

NATIONAL RECOVERY ADMINISTRATION

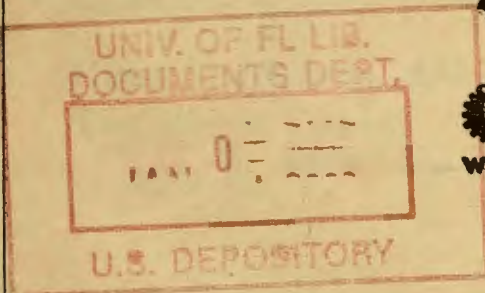
CODE OF FAIR COMPETITION

FOR THE

**AUTOMOBILE
MANUFACTURING INDUSTRY**

**AS SUBMITTED TO THE ADMINISTRATOR AND
APPROVED BY PRESIDENT ROOSEVELT
ON AUGUST 26, 1933**

REGISTRY No. 1403—1—04



**UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1933**

EXECUTIVE ORDER

CODE OF FAIR COMPETITION FOR THE AUTOMOBILE MANUFACTURING INDUSTRY

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

Now, therefore, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do adopt and approve the report, recommendations and findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

FRANKLIN D. ROOSEVELT.

HUGH S. JOHNSON, *Administrator*.

THE WHITE HOUSE,
August 26, 1933.

[COPY]

NATIONAL RECOVERY ADMINISTRATION,
Washington, D.C., August 25, 1933.

THE PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I have the honor to submit and recommend for your approval, the Code of Fair Competition for the Automobile Manufacturing Industry. The Code has been approved by the Industrial Advisory Board, the Labor Advisory Board, and the Consumers' Advisory Board.

An analysis of the provisions of the Code has been made by the Administration and a complete report is being transmitted to you. I find that the Code complies with the requirements of clauses 1 and 2 subsection (a) of section 3 of the National Industrial Recovery Act.

I am, my dear Mr. President,

Very sincerely yours,

(Signed) HUGH S. JOHNSON,
Administrator.

(3)

CODE OF FAIR COMPETITION FOR THE AUTOMOBILE MANUFACTURING INDUSTRY

(August 25, 1933)

The following provisions are established as a code of fair competition for the Automobile Manufacturing Industry:

I—DEFINITIONS

The term "motor vehicles" as used herein means automobiles, including passenger cars, trucks, truck tractors, busses, taxicabs, hearses, ambulances, and other commercial vehicles, for use on the highway, excluding motorcycles, fire apparatus, and tractors other than truck tractors.

The term "Industry" as used herein includes the manufacturing and assembling within the United States of motor vehicles and bodies therefor, and of component and repair parts and accessories by manufacturers or assemblers of motor vehicles.

The term "employees" as used herein means all persons employed in the conduct of such operations.

The term "employers" as used herein means all individuals, partnerships, associations, trusts, and corporations in the Industry by whom such employees are employed.

The term "Chamber" as used herein means National Automobile Chamber of Commerce, a trade association having its office at No. 366 Madison Avenue, New York City.

The term "effective date" as used herein means the tenth day after this Code shall have been approved by the President of the United States.

The term "expiration date" as used herein means December 31, 1933, or the earliest date prior thereto on which the President shall by proclamation or the Congress shall by Joint Resolution declare that the emergency recognized by Section 1 of the National Industrial Recovery Act has ended.

The term "city" as used herein includes the immediate trade area of such city (which in the case of Detroit shall be deemed to include Pontiac and Flint).

II—WAGES

On and after the effective date, and to and until the expiration date:

The minimum wages of factory employees covered hereby shall be at the following hourly rates regardless of whether the employee is compensated on the basis of time rate or piece rate or otherwise:

	<i>Cents</i>
---- in cities having 500,000 population or over-----	43
---- in cities having 250,000 and less than 500,000 population-----	41½
---- in cities or towns having less than 250,000 population-----	40

Provided, however, that apprentices and learners and females not doing the same work as adult males shall be paid, not less than 87½ percent of said minimums, but the number of such apprentices and learners and females not doing the same work as adult males employed by any employer shall not exceed 5 percent of the total number of factory employees of such employer including subsidiary and affiliated companies.

Equitable adjustment in all pay schedules of factory employees above the minimums shall be made on or before September 15, 1933, by any employers who have not heretofore made such adjustments, and the first monthly reports of wages required to be filed under this Code shall contain all wage increases made since May 1, 1933.

The minimum wages of office and salaried employees covered hereby shall not be less than the following weekly rates:

- in cities having 500,000 population or over, at the rate of \$15 per week.
- in cities having 250,000 and less than 500,000 population, at the rate of \$14.50 per week.
- in cities or towns having less than 250,000 population, at the rate of \$14 per week.

III—HOURS

There are substantial fluctuations in the rate of factory production throughout each year, due mainly to the concentration of a large part of the annual demand for cars within a few months, and also to the slowing down of employment in connection with changes in models and other causes beyond the Industry's control.

To lessen the effect on employment of these conditions, it has been the policy of the Industry to adjust working hours, in order to retain the greatest number of employees and so far as practicable adjust the manufacturing schedules of component parts to allow a more uniform schedule of hours. The Industry will continue this policy.

The progressive falling-off of retail sales during the years of depression, resulting in the necessity of repeated adjustments downward in production schedules, had its important influence in causing an abnormal fluctuation in employment schedules.

Before the presentation of this Code, the Industry had gone far in spreading available work to relieve unemployment and under this Code it proposes to spread the work as far as practicable in its judgment, consistent with the policy of giving each employee a reasonable amount of work in each year.

For this purpose it is made a provision of this Code that employers shall so operate their plants that the average employment of all factory employees (with exceptions stated below) shall not exceed thirty-five hours per week for the period from the effective date to the expiration date, and the hours of each individual employee shall so far as practicable conform with this average and shall in no case exceed the same by more than three percent.

In order to give to employees such average of thirty-five hours per week, it will be necessary at times to operate for substantially longer hours, but no employee shall be employed for more than six days or 48 hours in any one week, and all such peaks shall be absorbed in such average.

In order that production and employment for the main body of employees may be maintained with as few interruptions as possible, it is necessary, and it is a part of this Code, that the supervisory

staff and employees engaged in the preparation, care, and maintenance of plant machinery and facilities of and for production, shall be exempt from the weekly limitations above provided, but the hours of employment of any such exempted employee engaged in the preparation, care and maintenance of factories and machinery of and for production shall not exceed 42 hours per week averaged on an annual basis.

Office and other salaried employees, covered hereby, receiving less than \$35 per week shall not work more than 48 hours in any one week and not more than an average of 40 hours per week for the period from the effective date to the expiration date. Employees receiving more than \$35 per week and executives and managerial and supervisory staffs are not subject to any hourly limitations.

The Industry recognizes the serious problem of major fluctuations in production due to concentrated seasonal customer demand and changes in the rate of production caused by changes in models, which changes are necessary. The Chamber pledges itself to make a further study of this problem in an effort to develop any further practical measures which can be taken to provide more stable and continuous employment and to reduce to a minimum the portion of employees temporarily employed and to submit a report thereon to the Administrator by December 1, 1933.

IV—CHILD LABOR

Employers in the Industry shall not employ any person under the age of 16 years. The Chamber states that child labor has at no time ever been a factor in the Automobile Industry.

V—REPORTS AND STATISTICS

Each employer engaged in the Industry will furnish to the Chamber as hereinbelow provided, approximately every four weeks, duly certified reports in such form as may hereafter be provided showing actual hours worked by the various occupational groups of employees and wages paid.

VI—ADMINISTRATION

For the purpose of supplying the President and the Administrator with requisite data as to the observance and effectiveness of this Code and the administration thereof, the Chamber is hereby designated—

(a) To collect from the members of the Industry all data and statistics called for by this Code, or required by the President, or reasonably pertinent to the effectuation of Title I of the National Industrial Recovery Act, and compile the same, and disseminate among the members of the Industry summaries thereof, all in such form and manner as the Chamber shall reasonably prescribe subject to approval by the Administrator.

(b) To represent the Industry in conference with the Administrator with respect to the application of this Code and of said Act and any regulations issued thereunder; provided, however, that as regards all matters mentioned in this paragraph (b), the Chamber shall have no power to bind the Industry or any subdivision thereof. The President or the Administrator may designate a representative to participate in such conferences, who shall have access to all data and statistics

collected by the Chamber as above provided. The Chamber or its authorized committee or agent shall hold itself in readiness to assist and keep the Administrator fully advised, and to meet with the Administrator's representative from time to time as requested to consider and study any suggestions or proposals presented upon behalf of the Administrator or any member of the Industry regarding the operation, observance, or administration of this Code.

(c) The duties of the Chamber above referred to shall be exercised by the Chamber by its Board of Directors, which may delegate any of said duties to such agents and committees as it may appoint whose personnel, duties, and powers may be changed.

VII

Employers in this Industry shall comply with the following requirements of Section 7 (a) of Title I of the National Industrial Recovery Act.

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

Without in any way attempting to qualify or modify, by interpretation, the foregoing requirements of the National Industrial Recovery Act, employers in this Industry may exercise their right to select, retain, or advance employees on the basis of individual merit, without regard to their membership or nonmembership in any organization.

VIII

As required by Section 10 (b) of Title I of the National Industrial Recovery Act, the following provision is contained in this Code: The President may from time to time cancel or modify any order, approval, license, rule, or regulation issued under said Title.

IX

By presenting this Code, the Chamber and others assenting hereto do not thereby consent to any modification thereof and they reserve the right to object individually or jointly to any such modifications.

Such provisions of this Code as are not required to be included therein by the National Industrial Recovery Act may, upon the application of the Industry or a subdivision thereof and with the approval of the President, be modified or eliminated. It is contemplated that from time to time supplementary provisions to this Code or additional Codes may be submitted in behalf of the Industry or various subdivisions thereof for the approval of the President.

