

NATIONAL RECOVERY ADMINISTRATION

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PROPOSED CODE OF FAIR COMPETITION

FOR THE

WOODEN PAIL AND TUB  
INDUSTRY

AS SUBMITTED ON AUGUST 31, 1933



The Code for the Wooden Pail and Tub 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*

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SUBMITTED BY

WOODEN PAIL AND TUB ASSOCIATION

(11)



# WOODEN PAIL AND TUB INDUSTRY CODE OF FAIR COMPETITION

## ARTICLE I

To effectuate the policy of Title I of the National 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, relieving the disastrous effects of overcapacity, and otherwise rehabilitating the wooden pail and tub industry, and by increasing the consumption of industrial and agricultural products by increasing purchasing power, and in other respects, the following provisions are established as a code of fair competition for the wooden pail and tub industry.

## ARTICLE II—DEFINITIONS

The term "wooden pail and tub industry" as used herein is defined to mean the manufacture of wooden pails and/or tubs for household or commercial use or for use as containers in industries or for use as containers in commerce.

The term "effective date" as used herein is defined to mean the first pay-roll period following the approval of this code by the President.

The term "Employee" as used herein shall include all persons employed in the conduct of the industry, whether employed directly by the employers, as hereafter defined, or by contractors who undertake to perform certain manufacturing operations either by the day or on a piecework basis, with the exception of "outside salesmen" and of persons in managerial or executive positions receiving more than Thirty-five Dollars (\$35.00) per week.

The term "Employer" as used herein shall mean all persons, partnerships, or corporations engaged in the conduct of any branch of the wooden pail and tub industry, as defined above.

## ARTICLE III

Participation in this code and any subsequent revision or extension shall be extended to any person, partnership, or corporation in the wooden pail and tub industry who accepts his share of the cost and responsibility, as well as the benefit, by becoming a member of the Wooden Pail and Tub Association.

## ARTICLE IV

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.



## ARTICLE V—HOURS OF LABOR

On and after the effective date hereof, employers in the Wooden Pail and Tub Industry shall not operate on a schedule of hours of labor for their employees in excess of forty (40) hours per week, averaged over a six months' period; but there shall be no limitation on the number of hours which may be worked in any one day, nor in any one week, provided the average of forty (40) hours per week over the six months' period is not exceeded.

A sufficient number of employees to provide superintendence, maintenance, heat, light, power, watching, and shipping shall be exempt from the provisions of this section.

## ARTICLE VI—RATE OF WAGES

On and after the effective date hereof, the minimum wages to be paid by employers in the Wooden Pail and Tub Industry to any of their employees shall be as follows:

Adult male labor, 30¢ per hour.

Female and Minor labor, 22½¢ per hour.

The above minimum wages shall not apply to pensioners, who are defined as individuals who, on account of age or physical disability, cannot perform an able-bodied man's work.

The above minimum wage rates may be revised from time to time in such manner as will currently effect an equitable adjustment to variations in the cost of living; such adjustments to be subject to the approval of the President.

## ARTICLE VII

On and after the effective date hereof, employers shall not employ any minor under sixteen (16) years of age.

## ARTICLE VIII

Participants in this code agree to observe the conditions laid down in Section 7 of the Industrial Recovery Act, to wit:

(a) Employees in the wooden pail and tub industry shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from influence, restraint, or coercion of employers of labor, or their agents, in designation of such representatives or in self-organization or in any other concerted activities for the purpose of collective bargaining or other mutual protection.

(b) No employee in the wooden pail and tub industry, and no one seeking employment therein, 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.

It is understood that the foregoing paragraph is not to be so interpreted as to in any way impair the Constitutional rights of the employer and employee to bargain individually or collectively, as may be mutually satisfactory to them; nor does it impair the joint right of an employer and employee to operate an open shop.



Provided further, that nothing herein is to be interpreted as preventing the selection, retention, and advancement of employees on the basis of their individual merit and without regard to their affiliation or nonaffiliation with any labor organization.

(c) Employers of labor in the wooden pail and tub industry agree to comply with the maximum hours of labor, minimum rates of pay, and other working conditions approved of or prescribed by the President.

## ARTICLE IX

Where the cost of executing contracts, entered into in the wooden pail and tub industry prior to the effective date of this code, are increased by the application of the National Industrial Recovery Act to the industry, it is equitable and promotive of the purposes of the Act that appropriate adjustments of such contracts to reflect such increased costs be arrived at by arbitrary proceedings, or otherwise, and the Wooden Pail and Tub Association, the applicant for this code, is constituted an agency to assist in effecting such adjustments.

## ARTICLE X—REPORTS

For the purpose of supplying the President and the Administrator with requisite data as to the observance and effectiveness of this code, and as to whether the wooden pail and tub industry is taking appropriate steps to enable it intelligently to adjust its hours of labor, wages, and productive capacity to changing demands of consumers, industrial trends, and other conditions in accordance with the declared policy of the National Industrial Recovery Act, each employer shall furnish regular reports as hereinafter provided.

The Wooden Pail and Tub Association, through its Secretary-Treasurer, Robert P. Hayward, P.O. Box 503, Keene, N.H., is hereby constituted the agency to provide for the collection and receipt of such reports and for the forwarding of the substance of such reports, the Association to provide for receiving and holding such reports themselves in confidence.

Such reports shall be in such form, and shall be furnished at such intervals, as shall be prescribed by the Association, and shall contain such information relevant to the purposes of this code as shall be prescribed by the Association from time to time, including information with respect to the following or related subjects:

1. Employment, hours, wages, and wage rates.
2. Production, orders, buildings, and stocks (in process or finished) of products manufactured.
3. Financial and cost data.
4. Activity, purchase, sales, and scrapping of machinery.
5. Consumption and stocks of raw materials.

## ARTICLE XI—FAIR PRACTICES COMMITTEE

To assist in carrying out the provisions of the National Industrial Recovery Act and of this code, and the rules and regulations made pursuant thereto, and for the formation of such further code provisions as may be necessary to insure fair competition and effectuate



the provisions of the Act, the Code Committee of this Association, or such successor committee, or committees as may hereafter be constituted by action of this Association, together with such persons as may be named by the Administrator, is set up as a planning and fair practice agency for these purposes, with the proviso, however, that the persons appointed by the Administrator shall have no vote, but in all other respects shall be members of such planning and fair practice agency.

Such agency may from time to time present to the Administrator recommendations based on conditions in the industry as they may develop, which will tend to effectuate the operation of the provisions of this code, and the policy of the National Industrial Recovery Act.

## ARTICLE XII—COST CODES

Inasmuch as the practice of pricing or selling goods below the actual cost of production and distribution by a minority of the units of an industry is one of the major causes of low wages and general loss to the entire industry, pricing of goods shall be based upon the following rules and regulations:

1. Prices of all products shall be based upon accurate and known costs, as established by an adequate cost-finding system, which shall be open for inspection at reasonable times by nonmember representatives of the Association or the Government. The price must include as a minimum the following elements: (1) Materials; (2) Direct Labor; (3) Manufacturing Burden or Factory Overhead; (4) General Administration; (5) Selling Expense; and (6) Reasonable Profit.

2. It shall be an unfair method of competition for any manufacturer to sell below reasonable cost plus reasonable profit.

3. Dropped lines, obsolete or defective ware may be sold at such prices as are found necessary to move them, provided, however, that all such stocks and selling prices must first be reported to the Secretary-Treasurer of this association.

## ARTICLE XIII—MERCHANDISING CODE

Inasmuch as the costs of marketing are just as much a part of the price of an article as the manufacturing cost and as successful business is based upon satisfactory relations between buyer and seller and that unfair business methods result in friction and waste, the prices quoted shall be on the basis of an outright sale and subject to the following rules as standards of marketing practice.

1. *Terms of Sale.*—Full details of all terms of sale as to date, payment, quantity, price, delivery arrangements, and the like shall be set forth in a written order and shall be strictly adhered to in the execution of the order.

2. *Terms of Payment.*—Terms shall be net cash in 30 days from date of invoice or —% discount for cash in 10 days from date of invoice. No other discounts shall be allowed.

3. *Consignments.*—Manufacturers shall not ship ware on consignment nor enter into agreements such as the redating of orders, shipping in excess of order, etc., which violate the principle of an out-and-out sale.



4. *Delivery Practices*.—Ware shall not be delivered in excess of that actually ordered and for which the buyer has contracted to pay, nor shall unordered ware be sent to regular or prospective customers.

5. *Rebates*.—Manufacturers shall not grant secret rebates or secret concessions of any form.

6. *Returned Goods*.—Ware delivered by maker within time agreed upon and according to specifications of the order shall not be accepted in return by the maker except when a written order is given for its return.

7. *Misrepresentation*.—Misrepresentation of ware on the part of all parties in respect to size, style, finish, substance, and quality, or the use of false or deceptive, untrue or misleading statements by way of advertising or otherwise, concerning the nature and character of ware on the part of any and all parties concerned are unfair trade practices.

8. *Commercial Bribery*.—Commercial bribery in any form such as the giving of gratuities, gifts, or entertainment as a means of influencing the placement of orders are condemned as immoral and unfair trade practices.

9. *Free Goods*.—Delivery of free goods by any method whatsoever is an unfair trade practice.

10. *False Invoices*.—False, deceptive, or incomplete invoicing in any way whatsoever is an unfair trade practice.

11. *Replacements*.—Replacement shipments to cover ware found to be defective by the buyer, or cash refunds to cover such ware, shall be reported promptly in writing to the Secretary-Treasurer.

#### ARTICLE XIV—CHANGES IN CODE

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

Such 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 in such manner as may be indicated by the needs of the public, by changes in circumstances, or by experience.

All the provisions of this code, unless so modified or eliminated, shall remain in effect until the expiration date of Title I of the National Recovery Act.

In order to enable the industry to conduct its operations subject to the provisions of this code, to establish fair trade practices within the industry and with those dealing with the industry, and otherwise to effectuate the purposes of Title I of the National Industrial Recovery Act, supplementary provisions of this code or additional codes may be submitted from time to time for the approval of the President.

If any provision of this code is declared invalid or unenforceable, the remaining provisions thereof shall nevertheless continue in full force and effect as if they had been separately presented for approval and approved by the President.

