to be paid by such member to any of its employees in any wage district that will result in a rate of pay per hour which shall be higher than the rate of pay per hour paid to employees doing substantially the same class or kind of labor in the same wage district by any other member of the Code which shall have increased its rates of pay per hour in accordance with such provision. In the case of employees (not including apprentices and learners) performing work for which they are paid per piece of work performed, the minimum rate of pay which each member of the Code shall pay for such work shall be sufficient to produce at the average rate of performance of such work at the time prevailing at the plant of such member where such work is performed the minimum rate of pay per hour provided in the Code for common labor at such plant.

ARTICLE V—PRODUCTION AND NEW CAPACITY

SECTION 1. It is the consensus of opinion in the Industry that it is not necessary, in order to effectuate the policy of Title I of the National Industrial Recovery Act, to make any specific provision in the Code for controlling or regulating the volume of production in the Industry or for allocating production or sales among its members. It is believed that the elimination of unfair practices in the Industry will automatically eliminate any overproduction therein and any

alleged inequities in the distribution of production and sales among its members. Adequate provision shall be made under the Code for the collection of statistics regarding production and of other data from which it may be determined from time to time whether overproduction in the Industry exists and whether in the circumstances any restriction of production is necessary in order to effectuate the policy of Title I. The Board of Directors shall furnish to the Administrator summaries or compilations of such statistics and other data in reasonable detail. Should it at any time in the circumstances as they shall then exist appear to the Board of Directors that the policy of such Title I will not be effectuated in the Industry because of the fact that through the Code production therein is not controlled and regulated, then the Board of Directors is hereby empowered, subject to the approval of the President after such conference with or hearing of interested persons as he may prescribe, to make, modify, or rescind such rules and regulations for the purpose of controlling and regulating production in the Industry, including the fixing of such liquidated damages for violations of such rules and regulations, as such Board shall deem to be necessary or proper in order to effectuate the policy of such Title I. All such rules and regulations from time to time so made and in effect shall be binding upon each member of the Code to which notice thereof shall have been given.

SEC. 2. It is also the consensus of opinion in the Industry that, until such time as the demand for its products cannot adequately be met by the fullest possible use of existing capacities for producing pig iron and steel ingots, such capacities should not be increased. Accordingly, unless and until the Code shall have been amended as hereinafter provided so as to permit it, none of the members of the Code shall initiate the construction of any new blast furnace or open hearth or Bessemer steel capacity. The President may, however, suspend the operation of the provisions of this section.

ARTICLE VI—ADMINISTRATION OF THE CODE

SECTION 1. The administration of the Code shall be under the direction of the Board of Directors. The Board of Directors shall have all the powers and duties conferred upon it by the Code and generally all such other powers and duties as shall be necessary or proper to enable it fully to administer the Code and to effectuate its purpose.

SEC. 2. The Secretary shall act as Secretary under the Code. Under the direction of the Board of Directors, he shall keep all books (except books of account) and records under the Code and, except as such Board shall otherwise provide, shall collect, file, and collate all statistics and other information required by the Board of Directors for the proper administration of the Code.

SEC. 3. The Treasurer shall act as Treasurer under the Code and, under the direction of the Board of Directors, he shall have custody of, and have charge of the disposition of, all funds collected under the Code; and he shall keep proper books of account showing the collection and disposition thereof.

SEC. 4. The Board of Directors shall have power from time to time (a) to appoint and remove, and to fix the compensation of, all such other officers and employees and all such accountants, attorneys,

and experts as the said Board shall deem necessary or proper for the purpose of administering the Code and (b) to fix the compensation of the Secretary and the Treasurer for their services in acting under the Code.

SEC. 5. The expenses of administering the Code shall be borne by the members thereof. The Board of Directors may from time to time make such assessments on account of such expenses against the members of the Code as it shall deem proper, and such assessments shall be payable as such Board shall specify. The part of such expenses which shall be assessed against each member of the Code shall bear the same relation to the total thereof as the number of votes which, pursuant to the provisions of the Code, such member might cast at a meeting of the members thereof held at the time of any such assessment shall bear to the total number of votes that might be cast thereat by all the then members of the Code. Failure of any member of the Code to pay the amount of any assessment against such member for a period of thirty days after the date on which it became payable shall constitute a violation of the Code.

SEC. 6. The Board of Directors may from time to time appoint such committees as it shall deem necessary or proper in order to effectuate the purpose of the Code, and it may delegate to any such committee generally or in particular instances such of the powers and duties of the Board of Directors under the Code as such Board shall deem necessary or proper in order to effectuate such purpose. Any member of any such committee may be a member of the Board of Directors or an officer or a director of a member of the Code or a person not having any official connection with any member of the Code or with the Institute, as the Board of Directors shall deem proper.

SEC. 7. The members of the Code recognize that questions of public interest are or may be involved in its administration. Accordingly, representatives of the Administration consisting of the Administrator and one or two other persons appointed by him (who shall be persons not having or representing interests antagonistic to the interests of members of the Industry) shall be given full opportunity at such times as shall be reasonably convenient to discuss with the Board of Directors or any committees thereof any matters relating to the administration of the Code and to attend meetings of the Board at which action on any such matters shall be undertaken and to make recommendations as to methods or measures of administering the Code. Due notice of all such meetings of the Board of Directors shall be given to such representatives of the Administration. The records of the Board of Directors relating in any way to the administration of the Code shall be open to such representatives at all reasonable times. They shall be afforded by the Board of Directors complete access at all times to all records, statistical material, or other information furnished or readily available to the Board of Directors in connection with, or for the purposes of, the administration of the Code. The Board of Directors, acting directly or through one or more committees appointed by it, shall give due consideration to all requests or recommendations made by such representatives of the Administration and render every possible assistance to such representatives in obtaining full information concerning the operation and administration of the Code, to the end that the President may be fully advised regarding

such operation and administration through reports that may be made to him from time to time by such representatives, and to the end that the President may be assured that the Code and the administration thereof do not promote or permit monopolies or monopolistic practices, or eliminate or oppress small enterprises, or operate to discriminate against them and to provide adequate protection of consumers, competitors, employees, and others concerned and that they are in furtherance of the public interest and operate to effectuate the purposes of Title I of the National Industrial Recovery Act.

ARTICLE VII—PRICES AND TERMS OF PAYMENT

None of the members of the Code shall make any sale of any product at a price or on terms and conditions more favorable to the purchaser thereof than the price, terms, or conditions established by such member in accordance with the provisions of Schedule E annexed hereto and in effect at the time of such sale; nor, except as otherwise provided in such Schedule E, shall any member of the Code make any contract of sale of any product at a price or on terms and conditions more favorable to the purchaser thereof than the price, terms, and conditions established as aforesaid and in effect at the time of the making of such contract of sale.

ARTICLE VIII—UNFAIR PRACTICES

For all purposes of the Code the acts described in Schedule H Annexed hereto shall constitute unfair practices. Such unfair practices and all other practices which shall be declared to be unfair practices by the Board of Directors as provided in paragraph M of such schedule H or by any amendment to the Code adopted as hereinafter in Article XII provided and at the time in effect, shall be deemed to be unfair methods of competition in commerce within the meaning of the Federal Trade Commission Act, as amended, and the using or employing of any of them shall be deemed to be a violation of the Code, and any member of the Industry which shall directly or indirectly, through any officer, employee, agent, or representative, knowingly use or employ any of such unfair practices, shall be guilty of a violation of the Code.

ARTICLE IX—REPORTS AND STATISTICS

SECTION 1. The Board of Directors shall have power from time to time to require each member of the Code to furnish to the Secretary for the use of the Board of Directors such information concerning the production, shipments, sales, and unfilled orders of such member and the hours of labor, rates of pay, and other conditions of employment at the plant or plants of such member and such other information as the Board of Directors shall deem necessary or proper in order to effectuate the purpose of the Code and the policy of Title I of the National Industrial Recovery Act. The Board of Directors may require that any such information be furnished periodically at such times as it shall specify and may require that any or all information furnished be sworn to or otherwise certified or authenticated as it shall prescribe. Failure of any member of the Code

promptly to furnish to the Secretary information required by the Board of Directors and substantially in the form prescribed by it, shall constitute a violation of the Code. The Board of Directors shall not require any information regarding trade secrets or the names of the customers of any member of the Code.

SEC. 2. Any or all information furnished to the Secretary by any member of the Code shall be subject to checking for the purpose of verification by an examination of the books and accounts and records of such member by any accountant or accountants or other person or persons designated by the Board of Directors, and shall be so checked for such purpose if the Board of Directors shall require it. The cost of such examination shall be treated as an expense of administering the Code; provided, however, that, if upon such examination any such information shall be shown to have been incorrect in any material respect, such cost shall be paid by the member of the Code which furnished such information.

SEC. 3. The Board of Directors shall require the members of the Code from time to time to furnish such information as shall be necessary for the proper administration of the Code.

SEC. 4. To the extent that the Board of Directors may deem that any information furnished to the Secretary in accordance with the provisions of the Code is of a confidential character in the interest of the member of the Code which shall have furnished it and that the publication thereof is not essential in order to effectuate the policy of Title I of the National Industrial Recovery Act, such information shall be treated by the Board of Directors and by the other members of the Code, if any knowledge of it shall have come to them, as strictly confidential; and no publication thereof to anyone or in any manner shall be made other than in combination with similar information furnished by other members of the Code, in which case the publication shall be made only in such manner as will avoid the disclosing separately of such confidential information.

SEC. 5. Summaries or compilations in reasonable detail of all information which shall be furnished to the Secretary pursuant to the provisions of this Article IX shall be made periodically and sent to the Administrator.

ARTICLE X—PENALTIES AND DAMAGES

SECTION 1. Any violation of any provision of the Code by any member of the Industry shall constitute a violation of the Code by such member.

SEC. 2. Recognizing that the violation by any member of the Code of any provision of Article VII or of Schedule E of the Code will disrupt the normal course of fair competition in the Industry and cause serious damage to other members of the Code and that it will be impossible fairly to assess the amount of such damage to any member of the Code, it is hereby agreed by and among all members of the Code that each member of the Code which shall violate any such provision shall pay to the Treasurer as an individual and not as treasurer of the Institute, in trust, as and for liquidated damages the sum of \$10 per ton of any products sold by such member in violation of any such provision.

SEC. 3. Except in cases for which liquidated damages are fixed in the Code and in cases which shall give rise to actions in tort in favor of one or more members of the Code for damages suffered by it or them, the Board of Directors shall have power from time to time to establish the amount of liquidated damages payable by any member of the Code upon the commission by such member of any act constituting an unfair practice under the Code and a list of the amounts so fixed shall from time to time be filed with the Secretary. Upon the commission by any member of the Code of any act constituting an unfair practice under the Code and for which liquidated damages are not fixed in the Code or which does not give rise to an action in tort in favor of one or more members of the Code for damages suffered by it or them, such member shall become liable to pay to the Treasurer as an individual and not as treasurer of the Institute, in trust, liquidated damages in the amount at the time established by the Board of Directors for such unfair practice and specified in the list then on file with the Secretary as aforesaid.

SEC. 4. All amounts so paid to or collected by the Treasurer under this Article X or under Section 4 of Schedule E of the Code shall be held and disposed of by him as part of the funds collected under the Code, and each member of the Code not guilty of the unfair practice in respect of which any such amount shall have been paid or collected shall be credited with its pro rata share of such amount on account of any and all assessments (other than damages for violation of any provision of the Code) due or to become due from such member under the Code, or, in the case of any excess, as shall be determined by the Board of Directors, such pro rata share to be computed on the same basis as the last previous assessment made against such member on account of the expenses of administering the Code as hereinbefore in Section 5 of Article VI provided. All rights of any person who shall at any time be the Treasurer in respect of any amounts which shall be payable to him because of the commission by any member of the Code of any act constituting an unfair practice under the Code, whether payable under the provisions of this Article X or under any other provision of the Code, shall pass to and become vested in his successor in office upon the appointment of such successor.

SEC. 5. Each member of the Code by becoming such member agrees with every other member thereof that the Code constitutes a valid and binding contract by and among all members of the Code, subject, however, to the provisions of Section 6 of Article XI, and that, in addition to all penalties and liabilities imposed by statute, any violation of any provision of the Code by any member thereof shall constitute a breach of such contract and shall subject the member guilty of such violation to liability for liquidated damages pursuant to the provisions of the Code. Each member of the Code by becoming such member thereby assigns, transfers, and delivers to the Treasurer as an individual and not as treasurer of the Institute, in trust, all rights and causes of action whatsoever which shall thereafter accrue to such member under the Code for such liquidated damages by reason of any violation of the Code by any other member thereof, and thereby designates and appoints the Treasurer as such individual the true and lawful attorney in fact of such member to demand, sue for, collect, and receipt for any and all amounts which shall be owing to such member in respect of any such right or cause of action, and to

compromise, settle, satisfy, and discharge any such right or cause of action, all in the name of such member or in the name of the Treasurer individually, as he shall elect.

SEC. 6. Anything in the Code to the contrary notwithstanding, the Board of Directors by the affirmative vote of two thirds of the whole Board may waive any liability for liquidated damages imposed by or pursuant to any provision of the Code for any violation of any provision thereof, if in its discretion it shall decide that such violation was innocently made and that the collection of such damages will not to any material extent tend to effectuate the policy of Title I of the National Industrial Recovery Act.

ARTICLE XI—GENERAL PROVISIONS

SECTION 1. Any notice, demand, or request required or permitted to be given to or made upon any member of the Code shall be sufficiently given if mailed postage prepaid addressed to such member at the address of such member on file with the Secretary. A waiver in writing signed by any member of the Code of any such notice, demand, or request and delivered to the Secretary shall be deemed to be the equivalent of a notice, demand, or request duly given or made, whether or not such waiver was signed and delivered before the time when such notice, demand, or request was required or permitted to be given or made.

SEC. 2. Nothing contained in the Code shall be deemed to constitute the members of the Code partners for any purpose. None of the members of the Code shall be liable in any manner to anyone for any act of any other member of the Code or for any act of the Board of Directors, the Treasurer or the Secretary, or any committee, officer, or employee appointed under the Code. None of the members of the Board of Directors or of any committee appointed under the Code, nor the Treasurer, nor the Secretary, nor any officer or employee appointed under the Code, shall be liable to anyone for any action or omission to act under the Code, except for his wilful misfeasance or nonfeasance. Nothing contained in the Code shall be deemed to confer upon anyone other than a member of the Code any right, claim, or demand whatsoever not expressly provided by statute against any member of the Code or against any member of the Board of Directors or of any committee appointed under the Code or against the Treasurer or the Secretary or any officer or employee appointed under the Code.

SEC. 3. As soon as members of the Industry which would, if then members of the Code, have the right to cast at least 75% of all the votes that might be cast at a meeting of the members of the Code, if all members of the Industry were then members of the Code and present at such meeting, shall sign and deliver to the Secretary letters substantially in the form set forth in Schedule A annexed hereto, the Board of Director shall submit the Code to the President pursuant to the provisions of Title I of the National Industrial Recovery Act and, upon the approval of the Code by the President pursuant to the provisions of such Title I, it shall constitute a binding contract by and among the members of the Code and the provisions thereof shall be the standards of fair competition for the Industry; subject, however,

to amendment or termination as hereinafter in Article XII provided, and subject also to the provisions of Section 6 of this Article XI.

SEC. 4. To the extent required or made possible by or under the provision of Title I of the National Industrial Recovery Act the provisions of the Code shall apply to and be binding upon every member of the Industry whether or not such member shall be a member of the Code. No member of the Industry which shall not also be a member of the Code shall be entitled to vote at any meeting of members of the Code or to any other right, power, or privilege provided in the Code for the members thereof.

SEC. 5. The Board of Directors shall have power from time to time to interpret and construe the provisions of the Code, including, but without any limitation upon the foregoing, the power to determine what are products within the meaning of that term as it is used in the Code. Any interpretation or construction placed upon the Code by the Board of Directors shall be final and conclusive upon all members of the Code.

SEC. 6. The members of the Code recognize that, pursuant to subsection (b) of Section 10 of the National Industrial Recovery Act, the President may from time to time cancel or modify any order, approval, license, rule, or regulation issued under Title I of said Act.

ARTICLE XII—AMENDMENTS—TERMINATION

SECTION 1. The Code may be amended at any time in the manner in this Section 1 provided. The changing of any schedule hereto or the addition hereto of any new schedule shall constitute an amendment of the Code. All amendments shall be proposed by the Board of Directors by vote of the majority of the members thereof at the time in office. Each amendment so proposed shall be submitted to a meeting of the members of the Code which shall be called for such purpose upon notice given in accordance with the provisions of Section 1 of Schedule B and Section 1 of Article XI of the Code. If at such meeting members of the Code having the right to cast at least 75% of all the votes that might be cast at such meeting, if all the members of the Code were present thereat, shall vote in favor of the adoption of such amendment, such amendment shall be submitted by the Board of Directors to the President for approval, if approval thereof by him shall then be required by law. Every such amendment shall take effect as a part of the Code upon the adoption thereof by the members of the Code as above provided and the approval thereof by the President, if approval thereof by him shall be required as aforesaid.

SEC. 2. The Code shall continue in effect for a period of ninety (90) days after the effective date thereof, in order to afford to the President an opportunity to determine upon the recommendations of the representatives of the Administration, for which provision has heretofore been made in Article VI, whether its provisions will effectuate the purposes of Title I of the National Industrial Recovery Act, as further defined in said Article VI, subject, however, to amendment at any time as hereinbefore provided, and also subject to the reserved power of the President to cancel or modify his approval thereof. The Code shall continue in effect after the expiration of said period of ninety (90) days in the absence of the exercise of such

reserved power on the part of the President, or in the absence of the exercise by members of the Code of the power which they hereby reserve to terminate the Code at any time after the expiration of said period of ninety (90) days by the same action by them as is above provided for the amendment thereof. When so terminated all obligations and liabilities under the Code shall cease, except those for unpaid assessments theretofore made in accordance with the provisions of the Code and those for liquidated damages theretofore accrued under any provision of the Code.

AUGUST 17, 1933.

SCHEDULE A—FORM OF LETTER OF ASSENT TO THE CODE

*To the Secretary of American Iron and Steel Institute, Empire State Building,
New York, N.Y.*

DEAR SIR: The undersigned, desiring to become a member of the Code of Fair Competition of the Iron and Steel Industry, a copy of which is annexed hereto marked Annex A, hereby assents to all of the provisions of said Code (hereinafter referred to as the Code), and, effective as of the date on which the Code shall have been approved by the President of the United States of America as therein provided, or as of the date on which this letter shall have been delivered, if delivery thereof shall have been made subsequent to the date of which the Code shall have been approved by said President as aforesaid, by the signing and delivery of this letter becomes a member of the Code and effective as aforesaid hereby agrees with every person, firm, association, and corporation who shall then be or thereafter become a member of the Code that the Code shall constitute a valid and binding contract between the undersigned and all such other members.

Effective as aforesaid, pursuant to Section 5 of Article X of said Code, the undersigned (a) hereby assigns, transfers and delivers to the Treasurer under the Code, as an individual and not as treasurer of American Iron and Steel Institute, in trust, all rights and causes of action whatsoever hereafter accruing to the undersigned under the Code for liquidated damages by reason of any violation thereof by anyone, and (b) hereby designates and appoints said Treasurer as such individual the true and lawful attorney in fact of the undersigned, to demand, sue for, collect, and receipt for any and all amounts which shall be owing to the undersigned in respect of any such right or cause of action, and to compromise, settle, satisfy, and discharge any such right or cause of action, all in the name of the undersigned or in the name of said Treasurer, as said Treasurer shall elect.

For all purposes of Section 1 of Article XI of the Code the address of the undersigned, until it shall file with the Secretary of American Iron and Steel Institute written notice of a change of such address, shall be as set forth at the foot of this letter.

Very truly yours,

SCHEDULE B—THE RULES AND REGULATIONS IN RESPECT OF MEETINGS OF
MEMBERS OF THE CODE

SECTION 1. A meeting of members of the Code may be called and held at any time by order of the Board of Directors, or by members of the Code having the right to cast at least 50% of all the votes that might be cast at such meetings if all the members of the Code were present thereat, on not less than three days' notice to each of such members stating the time and place of such meeting and the purposes thereof.

SEC. 2. At each meeting of the members of the Code each member thereof shall have as many votes as shall equal the quotient obtained by dividing by 500,000 the aggregate amount in dollars of the invoiced value of the products delivered by such member for consumption within the United States during the preceding calendar year. Fractions in such quotient shall be disregarded; provided, however, that each member of the Code shall have at least one vote. All questions as to the number of votes which each member of the Code shall be entitled to cast at any meeting of the members thereof shall be determined by the Board of Directors. Any person or firm who shall be a member of the Code may, and any association or corporation which shall be a member of the Code shall, vote at meetings of the members of the Code by proxy in writing duly executed by such member and filed with the Secretary. Any such proxy may be for a specified meeting or be a general proxy for any or all meetings that may be held until such proxy shall have been revoked by an instrument in writing duly executed by the member of the Code which gave such proxy and filed with the Secretary.

SEC. 3. At each meeting of the members of the Code, members thereof having the right to cast at least 75% of all the votes that might be cast at such meeting if all the members of the Code were present thereat, shall constitute a quorum for the transaction of business at such meeting.

SCHEDULE C—DESCRIPTION OF WAGE DISTRICTS

1. *Eastern District.*—Comprises that part of the United States which is north of the State of Virginia and east of a line drawn north and south through the most easterly point of Altoona, Pennsylvania; that part of the State of Maryland which is west of such line; and the Counties of Monongalia, Marion, and Harrison in the State of West Virginia.

2. *Johnstown District.*—Comprises Cambria County and the City of Altoona in the State of Pennsylvania.

3. *Pittsburgh District.*—Comprises the Counties of Westmoreland, Fayette, Greene, Washington, Allegheny, Beaver, Butler, Armstrong, and Jefferson and that part of the County of Clearfield which is west of a line drawn north and south through the most easterly point of Altoona, all in the State of Pennsylvania.

4. *Youngstown Valley District.*—Comprises the Counties of Lawrence, Mercer, and Venango in the State of Pennsylvania and the Counties of Trumbull, Mahoning, and Columbiana in the State of Ohio.

5. *North Ohio River District.*—Comprises the cities along the Ohio River north of the City of Parkersburg, West Virginia, and the Counties of Belmont and Jefferson in the State of Ohio and the Counties of Marshall, Ohio, Brook, and Hancock in the State of West Virginia.

6. *Canton, Massillon, and Mansfield District.*—Comprises the Counties of Stark, Tuscarawas, Summit, and Richland in the State of Ohio.

7. *Cleveland District.*—Comprises the Counties of Ashtabula, Lake, Cuyahoga, and Lorain in the State of Ohio.

8. *Buffalo District.*—Comprises that part of the State of New York west of a line drawn north and south through the most easterly point of Altoona, Pennsylvania, and Erie County in that State.

9. *Detroit-Toledo District.*—Comprises the Counties of Seneca and Lucas in the State of Ohio and the Counties of Monroe, Lenawee, Jackson, Wayne, Oakland, Macomb, and Washtenaw in the State of Michigan.

10. *South Ohio River District.*—Comprises the State of Kentucky, the City of Parkersburg, W. Va., the cities along the Ohio River south of said City, the Counties of Guernsey, Muskingum, Jackson, and Butler in the State of Ohio and the County of Wood in the State of West Virginia.

11. *Indiana-Illinois-St. Louis District.*—Comprises all the State of Indiana, except the County of Lake; all the State of Illinois, except the Counties of Lake and Du Page and the Chicago Switching District; the City of St. Louis and the County of St. Louis in the State of Missouri; and the County of Rock in the State of Wisconsin.

12. *Chicago District.*—Comprises the Chicago Switching District; the Counties of Lake and Du Page in the State of Illinois; the County of Lake in the State of Indiana; and the Counties of Kenosha, Racine, and Milwaukee in the State of Wisconsin.

13. *Southern District.*—Comprises all that part of the United States south of the States of Maryland, West Virginia, Kentucky, and Missouri, and the States of Texas and Oklahoma, but does not include the County of Jefferson in the State of Alabama.

14. *Birmingham District.*—Comprises the County of Jefferson in the State of Alabama.

15. *Kansas City District.*—Comprises the County of Jackson in the State of Missouri.

16. *Duluth District.*—Comprises the County of St. Louis in the State of Minnesota.

17. *Colorado District.*—Comprises the State of Colorado.

18. *Utah District.*—Comprises the State of Utah.

19. *Seattle District.*—Comprises the County of King in the State of Washington and the County of Multnomah in the State of Oregon.

20. *San Francisco District.*—Comprises the Counties of San Mateo, Alameda, Sacramento, and Contra Costa in the State of California.

21. *Los Angeles District.*—Comprises the County of Los Angeles in the State of California.

SCHEDULE D—MINIMUM RATES OF PAY FOR COMMON LABOR

	<i>Per hour</i>
1. Eastern District.....	\$0. 35
2. Johnstown District.....	. 37
3. Pittsburgh District.....	. 40
4. Youngstown Valley District.....	. 40
5. North Ohio River District.....	. 40
6. Canton, Massillon, and Mansfield District.....	. 37
7. Cleveland District.....	. 40
8. Buffalo District.....	. 38
9. Detroit-Toledo District.....	. 40
10. South Ohio River District.....	. 37
11. Indiana-Illinois-St. Louis District.....	. 37
12. Chicago District.....	. 40
13. Southern District.....	. 25
14. Birmingham District.....	. 27
15. Kansas City District.....	. 35
16. Duluth District.....	. 37
17. Colorado District.....	. 40
18. Utah District.....	. 39
19. Seattle District.....	. 38
20. San Francisco District.....	. 37
21. Los Angeles District.....	. 35

SCHEDULE E—CONCERNING PRICES AND TERMS OF PAYMENT

SECTION 1. Wherever used in the Code the terms hereinafter in this Section 1 defined shall, unless the context shall otherwise clearly indicate, have the respective meanings hereinafter in this Section 1 set forth. The definition of any such term in the singular shall apply to the use of such term in the plural and vice versa.

(a) Until Schedule F of this Code shall have been amended as in Article XII of the Code provided, the term "basing point" for any product means one of the places listed in such Schedule F as a basing point for such product. Thereafter the term shall mean one of the places listed in such Schedule F as at the time in effect as a basing point for such product.

(b) The term "base price" of any product means the price for such product f.o.b. a basing point, before any extras in respect of such product shall be added or any discounts for early payment or deductions shall be allowed or made.

(3) The term "period of free credit" means the period of time between the date of a shipment of a product to the purchaser of such product and the date from and after which such purchaser shall be required to pay interest on the purchase price of such product or any part thereof which shall not have been paid prior to the expiration of such period.

(d) The term "date of invoice" means the date of the invoice of any product.

(e) The term "discount for early payment" means the amount of the deduction allowed for the payment of an invoice of products before the expiration of the period of free credit in respect thereof.

(f) The term "an affiliated group" means one or more corporations connected through stock ownership with a common parent corporation, if (1) at least 75% of the stock of each of such corporations (except such common parent corporation) is owned directly by one or more of the other corporations, and (2) such common parent corporation owns directly at least 75% of the stock of at least one of the other corporations. The term "an affiliated company of a member of the Code" means (1) a corporation which is one of an affiliated group that also includes such member of the Code, or (2), in case the member of the Code is a person, firm, or association, a corporation at least 75% of the stock of which is owned by such member. For the purposes of this paragraph (f) the term "stock" does not include nonvoting stock which is limited and preferred as to dividends.

SEC. 2. Each member of the Code shall, within ten days after the effective date of the Code, file with the Secretary a list showing the base prices for all its products, and from and after the expiration of such ten days such member shall at all times maintain on file with the Secretary a list showing the base prices for all its products and shall not make any change in such base prices except as provided in this Schedule E. Each such list shall state the date upon which it shall become effective, which date shall be not less than ten days after the date of filing such list with the Secretary; provided, however, that the first list of base prices filed by any member of the Code as above provided shall take effect on the date of filing thereof. None of the base prices shown in any list filed by any member of the Code as herein provided shall be changed except by the filing by such member with the Secretary of a new list of its base prices, which shall become effective on the effective date therein specified which shall not be less than ten days after the date on which such new price list shall have been so filed. In the case of pipe of sizes or kinds which are sold on a list and discount basis, for the purposes of this Section 2 the list of base prices shall consist of a price list and one or more basing discount lists, from which the base prices of such pipe shall be determined; provided, however, that in the case of oil country tubular goods there shall be filed in lieu of a list of base prices a price list and one or more basing discount lists from which the delivered prices of such goods shall be determined.

SEC. 3. Except as hereinafter otherwise provided in respect of standard Tee rails of more than 60 pounds per yard, angle bars, and rail joints, the base price for any product shown in any list of base prices filed by a member of the Code in accordance with the provisions of the foregoing Section 2 shall be as follows:

(a) If such member shall operate a plant for the production of such product which is located at a basing point for such product, f.o.b. such basing point, or (b) if such member shall operate a plant for the production of such product which is not located at a basing point for such product, f.o.b. the basing point for such product nearest in terms of all-rail freight rates to such plant, or (c) if any Gulf or Pacific Coast port shall be listed as a basing point in Schedule F of the Code as at the time in effect, f.o.b. cars dock such port. Except as otherwise provided in this Schedule E, each member of the Code shall file with the Secretary and maintain on file with him a list showing the base price for each of its products for each basing point for such product at which a plant of such member for the manufacture of such product shall be located and for each basing point for such product which shall be nearest in terms of all-rail freight rates to any plant of such member for the manufacture of such product not located at a basing point for such product; and if any Gulf or Pacific Coast port shall be listed in such Schedule F as a basing point for a product, such member may show in such list its base price for such product at such basing point. All base prices shown in the list so filed shall constitute the published base prices of such member for the products and for the basing points shown in such list. Except as aforesaid, none of the members of the Code shall file any list of base prices showing any price for any of its products other than the base price for such product f.o.b. the basing point or basing points for such products as hereinbefore provided. The published base price of each such member for any product (except standard Tee rails of more than 60 pounds per yard, angle bars, and rail joints) for any basing point for such product other than that or those shown in the list of base prices so filed by such member shall be deemed to be the lowest base price for such product at such other basing point which shall be shown in the list of base prices filed by any other member of the Code and then in effect. All base prices for standard Tee rails of more than 60 pounds per yard and all base prices for angle bars and rail joints shall be f.o.b. mill of the producer thereof, or, in the case of rails, angle bars, and rail joints carried by water from any Atlantic Coast or Gulf port to any Gulf or Pacific Coast port, c.i.f. the port of destination. Lists of prices filed with the Secretary pursuant to the foregoing Section 2 and to this Section 3 shall be open to inspection at all reasonable times by anyone.

SEC. 4. Except as otherwise provided in this Schedule E of the Code, all prices quoted and billed by any member of the Code for any product (except standard Tee rails of more than 60 pounds per yard, angle bars and rail joints and oil country tubular goods, which shall be quoted and billed as hereinafter provided) sold by such member from and after ten days after the effective date of the Code shall be delivered prices, which (disregarding the extras, if any, required by, and the deductions, if any, that may be made pursuant to, the provisions of the Code) shall be not less than the sum of (a) the published base price of such member for such product effective at the time of the sale thereof and (b) the all-rail published tariff freight charges from the basing point on which such base price is based to the place of delivery to the purchaser thereof or, (1) if such place of delivery shall be at such basing point, the published tariff switching charges to such place of delivery from the plant of any member of the Code for the production of such product at such basing point nearest in terms of such switching charges to such place of delivery; or, (2) if such place of delivery shall be at a Gulf or Pacific Coast port that is listed in Schedule F as a basing point, the published tariff switching charges to such place of delivery from the dock for discharging products nearest in terms of such switching charges to such place of delivery; provided, however, that (a) in any case in which such product shall be delivered by other than all-rail transportation, the member of the Code selling such product may allow to the purchaser a reduction in the delivered price otherwise chargeable under this Section 4 at a rate which shall have been previously approved by the Board of Directors and filed with the Secretary; and (b) in the case of plates, shapes, or bars intended for fabrication for an identified structure, for the purpose of establishing the delivered price thereof, the place of delivery shall be deemed to be the freight station at or nearest to the place at which such structure is to be erected, and not the shop of the fabricator; and (c) subject as hereinafter in this Section 4 provided, if any list of prices filed with the Secretary by any member of the Code pursuant to this Schedule E and at the time in effect shall show a specified rate of deduction from the price of any product to be allowed by such member on any sale of such product to any jobber for resale, such member may, from and after the date on which such list shall have become effective, allow to any jobber to whom such member shall sell such product for resale a deduction from such price to such jobber for such product at a rate not greater

than the rate so shown in such list; and provided, further, that the Board of Directors by the affirmative vote of three fourths of the whole Board may permit any member of the Code in special instances or members of the Code generally to sell or contract for the sale of any product produced by such member or members at a base price which shall be less than the then published base price of such member or members for such product at the respective basing points therefor of such members, if by such vote such Board shall determine that the making of such sale or contract of sale at such less base price is in the interest of the Industry or of any other branch of industry and will not tend to defeat the policy of Title I of the National Industrial Recovery Act by making possible the using or employing of an unfair practice. The Board of Directors shall prescribe such rules and regulations as it shall deem proper by which the question of whether or not any purchaser or prospective purchaser of any product for resale is a jobber shall be determined, and in granting any permission as aforesaid, the Board of Directors shall prescribe such rules and regulations in respect thereof as in its judgment shall be necessary in order to insure to the members of the Code that action in accordance with any such permission shall not result in an unfair practice; and thereafter such Board may by like vote rescind any permission so granted or modify, cancel, or add to any rules and regulations so prescribed. The Secretary shall send to each member of the Code a copy of all such rules and regulations prescribed by such Board with respect to the determination of the question of whether a purchaser or prospective purchaser for resale is a jobber and he shall give notice in writing of all action so taken by the Board of Directors to each member of the Code which at the time shall be engaged in producing the kind of product in respect of which any such permission was granted. Before any member of the Code shall allow any such deduction to any jobber or sell for resale to any purchaser who shall not be a jobber any product pursuant to any permission so granted to such member, such member shall secure from such jobber or such other purchaser an agreement substantially in a form theretofore approved by the Board of Directors and filed with the Secretary whereby such jobber or other purchaser shall agree with such member (a) that such jobber or other purchaser will not, without the approval of the Board of Directors, sell such product to any third party at a price which at the time of the sale thereof shall be less than the price at which such member might at that time sell such product to such third party, and (b) that, if such jobber or such other purchaser shall violate any such agreement, he shall pay to the Treasurer as an individual and not as treasurer of the Institute, in trust, as and for liquidated damages the sum of \$10 per ton of any product sold by such jobber or such other purchaser in violation thereof. Except as aforesaid, all prices quoted and billed by any member of the Code for standard Tee rails of more than 60 pounds per yard, angle bars, and rail joints sold by it from and after ten days after the effective date of the Code (disregarding extras and deductions as aforesaid) shall be not less than the published base price of such member for such rails, angle bars, and rail joints effective at the time of the sale thereof f.o.b. mill of the producer, or, in the case of rails, angle bars, or rail joints carried by water from any Atlantic Coast or Gulf port to any Gulf or Pacific Coast port, c.i.f. the port of destination. Except as aforesaid, all prices quoted and billed by any member of the Code for oil country tubular goods sold by it from and after ten days after the effective date of the Code (disregarding extras and deductions as aforesaid) shall be not less than the delivered price for such goods determined by deducting from the published list price of such member for such goods effective at the time of the sale thereof the published basing discounts applicable to such goods effective at such time. In case at the effective date of the Code any valid, firm contract to which a member of the Code shall be a party shall exist for a definite quantity of any product or for all or a substantial part of the requirements of the purchaser thereof (a) at a fixed price, or (b) at a price that can be definitely determined in accordance with the provisions of such contract, or (c) at the market price for such product at the date when a definite quantity thereof shall be specified under such contract and such contract covered a sale of 20% or more of the total quantity of such product produced and sold in the United States in the calendar year 1932, it is recognized that such contract will tend to establish the market price for such product during the remainder of its life and that, if the other members of the Code which produce and sell such product shall by the foregoing provisions of this Schedule E be prevented from selling such product during the remainder of the life of such contract at as favorable a price and on as favorable terms and conditions as those provided for in such contract, then unfair competition as between the member of the Code which shall be a party to such contract and the other members thereof and also as be-

tween the other party to such contract and its competitors may result. Accordingly, anything herein to the contrary notwithstanding, during the remainder of the life of such contract any member of the Code may sell such product at a price and on terms and conditions as favorable as (but not more favorable than) the price, terms, and conditions provided for in such contract.

SEC. 5. The Board of Directors shall have power on its own initiative, or on the complaint of any member of the Code, to investigate any base price for any product at any basing point shown in any list filed with the Secretary by any member of the Code, and for the purpose of the investigation thereof to require such member to furnish such information concerning the cost of manufacturing such product as the Board of Directors shall deem necessary or proper for such purpose. If the Board of Directors after such investigation shall determine that such base price is an unfair base price for such product at such basing point, having regard to the cost of manufacturing such product, and that the maintenance of such unfair base price may result in unfair competition in the Industry, the Board of Directors may require the member of the Code that filed the list in which such unfair base price is shown to file a new list showing a fair base price for such product at such basing point, which fair base price shall become effective immediately upon the filing of such list. If such member of the Code shall not within ten days after notice to it of such determination by the Board of Directors file a new list showing such fair base price for such product at such basing point the Board of Directors shall have power to fix a fair base price for such product at such basing point, which fair base price, however, shall not be more than the base price of any other member of the Code at that time effective for such product at such basing point and in respect of which the Board of Directors shall not theretofore have begun an investigation or a complaint shall not have been made by any member of the Code. When the decision of such Board fixing such fair base price shall have been filed with the Secretary and the Secretary shall have given notice thereof to such member, such fair base price shall be the base price of such member for such product at such basing point, until it shall have been changed as in the Code provided. A notice of all decisions of the Board of Directors under this Section 5, together with the reasons therefor, shall be filed with the President.

SEC. 6. The Board of Directors by the affirmative vote of a majority of the whole Board may establish maximum rates of discount and maximum periods of free credit, other than those specified in Schedule G of the Code, which may be allowed by any member of the Code with respect to the sale of any product or products to jobbers for resale as permitted by the provisions of Section 4 of this Schedule E. The Secretary shall give notice in writing of any action taken by the Board of Directors in accordance with the provisions of this Section 6 to each member of the Code which at the time shall be engaged in producing the kind of product in the sale of which any such other rates or periods shall have been established by such action. Except as aforesaid and except as elsewhere in this Schedule E of the code otherwise provided, the maximum rates of discount for early payment and the maximum periods of free credit which may be allowed by any member of the Code shall be the rates and periods specified in said Schedule G. Except as aforesaid, all invoices for products sold by any member of the Code after the effective date of the Code shall bear interest from and after the expiration of the period of free credit at a rate which shall be not less than the then current rate established by the Board of Directors and filed with the Secretary. Nothing in the Code contained shall prevent any member of the Code from allowing credit to any purchaser or allowing any purchaser to delay payment in respect of any invoice for a longer period than the maximum period of free credit specified in such Schedule G or such other maximum period as shall be established in accordance with the provisions of this Section 6; but, if any member of the Code shall allow credit to any purchaser or allow any purchaser to delay payment in respect of any invoice for a period longer than such maximum period of free credit, then such member shall charge and collect interest on the amount in respect of which credit shall be so allowed or the payment of which shall have been so delayed at a rate not less than the current rate established and filed as aforesaid.

SEC. 7. Except as in this Schedule E of the Code otherwise provided, any extras added to, and any deductions made from, the base price for any product sold by any member of the Code in determining its quoted or billed price for such product shall be uniform for all members of the Code. The rates of such extras and of such deductions shall be those approved from time to time by the Board of Directors as being in accordance with the trade practice customary in the Industry at the effective date of the Code and as meeting the requirements of the

Code. Lists showing such rates shall be filed with the Secretary and shall be open to inspection at all reasonable times by anyone. In case any member of the Code shall sell any product to which any such rate of extra or deduction shall apply, except as aforesaid, such member shall add an extra at a rate which shall not be less than the rate of extra applicable to such product theretofore approved by the Board of Directors as aforesaid and at the time in effect and none of the members of the Code shall make any deduction at a rate that shall be more favorable to the purchaser of such product than the rate of deduction applicable to such product theretofore approved by the Board of Directors as aforesaid and at the time in effect; provided, however, that nothing in the Code contained shall be so construed as to prevent any member of the Code from selling or contracting to sell any product for use by the purchaser thereof in the manufacture of articles for shipment in export trade within the meaning of the term "export trade" as it is used in the Export Trade Act under an agreement by such member of the Code with such purchaser that, when such articles shall have been shipped in such export trade, such member of the Code shall make an allowance at a rate approved by the Board of Directors and a statement of the approval of which shall theretofore have been filed with the Secretary, which rate in the opinion of such Board shall be sufficient to enable such member of the Code or such purchaser to meet foreign competition in the sale and delivery of such product or such articles, as the case may be.

SEC. 8.—The practice of shipping products on consignment may result in unfair competition and it is the intention of the Industry to eliminate such practice as soon as possible after the effective date of the Code. Accordingly, except to the extent necessary to carry out arrangements existing on the effective date of the Code and which shall have been reported to the Board of Directors, from and after such date none of the members of the Code shall deliver products, other than pipe, on consignment except to an affiliated company of such member. All arrangements for the delivery by any member of the Code of products on consignment (other than consignments to an affiliated company of such member and other than consignments of pipe) existing on the effective date of the Code shall be terminated on or before June 30, 1934, and all stock held on consignment on that date shall either be sold to the consignee or possession thereof shall be taken by the consignor. The Board of Directors shall investigate problems presented in the elimination of consigned stocks of pipe and shall recommend to the members of the Code which shall be parties to then existing arrangements with respect to shipments of pipe on consignment (other than consignments from a member of the Code to an affiliated company) such action in respect thereof as such Board shall deem proper and designed to accomplish the termination of all such arrangements (other than as aforesaid) at as early a date as possible.

SEC. 9. For all purposes of this Schedule E, a delivery of any product made pursuant to a contract of sale shall be regarded as a sale thereof made at the time of the making of such contract. Except in the case of a product required by a purchaser for a specified definite contract of such purchaser with a third party at a fixed price, none of the members of the Code shall make any contract of sale of any product by the terms of which the shipment of such product is not required to be completed before the end of the calendar quarter year ending not more than four months after the date of the making of such contract.

SEC. 10. Nothing in the Code contained, however, shall be so construed as to prevent the performance by any member of the Code of a valid, firm contract existing and to which it is a party at the effective date of the Code for a definite quantity of any product or for all or a substantial part of the requirements of the purchaser thereof (a) at a fixed price, or (b) at a price that can be definitely determined in accordance with the provisions of such contract, or (c) at the market price for such product at the date when a definite quantity thereof shall be specified under such contract. If any member of the Code shall at the effective date thereof be a party to any contract for the sale of any product by such member which by its terms is to continue after December 31, 1933, and by its terms the price to be paid for such product by the other party to such contract is related to the market price thereof at the date when a definite quantity thereof may be specified under such contract and may be less than such market price, then such member shall within thirty days after the effective date of the Code file a copy of such contract with the Secretary in order that the Board of Directors may consider it and take such action in respect thereof consistent with the rights and obligations of the parties to such contract as such Board shall deem proper.

SEC. 11. A sale made by any member of the Code indirectly through any affiliated company of such member shall be deemed to be a sale made by such member.

SEC. 12. Nothing in the Code contained shall be deemed to apply to or affect the sale of any product for direct shipment in export trade by any member of the Code within the meaning of the term "export trade" as it is used in the Export Trade Act or, unless and to the extent that the Board of Directors shall otherwise determine, the sale of any product by any such member for direct shipment to the Philippines, Hawaii, or Puerto Rico or other insular possessions of the United States of America.

SEC. 13. If and to the extent requested by the Administrator, all decisions of, permissions, and approvals given by and rules and regulations made by, the Board of Directors pursuant to any provisions of this Schedule E shall be reported to him.

SCHEDULE F—LIST OF BASING POINTS

The places hereinafter in this Schedule F listed are the basing points for the respective products named.

Axles—Rolled or forged:

Pittsburgh, Pa.
Chicago, Ill.
Birmingham, Ala.

Bale Ties:

Pittsburgh, Pa.
Cleveland, Ohio
Chicago, Ill.
Birmingham, Ala.
Duluth, Minn.
Gulf Ports ¹
Pacific Coast Ports ²

Bars—Alloy steel, hot rolled:

Pittsburgh, Pa.
Buffalo, N.Y.
Chicago, Ill.
Canton, Ohio
Massillon, Ohio
Bethlehem, Pa.

Bars—Cold finished, carbon, and alloy:

Pittsburgh, Pa.
Buffalo, N.Y.
Cleveland, Ohio
Chicago, Ill.
Gary, Ind.

Bars—Concrete reinforcing:

Pittsburgh, Pa.
Buffalo, N.Y.
Cleveland, Ohio
Chicago, Ill.
Gary, Ind.
Birmingham, Ala.
Youngstown, Ohio
Gulf Ports
Pacific Coast Ports

Bars—Iron:

Pittsburgh, Pa.
Troy, N.Y.
Jersey City, N.J.
Dover, N.J.
Philadelphia, Pa.
Columbia, Pa.
Lebanon, Pa.
Reading, Pa.
Danville, Pa.
Burnham, Pa.
Creighton, Pa.
Richmond, Va.
Louisville, Ky.
Terre Haute, Ind.

Bars—Merchant steel:

Pittsburgh, Pa.
Buffalo, N.Y.
Cleveland, Ohio
Chicago, Ill.
Gary, Ind.
Birmingham, Ala.
Gulf Ports
Pacific Coast Ports ²

Bars—Tool steel:

Pittsburgh, Pa.
Syracuse, N.Y.
Bethlehem, Pa.

Girder rails:

Lorain, Ohio
Steelton, Pa.

Ingots, blooms, billets, and slabs—

Alloy:

Pittsburgh, Pa.
Buffalo, N.Y.
Chicago, Ill.
Canton, Ohio
Massillon, Ohio
Bethlehem, Pa.

Ingots, blooms, billets, and slabs—

Carbon:

Pittsburgh, Pa.
Buffalo, N.Y.
Cleveland, Ohio
Chicago, Ill.
Gary, Ind.
Birmingham, Ala.
Youngstown, Ohio

Light rails—60 lbs. or less per yard:

Pittsburgh, Pa.
Chicago, Ill.
Birmingham, Ala.

Mechanical tubing:

Pittsburgh, Pa.
Canton, Ohio
Shelby, Ohio
Detroit, Mich.
Milwaukee, Wis.

Pig iron—Foundry, malleable, open-hearth basic, and Bessemer:

Buffalo, N.Y.
Cleveland, Ohio
Chicago, Ill.
Birmingham, Ala.
Youngstown, Ohio

¹ Except as otherwise shown in this Schedule F, the Gulf Ports are Mobile, Ala., New Orleans, La., and Orange, Port Arthur, Beaumont, Baytown, Galveston, and Houston, Tex.

² The Pacific Coast ports are San Pedro (includes Wilmington) and San Francisco (includes Oakland) Calif.; Portland, Oreg.; and Seattle (includes Tacoma), Washington; and San Diego, Calif.; for Plates and Structural Shapes only.

Pig iron—Continued.

Neville Island, Pa.
 Sharpsville, Pa.
 Erie, Pa.
 Bethlehem, Pa.
 Swedeland, Pa.
 Birdsboro, Pa.
 Hamilton, Ohio
 Jackson, Ohio
 Toledo, Ohio
 Granite City, Ill.
 Detroit, Mich.
 Duluth, Minn. (except open-hearth
 basic)
 Provo, Utah
 Everett, Mass.
 Sparrows Point, Md.

Pig iron—Low phosphorus:

Birdsboro, Pa.
 Steelton, Pa.
 Standish, N.Y.
 Johnson City, Tenn.

Pipe—Rigid electrical conduit:

Pittsburgh, Pa.
 Evanston, Ill.

Pipe—Standard, line pipe, and oil
country tubular products:

Pittsburgh, Pa.
 Gary, Ind.
 Lorain, Ohio

Plates:

Pittsburgh, Pa.
 Chicago, Ill.
 Gary, Ind.
 Birmingham, Ala.
 Coatesville, Pa.
 Sparrows Point, Md.
 Gulf Ports
 Pacific Coast Ports

Railroad tie plates:

Pittsburgh, Pa.
 Buffalo, N.Y.
 Chicago, Ill.
 Birmingham, Ala.
 St. Louis, Mo.
 Kansas City, Mo.
 Minnequa, Colo.
 Weirton, W.Va.
 Portsmouth, Ohio
 Steelton, Pa.
 Pacific Coast Ports

Railroad track spikes:

Pittsburgh, Pa.
 Buffalo, N.Y.
 Cleveland, Ohio
 Chicago, Ill.
 Birmingham, Ala.
 Youngstown, Ohio
 Portsmouth, Ohio
 Weirton, W.Va.
 St. Louis, Mo.
 Kansas City, Mo.
 Minnequa, Colo.
 Philadelphia, Pa.
 Lebanon, Pa.
 Columbia, Pa.
 Richmond, Va.

Railroad track spikes—Continued.

Jersey City, N.J.
 Pacific Coast Ports

Sheet bars:

Pittsburgh, Pa.
 Buffalo, N.Y.
 Cleveland, Ohio
 Chicago, Ill.
 Youngstown, Ohio
 Canton, Ohio
 Sparrows Point, Md.

Sheets:

Pittsburgh, Pa.
 Gary, Ind.
 Birmingham, Ala.
 Pacific Coast Ports

Skelp:

Pittsburgh, Pa.
 Buffalo, N.Y.
 Chicago, Ill.
 Youngstown, Ohio
 Coatesville, Pa.
 Sparrows Point, Md.

Steel sheet piling:

Pittsburgh, Pa.
 Buffalo, N.Y.
 Chicago, Ill.
 Gulf Ports
 Pacific Coast Ports

Strip steel—Cold-rolled:

Pittsburgh, Pa.
 Cleveland, Ohio
 Worcester, Mass.

Strip steel—Hot-rolled:

Pittsburgh, Pa.
 Chicago, Ill.

Structural shapes:

Pittsburgh, Pa.
 Buffalo, N.Y.
 Chicago, Ill.
 Birmingham, Ala. (standard shapes
 only).
 Bethelhem, Pa.
 Gulf Ports
 Pacific Coast Ports

Tin plate, tin mill black plate and terne
plate:

Pittsburgh, Pa.
 Gary, Ind.
 Pacific Coast Ports

Tubes—Boiler:

Pittsburgh, Pa.

Tube rounds:

Pittsburgh, Pa.
 Buffalo, N.Y.
 Cleveland, Ohio
 Chicago, Ill.
 Birmingham, Ala.

Wheels—Car, rolled steel:

Pittsburgh, Pa.
 Chicago, Ill.

Wire—Drawn, except as hereinafter
specified:

Pittsburgh, Pa.
 Cleveland, Ohio
 Chicago, Ill.
 Birmingham, Ala.

Wire—Continued.

Anderson, Ind.
 Duluth, Minn.
 Worcester, Mass.
 Gulf Ports
 New Orleans, La.
 Galveston, Tex.
 Houston, Tex.
 Pacific Coast Ports

Wire nails and staples, barbed wire,
and wire fencing:

Pittsburgh, Pa.
 Cleveland, Ohio
 Chicago, Ill.
 Birmingham, Ala.
 Anderson, Ind.
 Duluth, Minn.
 Gulf Ports
 Pacific Coast Ports

Wire rods:

Pittsburgh, Pa.
 Cleveland, Ohio
 Chicago, Ill.
 Birmingham, Ala.

Wire—Spring:

Pittsburgh, Pa.
 Cleveland, Ohio
 Chicago, Ill.
 Worcester, Mass.
 Pacific Coast Ports

Wire—Telephone:

Pittsburgh, Pa.
 Cleveland, Ohio
 Waukegan, Ill.
 Muncie, Ind.
 Trenton, N.J.
 Worcester, Mass.
 Sparrows Point, Md.

SCHEDULE G—MAXIMUM RATES OF DISCOUNT FOR EARLY PAYMENT AND MAXIMUM PERIODS OF FREE CREDIT

MAXIMUM RATES OF DISCOUNT FOR EARLY PAYMENT

In the case of products shipped from plants located east of the Mississippi River to Pacific Coast Ports and which shall be invoiced from such plants— $\frac{1}{2}$ of 1%, if the invoice of such products shall be paid within 25 days from the date of such invoice; in all other cases— $\frac{1}{2}$ of 1%, if the invoice of such products shall be paid within 10 days from the date of such invoice; provided, however, in the latter cases, that any member of the Code may allow such discount of $\frac{1}{2}$ of 1% for payment within 10 days on the basis of settlements three times in each month, as follows:

(1) On invoices for products dated from the 1st to the 10th, inclusive, in any month, such discount may be allowed on payment of such invoices on or before the 20th of such month;

(2) On invoices for products dated from the 11th to the 20th, inclusive, in any month, such discount may be allowed on payment of such invoices on or before the 30th of each month; and

(3) On invoices for products dated from the 21st to the end of any month, such discount may be allowed on payment of such invoices on or before the 10th of the next following month.

Any discount allowed in accordance with the provisions of this Schedule G shall apply only to the invoiced value of the products specified therein and not to any part of the transportation charges on such products.

MAXIMUM PERIODS OF FREE CREDIT

In the case of products shipped from plants located east of the Mississippi River to Pacific Coast ports and which shall be invoiced from such plants—45 days; in all other cases—30 days.

SCHEDULE H—LIST OF UNFAIR PRACTICES

For all purposes of the Code the following described acts shall constitute unfair practices:

A. Making or promising to any purchaser or prospective purchaser of any product, or to any officer, employee, agent or representative of any such purchaser or prospective purchaser, any bribe, gratuity, gift or other payment or remuneration, directly or indirectly.

B. Procuring, otherwise than with the consent of any member of the Code, any information concerning the business of such member which is properly regarded by it as a trade secret or confidential within its organization, other than information relating to a violation of any provision of the Code.

C. Imitating or simulating any design, style, mark, or brand used by any other member of the Code.

D. Using or substituting any material superior in quality to that specified by the purchaser of any product or using or substituting any material or any method of manufacture not in accord with any applicable law, rule, or regulation of any governmental authority.

E. Cancelling, in whole or in part, or permitting the cancellation in whole or in part of any contract of sale of any product, except for a fair consideration, or paying or allowing to any purchaser in connection with the sale of any product any rebate, commission, credit, discount, adjustment, or similar concession other than as is permitted by the Code and specified in the contract of sale.

F. Disseminating, publishing, or circulating any false or misleading information relative to any product or price for any product of any member of the Code, or the credit standing or ability of any member thereof to perform any work or manufacture or produce any product, or to the conditions of employment among the employees of any member thereof.

G. Inducing or attempting to induce by any means any party to a contract with a member of the Code to violate such contract.

H. Aiding or abetting any person, firm, association, or corporation in any unfair practice.

I. Making or giving to any purchaser of any product any guaranty or protection in any form against decline in the market price of such product.

J. Stating in the invoice of any product as the date thereof a date later than the date of the shipment of such product, or including in any invoice any product shipped on a date earlier than the date of such invoice.

K. Making any sale or contract of sale of any product under any description which does not fully describe such product in terms customarily used in the Industry.

L. Rendering to any purchaser of any product in or in connection with the sale of such product any service, unless fair compensation for such service shall be paid by such purchaser.

M. Any violation of any other provision of the Code, whether or not therein expressed to be such, or using or employing any practice not hereinabove in this Schedule H described which the Board of Directors by the affirmative vote of three fourths of the whole Board shall have declared to be a practice that would tend to defeat the policy of Title I of the National Industrial Recovery Act and, therefore, an unfair practice, and of which determination by such Board the Secretary shall have given notice to the members of the Code and to the President.



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