

NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

FOR THE

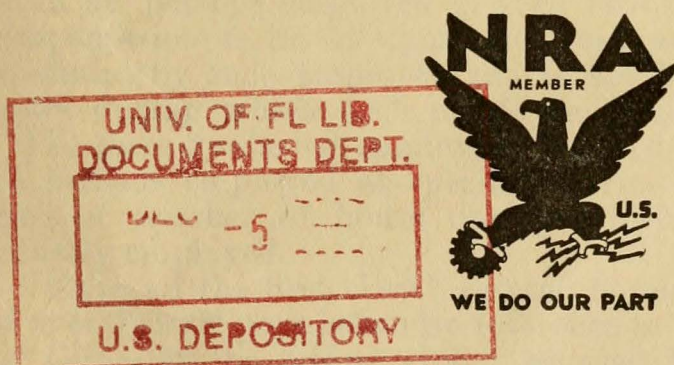
BEAUTY PARLOR

CONCESSIONAIRES INDUSTRY

AS SUBMITTED ON AUGUST 22, 1933

REGISTRY No. 1708—2—82

The Code for the Beauty Parlor Concessionaires Industry in its present form merely reflects the proposal of the above-mentioned industry, and none of the provisions contained therein are to be regarded as having received the approval of the National Recovery Administration as applying to this industry



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1933

PROPOSED CODE OF NATIONAL ASSOCIATION OF BEAUTY PARLOR CONCESSIONNAIRES UNDER THE NATIONAL INDUSTRIAL RECOVERY ACT

PART I

To effectuate the policy of Title I of the National Industrial Recovery Act during the period of the emergency, by reducing and relieving unemployment, improving the standards of labor, eliminating competitive practices destructive of the interests of the public, employees and employers, and otherwise rehabilitating the business of conducting beauty parlors in department stores in the United States, the following provisions are established as a code of fair competition for such industry:

FIRST—DEFINITIONS

The term "effective date" as used herein is defined to be the first Monday following the approval of this code by the President.

The term "persons" as used herein includes natural persons, partnerships, associations, and corporations.

The term "employer" as used herein shall include every person (whether individual, partnership, association, or corporation) engaged in the conduct and operation of beauty parlors or salons in department stores located within the territorial confines of the United States of America.

The term "commissioned employee" as used herein is defined to mean all persons employed in such beauty parlors or salons whose compensation is based upon the work actually performed and/or produced by such employee and is not based upon the number of hours during which such employee is actually employed.

The term "salaried employee" as used herein is defined to mean all persons employed at specific charge or salary based upon the time or number of hours during which such employee shall be actually employed.

"Cities of the first class" as used herein is defined to mean cities of over 500,000 population by reference to the 1930 Federal census.

"Cities of the second class" as used herein is defined to mean cities of from 100,000 to 500,000 population by reference to the 1930 Federal census.

"Cities of the third class" as used herein is defined to mean cities of less than 100,000 population by reference to the 1930 census.

The term "Southern area" is defined as including the following States: Virginia, West Virginia, North Carolina, South Carolina, Georgia, Florida, Kentucky, Maryland, District of Columbia, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, and Texas.

SECOND LABOR CODE

1. *Collective bargaining*.—In conformity with the provisions of Section 7a of the National Industrial Recovery Act, the attitude of this industry with respect to the labor of employees shall be as follows:

A. 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.

B. 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 choosing; and

D. 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.

2. *Child labor*.—On and after the effective date, employers in this industry shall not employ any minor under the age of sixteen (16) years.

3. *Maximum hours*.—A. No employer shall work any employee (other than those hereinbelow excepted) for more than forty-eight (48) hours per week, excepting that at peak periods in the business, employees may work more than forty-eight (48) hours per week for a maximum not exceeding three (3) weeks in each six (6) months. The following are excepted from the above:

a. Employees employed on a commission basis, herein referred to as "commissioned employees."

b. Executives whose salaries exceed \$25 per week.

c. Professional persons employed in their professional capacity.

d. Maintenance employees.

The employees specified in subdivisions "b", "c", and "d" may be employed for more than forty-eight (48) hours per week if paid time and one third ($\frac{1}{3}$) for all hours in excess of forty-eight (48) hours per week.

B. The hours of any store or service operation shall not be reduced below fifty-two (52) hours in any one (1) week unless such hours were less than fifty-two (52) hours per week before July 1, 1933, and in the latter case not to reduce such hours at all.

C. The maximum fixed in paragraph 3A shall not apply to employees in establishments employing not more than two (2) persons in towns of less than 2,500 population, which towns are not part of a larger trade area.

4. *Minimum wage*.—A. This industry is one popularly known as a service business in which customers or patrons as a general rule give to employees performing the various services in the industry a variable sum of money in addition to the charge for the work done or service performed, paid to, and collected by the employer. This additional sum of money is commonly known as a "tip" and in computing the income of work in this industry such "tips" are deemed and considered to be a vital and integral part thereof. For the

purposes of fixing the earnings of salaried employees, employers have heretofore included such "tips", and, in fixing the minimum earnings which such employees shall hereafter receive, the customary and reasonable amount of such "tips", which are reasonably ascertainable, are to be herewith included. Provision may be made for fluctuations in the amount of such "tips" so as to provide at all times that the minimum amounts paid by the employer together with the amount of such "tips" shall aggregate the minimum wage hereinafter specified.

B. On and after the effective date, salaried employees shall receive salaries which with the reasonable amount of "tips" received by them shall aggregate in cities of the first class not less than Fourteen (\$14) Dollars per week; in cities of the second class not less than Thirteen and 50/100 (\$13.50) Dollars per week; and in cities of the third class not less than Thirteen (\$13) Dollars per week: *Provided, however,* That in cities located in the Southern area such earnings shall be in each class One (\$1) Dollar less per week; such earnings to be for a week, to consist of not more than forty-eight (48) hours.

C. Commissioned employees are not subject to the regulations herein provided with respect to minimum wages and maximum hours.

D. On and after the effective date of this code, junior salaried employees between the ages of sixteen (16) years and eighteen (18) years, inclusive, with less than six (6) months' experience in such work shall be paid at the rate of Two (\$2) Dollars less for a work week as above provided and apprentice salaried employees more than eighteen (18) years of age with less than six (6) months' experience in such work shall be paid at the rate of One (\$1) Dollar less for a work week as provided above and provided that the minimum payable shall not be less than at the rate of Eleven (\$11) Dollars per week.

E. It is recognized in this industry that certain employees are specially employed for particular portions of the week not aggregating a full week—in many cases these employees have other employment in addition. These employees shall continue to work such portions of time as they may be required, but in the case of salaried employees on part time they shall receive the same minimum wage for the hours during which they shall be actually engaged in their employment.

5. Salaried employees receiving compensation for employment now in excess of the minimum wages hereby agreed to (notwithstanding that the hours worked in such employment may be hereby reduced) shall not receive reductions in such compensation and wherever possible shall receive increases in such pay by an equitable readjustment of all pay schedules.

6. The persons subject to this code agree that they shall not use any subterfuge to frustrate the spirit and intent of this code, which is, among other things, to increase employment by universal covenant, to remove obstructions to commerce, and to shorten hours and to raise wages for the shorter week to a living basis.

7. The persons subject to this code agree that they shall not increase the price of any merchandise sold or work done or services performed after the date hereof over the prices on July 1, 1933, by

more than is made necessary by the actual increases in production, operating, replacement, or invoice costs or by taxes or other costs or by the addition of a fair profit, and in setting such price increases to give full weight to probable increases in sales volume and to refrain from taking profiteering advantage of the consuming public.

8. The prices charged for work done or services performed in such beauty parlors or salons shall be at least sufficient to permit compliance with this code and of other necessary and proper expenses in connection therewith and in addition to permit a reasonable profit to the employers. Offering or agreeing to do any work or perform any services at a price less than will yield a reasonable profit in order to encourage business in any other work and service, is strictly prohibited.

THIRD

Recognizing that the stability of the industry and the ability to carry into effect the purpose and intent of this act depend largely upon the complete cooperation of all those engaged in this industry and with a view to effect such complete stabilization, all persons members of the association offering this code shall by virtue of their membership be deemed collectively to have been licensed to do business in this industry under this act.

All persons engaged in the conduct and operation of beauty parlors or salons anywhere in the United States and not a member of this association named herein shall, promptly following the effective date of this code, obtain and procure from the administrator a license or permit thus to engage or continue in business which shall be conditioned upon the obligation of such applying person to comply with all and every the provisions of this code and the amendments thereof and such other and further regulations as may be prescribed by the administrator.

FOURTH

This code is not designed to promote monopolies and shall not be availed of for that purpose.

The provisions of this code shall not be so interpreted or administered as to eliminate or oppress small enterprises or to discriminate against them.

FIFTH

The administrator is expressly authorized to deputize a committee to do and perform such acts as may be necessary to carry into effect the purpose and intent of this code.

SIXTH

This code and all the provisions thereof are expressly subject to the right of the President, in accordance with the provisions of Clause Tenth (b) of the National Industrial Recovery Act, from time to time to cancel or modify any order, provision, license, rule,

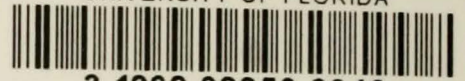
or regulation issued under Title I of said act, and specifically to the right of the President to cancel or modify his approval of this code or any conditions imposed by him upon his approval thereof.

Such of the provisions of this code as are not required to be included therein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in circumstances or experience may indicate. It is contemplated that from time to time supplementary provisions to this code, or additional codes, will be substituted for approval of the President to prevent unfair competition and price and other unfair and destructive competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act with the provisions hereof.

Respectfully submitted.

NATIONAL ASSOCIATION OF
BEAUTY PARLOR CONCESSIONAIRES,
By JACOB KRISSEL, *Secretary*.

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