## Franklin D. Roosevelt — "The Great Communicator" The Master Speech Files, 1898, 1910-1945

## Series 1: Franklin D. Roosevelt's Political Ascension

File No. 299

## 1928 Not dated

## Speech Draft with lgh. Insertions, etc. by F.D.R.

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The last Republican Governor in this State deliberately reduced the appropriation for the Department of Labor to such an extent that this great Department was entirely demoralized and practically unable to function. When Governor Miller went out of office on January 1, 1923, thousands of compensation cases had accumulated and thousands of claimants were in desperate straits due to long delays. When Commissioner Shientag succeeded the Republican Commissioner, Henry Sayer, February 1, 1923, he found 3245 compensation cases undisposed of in the Buffalo Office alone. Injured workmen in this city had waited six months after an injury in order to obtain a hearing even on cases that were uncontested. The one referee and handful of clerks at this office were overwhelmed with accumulating cases while workmen sought relief from charity organizations pending disposition of their cases. Within a month after taking office Governor Smith, in the winter of 1923, sent a special message to the Legislature and secured an emergency appropriation of \$150,000.00 to appoint additional referees and exeminers to clean up these thousands of neglected cases. This is a matter of record and can be verified by the Legislative Reports of 1923.

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**COURT CHOKED** More than 3,000 cases undisposed of in Buffalo office, legislature is told. **SMITH ASKS FOR ACTION** omnibus Calls for \$150,000 appropriation to pay extra men needed to clear up cases.

From The Express Bureau. Albany, Feb. 28.—The overcrowd-ed hearing calendars in the Buffalo

office of the state workmen's compensation bureau was today held up as an example of statewide delay in

disposal of workmen's compensation claims. The subject was brought up by Governor Smith in a special message to the legislature in which he sage to the legislature in appropria-asked for an immediate appropria-tion of \$150,000 to be used for hiring C additional help in the state industrial commission

The Governor's request was in-fluenced by Bernard L. Shientag, M state industrial commissioner, who in a letter to the Governor declared 81 that the department is seriously undermanned and that steps must be taken at once to speed up its work if it is not to fall so far behind that age it would be next to impossible to mei catch up.

in. "and Commissioner Shientag, in his letter to the Governor, sal that the number of referees and thiners is inadequate and that it is h takes pen una inadequate and that it is a takes from three to six monitor before a case is given first hearing. Speak-ing of the Buffalo situation, he said: "I am advised that there are 3.245 good at compensation cases pending undis-posed of. That is from four to five ters fron has times as many as should ever be times as many as should ever he on hand in that office. Nine hundred and twenty-one of these cases are for to was what is known as final adjustments; of th that is, cases which involve a per-manent injury. The assistant to the commissioner advises that it takes that he r prise at least from three to six months to get a case on the calendar for the first time." year plica has

Charges that orders issued to employees by the bureau of inspection with respect to accident prevention and fire hazards are being ignored on a wholesale scale were also made by Mr. Shientag. He said he had in-formation in his possession showing for that 2.915 orders relating to accident a indoor prevention have been uncomplied with for more than six months, 1,076 torn at the for more than a year. He added that in upstate industries 315 fire prevention orders remain uncomplied with for more than six months, 145 of ILDING them have been disregarded for more

than one year. A check made today by your correspondent shows that comparatively few of these violations were made by employers in the seventh inspection district of the commission. This district covers Erie, Chautauqua, Cattaraugus, Allegany, Steuben, Wyom-ing, Livingston, Orleans, Niagara and Genesee counties. The outstanding accident preven-

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workmen their full due of compensation. This same champion of the insurance combanies in the Brooklyn Eagle of January 17, 1928 was quoted as stating, "hundreds of thousands of dollars are being stolen by employees of the Compensation Bureau, by doctors, shyster lawyers and runners." Here in Buffalo on December 2, 1927 the Buffalo News quoted Henry Seyer, former Industrial Commissioner under Governor Miller and Executive Secretary to the Commission, as believing "the fake claim situation in New York and Buffalo is something terrible." As a matter of fact Mr. Sayer and other members of the Survey Commission were in Buffalo for nearly a week at the time the Buffalo News printed this statement and neither Mr. Sayer or my member of his Commission visited the Labor Department offices in Buffalo nor did they have the slightest knowledge or information on which to base the above allegation. Immediately after the publication of these charges. Governor Smith on January 24, 1928 appointed Mr. Lindsay Rogers as a Moreland Commissioner to examine the administration of the Department of Labor, New York State. This is what Mr. Rogers has to say at the very start of his report. "At my first hearing held at the Department of Labor at New York on January 30, 1928, these charges were read into the stenographic record. The following day I held a hearing in Albany. Senator Truman, Assemblyman Cornaire and Mr. Sayer testified. They either withdrew completely or modified to a vanishing point the charges which led to my appointment as Moreland Commissioner." In other words they ran to cover." In his report to the Governor, among other things Professor Rogers says, "No evidence was presented to me indicating the dishonesty or improper conduct of any employee of the Department of Labor. Charges of fraud against the Department have not been sustained. The Workmen's Compensation Bureau so far as its honesty is concerned comes out of my investigation with a clean bill of health." He further states "That Mr. Henry D. Sayer. the Executive Secretary of the Industrial Survey Commission, is an exindustrial commissioner and President of the Wolf Industrial Service, Inc., and thus was investigating the Department out of whose activities his company derived its income, determined the nature and scope of the inquiry by the Industrial Survey Commission," Professor Rogers thus uncovers the real purpose back of the Legislative Investigating Committee.

Now it might be well to direct attention to the fact that Mr. Ottinger. as Attorney General, has absolutely nothing to do with the functions of the Labor Department. By virtue of his office his deputies are obliged to appear as counsel for the Labor Department in the prosecution of Labor Law violations but these violations together with all the evidence is assembled solely under the supervision of the Industrial Commissioner. So also in compensation cases the Attorney General has no other function than to act as counsel for the Industrial Board in the preparation of findings and in the argument of cases before the Appellate Division. It is extremely doubtful whether in the four years of Mr. Ottinger's term he has personally seen a compensation case. It is doubtless true that new emendments and the more liberalizing tendency of the new amendments caused employers and insurance carriers to appeal an increasing number of cases to the Appellate Division. Mr. Ottinger's staff of deputies was insufficient to handle the increasing volume of work and he secured the appointment of additional deputies to care for the work.

Mr. Ottinger in his speech in Buffalo refers to certain liberalizing amendments of the Compensation Law which "we" recommended. Evidently he meant to include himself with the Governor. As a matter of fact the

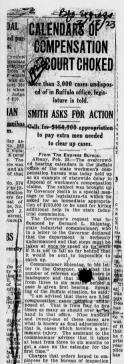
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Compensation Act itself was passed by a Democratic Legislature, signed by a Democratic Governor and it is a further fact that every important deterliberalizing amendment or addition was recommended and forced through a reluctant Legislature by Governor Smith. For instance, a year ago Gevernor Smith recommended an increase of compensation benefits from \$20.06 to \$30.00 per week. The Legislature finally yielded and permitted an increase to \$25.00 for temporary disability but held down the permanent partial dimbility rate to \$20.00.

An indication that Mr. Ottinger is not thoroughly familiar with the Compensation Law or Procedure is evident from his statement in Buffalo that "We also drafted a law which was passed which extended the period in which claimants could report their injuries. Under this Act the Labor Bureau enjoys a discretionary power to permit a person to file a cleam even after the expiration of one year but not exceeding two years." As a matter of fact there has been no law passed in the last four years extending the time in which a claimant may report an accident. On Governor Smith's insistent recommendation, the Legislature passed an amendment last year which extended the time in which a claimant might file a claim for injury, not to exceed two years. Mr. Ottinger cannot be criticised for approving and supporting Governor Smith's many recommendations for improvement and liberalizing of the Workmen's Compensation Act but his attempt to secure credit for any of these amendments is most ridiculous. Mr. Ottinger stated here that during the past four years the Attorney General's Office has handled 13,000 cases against violators of the Labor Law. He could do no less without resigning his position as Attorney General since his office requires him to de so in every case presented by the inspectors of the Labor Department. It hight be well to mention that if your fellow townsman, Mr. Ward, is elected Attorney General, it will also be his duty to assist the Industrial Board in preparing compensation cases for argument when employers appeal to the higher courts. Mr. Ward will be compelled to do this although he was one of the most ardent opponents to the Compensation Law when it was under consideration by the Legislature in this State. Mr. Ward felt that the Compensation haw would be ruindus to his practice as a lawyer specializing in negligence cases. (Hon. Adelbert Moot, the former President of the Bar Association, informed me of this fact only a year ago and detailed the conversation he had with Mr. Ward just prior to the enactment of the Compensation Law.) Vas.

One of the things that has occupied the attention of the Industrial Commissioner at Burfalo during the past four years has been the conduct of dertain attorneys in demanding and accepting excessive fees from clients entitled to compensation benefits. In two cases it was necessary for the local representative of the Industrial Commissioner to lay complaints exainst these attorneys with the Krie County Bar Association and through such action secure the return of \$450.00 which had been taken from these claimants as fees. It is worthy of note that while the Attorney General or his Deputy was advised fully as to the facts, no assistance in the action was forthcoming from the Attorney General's office. The matter was necessarily handled entirely by the Commissioner and his representative. Frofessional ethics probably restrained the ardor of the workers champion in these cases.

There is plenty of evidence to support a finding that the Attorney General's Office insofar as the Labor Bureau is concerned is far from being efficient and competent.



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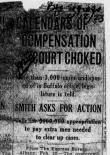
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