Mr. Chairman, members of the Tercentenary Committee, and fellow citizens:

It is a rare pleasure for me to be with you this evening to return to this "pleasant Pilgrim town" of my forbears and to participate with you in celebrating the three hundredth anniversary of its founding.

In my walk about Scituate this afternoon and in my visits to your charming old landmarks, I couldn't help thinking of life in the early days of this settlement, simple, in the handicraft stage, remote from other lands, with wilderness just beyond the back door and yet with comparative security, a job for everybody who wanted one, more work than workers. How different from our present day society, complex, mechanized, the world at our threshold, with comforts such as our ancestors never dreamed of - yet unemployment and other major hazards stalk the land. What a challenge, in accordance with democratic processes, to restore to our people their security and to insure to them opportunity for personal growth and achievement!

In emphasizing here the attainment of these ends through a democratic technique, my mind travels back to that inspiring mechanism of popular government - the New England town-meeting. What a socializing fire it has been! What a training school for public administration! What statesmen it produced! None of them of greater stature than those of the family of our distinguished chairman.
CONTRIBUTION OF MASSACHUSETTS TO THE
ESTABLISHMENT AND DEVELOPMENT OF THE
UNITED STATES DEPARTMENT OF LABOR

That heritage of public leadership bequeathed to Massachusetts
by its early settlers has contributed in no small measure to the de-
velopment of the federal department of which I have the honor to be
Secretary. For the United States Department of Labor is the federal
counterpart of the State Departments of Labor. And Massachusetts
was the first state in the Union to provide the nucleus of such a depart-
ment through its Bureau of Statistics of Labor set up in 1869. This
Bureau served as a model for similar bureaus in other states and for
the national bureau in Washington.

The Honorable Carroll Davidson Wright, early appointed
Commissioner of the Massachusetts Bureau of Statistics of Labor, set
up and maintained an admirable standard of objective and non-partisan
administration. So distinguished were his 15 years of service that
upon organization in 1885 of the newly created United States Bureau
of Labor in the Department of the Interior he was appointed by
President Cleveland its first Commissioner. In this capacity Colonel
Wright served for 20 years, retiring in 1905 to become the President
of Clark College.

Other citizens of Massachusetts who have been active in con-
nection with the establishment and development of the Federal De-
partment of Labor include Congressman George F. Hoar who, as early as
introduced a bill for the creation of a Federal Commission of Labor, the late Henry Abrams, well known Labor leader of Boston, Senator David I. Walsh who for a number of years has served as Chairman of the Senate Committee on Labor, Congressman William T. Connery who is Chairman of the House Committee on Labor, Edward F. McGrady, at present First Assistant Secretary of Labor, Robert Watt, Secretary of the Massachusetts State Federation of Labor, Edwin S. Smith, formerly State Commissioner of Labor, and numerous representatives of Labor in addition to those already mentioned.

THE DEPARTMENT OF LABOR AND THE REASONS FOR ITS ESTABLISHMENT

It occurred to me that you might care to know more about the United States Department of Labor, how it came to be established, how it is organized and what it has accomplished.

Though, as already indicated, the nucleus of the department in the form of the United States Bureau of Labor was provided for as early as 1884 and though several changes occurred in its status, it was not until 1913 that the United States Department of Labor was established as an independent department of the Government, with representation in the Cabinet. It is the youngest of all the executive branches of the Government. That is why it is my privilege to
sit at the end of the Cabinet table and bring up the rear of all
Cabinet processions.

Why a Department of Labor with representation in the Cabinet?
What reasons to justify so important a step? After all, executive
departments are not set up off-hand. Only two, the Department of
Interior and the Department of Agriculture, were created in over a
hundred years, six, to all practical purposes, having been established
during the first decade after the adoption of the constitution in
1789. These six, in their chronological order, were the Departments
of State, War, Treasury, Justice, Post Office and Navy. The ninth
department, Commerce and Labor, was created in 1903. Why a tenth
executive department? And more especially why a separate Department
of Labor?

The answer to this question is to be found in the American
technique of specialization. Whenever in this country we have been
confronted with serious problems, whether in agriculture, industry,
commerce, education, health, government or other categories, it has
been our tendency to set up special machinery to take care of them.

What then were the special problems with respect to labor which
required an executive department in the Federal Government? In one
none too pleasant word they may be summed up as "exploitation".

Our change from an agricultural to an industrial society
presented opportunity for the intensive operation of "rugged indivi-
dualism". Private profit became the motivating force behind industry;
it developed a conflict of interest between employer and employee in which the former too frequently lost sight of human values. Long hours of work, usually from sunrise to sunset, low wages, bad physical conditions of work, the employment of child labor and discrimination against union members, became prevalent.

These conditions gave rise to the labor movement. A memorandum prepared by one of the early trade unionists and a former employee of the Bureau of Immigration states that at the first general labor assembly in the United States held in Louisville in 1864 the following resolve was adopted:

"Every department of the Federal Government is now and has been officered by professional men, business men or manufacturers. They are and have been employers of labor or counsellors of employers of labor. Naturally, their sympathies are not with labor. There should be at Washington a Department of Labor to be officered by men who are of and with labor. The duty of that Department to be the guarding of labor interests in every way now known or which hereafter may become known."

Note this last clause "or which hereafter may become known". From this time, until the present Department was established, a period of about fifty years, similar resolutions were adopted by various labor organizations.

In Massachusetts concern over hours of labor resulted in 1865 in the appointment of a legislative committee which held hearings on
the subject. The following are extracts from the report of one of the members:

"The Committee are constrained to say that, from a patient and careful consideration of the subject, they are satisfied that if we would avert national calamity and decay, loss of industrial science and strength of execution, preserve the health, life and virtue of the people, secure to ourselves and transmit to our posterity the priceless blessings of liberty and self-government, we must awake to the importance of this subject; and if not in the spirit of philanthropy, at least for self-protection, do justice to it."

And again:

"The first duty of the state is to protect itself; to guard the interest of society, by suppressing that which is evil and detrimental; and protecting and fostering whatever will conduct to its prosperity. The state is composed of men, and the interest, progress and advancement of man is the foundation upon which the state rests. If the foundation is firm and solid, the structure is strong and enduring. Hence the first duty of the state is to recognize this great principle of manhood. Laid upon that foundation, the state is enduring and immortal."

It was in response to this and subsequent findings that the Massachusetts Bureau of the Statistics of Labor was established. Other states followed suit.

Though hours of labor were shortened and other specific conditions of work improved labor was gradually aware not only of the

necessity of maintaining its gains but also of pushing forward its goals. Labor's standards are not static but dynamic and progressive. Furthermore, the rapid mechanization of industry and mass production brought new hazards, among them industrial accidents, industrial disease, obsolescence of skills, monotony of operation, company unions and unemployment.

Pressure for a Federal Department of Labor increased. In 1912 at a House hearing on a bill providing for such a Department, the sponsor of the bill stated that in his opinion it was only just "that the great army of industrial workers, from one end of the land to the other, should be represented by a Cabinet officer in the administrative branch of the Government, so that their rights can be explained, their interests protected, their wants made known, and their grievances discussed intellligently in the council of the President."

The Senate Report submitted by Mr. Borah stated that a bill to create a Department of Labor had been pending before the Committee on Labor for a number of years and in all that time no one had appeared in opposition to the measure. It further stated that "in addition to the benefits which would come to labor through having the head of the Department of Labor as a member of the President's Cabinet dealing with labor problems in a manner sympathetic to labor, the power which
is given to the Secretary of Labor to act as a mediator in labor disputes and to appoint commissioners of conciliation in such cases will be of immense value in promoting industrial peace. The friendly offices of some one who has the confidence of both sides to a controversy, when used intelligently and at the proper moment, can do more to bring the contending parties together upon terms satisfactory to all concerned than any other policy that can be pursued."

Senator Shively of Indiana stated in the Senate on the day the bill was passed: "The event is a vitally significant step in the wide movement to reconcile economic progress with social justice. This significance is accentuated by the large facilities provided for the collection and distribution of accurate statistical and other information relating to the wage earner, his products, and the conditions attending his employment. The clearer and whiter light on these conditions which this function of publicity supplies will in itself mitigate some evils, while the facts collected pave the way for intelligent legislative action for the cure of others."

PURPOSE OF THE DEPARTMENT

As finally incorporated in the act creating the Department, its purpose is -
"To foster, promote and develop the welfare of the wage-earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment."

This definition does not bespeak for wage-earners any special privilege - but it most assuredly may be interpreted as an intention "to conserve their just interests by means of an Executive Department especially devoted to their welfare."

Nor is there anything in the act to indicate that the word "wage-earners" is to be interpreted as members of labor unions - quite the contrary. The phrase is "the welfare of the wage-earners of the United States". Clearly this means all the wage-earners and not any selected group or groups.

I should like here to quote from William B. Wilson, the first Secretary of Labor, who in his first annual report states:-

"Inasmuch, however, as it is ordinarily only through organization that the many in any class or of any interest can become articulate with reference to their common needs and aspirations, the Department of Labor is usually under a necessity of turning to the labor organizations that exist and such as may come into existence for definite and trustworthy advice on the sentiments of the wage
"earning classes regarding their common welfare. Organization facilitates official intercourse with workers. Manifestly the Department must invite the confidence and encourage the cooperation of responsible labor organizations and their accredited officers and committees if it is to subserve its prescribed purpose through an intelligent and effective administration of its authorized functions."
STRUCTURE

To achieve the purpose for which the Department was created it is organised into Bureaus and Units, with an additional one for the method of establishment and one for temporary use.

THE UNITED STATES BUREAU OF LABOR STATISTICS

First, the Bureau of Labor Statistics. This is the descendant of that first Federal Bureau of which Colonel Wright was Commissioner. It is a fact-finding agency. It collects and diffuses among the people of the United States useful information on subjects connected with labor in the most general and comprehensive sense of that word, and especially upon its relations to employers, the hours of labor, the earnings, the cost of living, and the means of promoting the material prosperity of laboring men and women and their social and intellectual welfare.

One of this Bureau's major tasks is to investigate the causes of and facts relating to controversies and disputes between employers and employees as they may occur, and which may happen to interfere with the welfare of the people of the several States.

Monthly the Bureau publishes reports on employment payrolls and earnings, a bulletin on the condition of labor in this and other countries, condemnations of State and foreign labor reports, facts as to conditions of employment, and such other data as may be deemed of value to the industrial interests of the United States.

UNITED STATES CONCILIATION SERVICE

The second bureau is the United States Conciliation Service. It is charged with the duty of using its good offices, through
the director or the commissioners of conciliation, to seek peaceful settlement in any trade dispute arising between employers and employees in industry.

IMMIGRATION AND NATURALIZATION SERVICE

The third and largest of the Bureaus is the Immigration and Naturalization Service. It is the function of this Service to administer the laws relating to the admission, exclusion, and deportation of aliens, and the naturalization of aliens lawfully resident in the United States; to investigate alleged violations of said laws, and when prosecution is deemed advisable to submit evidence for that purpose to the appropriate United States district attorneys.

The Service supervises the work of certain specified United States and State courts in naturalization matters, requires an accounting from the clerks of courts for all naturalization fees collected by them, and through its field officers, located in various cities in the United States, investigates the qualifications of candidates for citizenship and represents the Government at the hearings of petitions for naturalization.

THE CHILDREN'S BUREAU

The Children's Bureau constitutes the fourth unit of administration in the Department of Labor. This Bureau reports upon all matters pertaining to the welfare of children and child life.

Within the last year Congress has entrusted to the Children's Bureau the administration of those parts of the social security act under which the Federal Govern-
ment will grant funds to the States to assist them in establishing, extending or improving services for maternal and child health, crippled children and child welfare.

This type of service will do much to spread the benefits of modern science of health and welfare more evenly throughout our great land, bringing nearer that goal of equality of opportunity which we feel is the inalienable birthright of every American child.

The Children's Bureau has been especially fortunate in its leadership - Julia Lathrop was its first director, Grace Abbott, its second and Katherine Lenroot, its third and present head.

THE WOMEN'S BUREAU

A fifth administrative unit of the Department is the Women's Bureau. Because of the special problems of women workers the Women's Bureau has the specific duty of making investigations for the purpose of improving women's working conditions, increasing their opportunities for employment, and establishing standards to safeguard their health and welfare. This is particularly important for women, since they are also homeworkers and mothers.

THE UNITED STATES EMPLOYMENT SERVICE

Sixth, comes the United States Employment Service. This Service was reorganized under the terms of the so-called Wagner-Peyser Act, approved June 6, 1933. Its purpose is to aid the States in developing systems of State
Employment Offices and to coordinate these into an effective nation-wide service which will assist workers to secure suitable employment and employers to secure workers.

DIVISION OF LABOR STANDARDS

The seventh and last of the present administrative units of the Department is the Division of Labor Standards. This was created in July 1934 primarily to assist the States in moving toward greater uniformity in respect of labor legislation and to aid in developing modern standards for the health, safety and employment of industrial workers.

In line with these purposes, the division responds to requests for varied services, such as the preparation and distribution of detailed information on accident and disease prevention; analyses and digests of currently proposed labor law enactments; supplying typical drafts and substantive suggestions on labor law subjects for use in State legislative programs; informative comparison and appraisal of administrative systems and methods.

GOVERNMENT CONTRACTS

A new unit, which will make the eighth, is being set up in the Department to maintain standards governing hours, wages and other conditions of employment in industries turning out work for the Government under contract.

The act responsible for this new function was passed at the close of the last session of Congress and was sponsored by Senator Walsh and Congressman Healy, both of Massachusetts.
CONSUMERS' PROJECT

An additional agency has been assigned to the Department of Labor. This is known as the Consumers' Project. Originally organised as a division of the National Economic Council and later of the N.R.A., it was transferred on the discontinuance of the latter to the Labor Department. Its present function is to make facts available to the consumer which will make him more intelligent in his purchasing and use of goods and services.

So much for the structure of the Department. What then of its accomplishments?
The following address of the President to the Young Democratic Clubs of America, to be delivered by radio when the President speaks tonight from the Diplomatic Reception Room of the White House, MUST BE HELD FOR RELEASE and no portion, synopsis or intimation is to be published or given out in advance of delivery.

I am deeply sorry that I have had to forego the opportunity of accompanying my old friend, Senator Ryan Duffy, to Milwaukee to be with you, as I had planned, tonight. But the closing days of a far-reaching and memorable session of the Congress of the United States keep me here in Washington.

You doubtless know everything that I am going to say to you -- because starting as early as last Monday certain special writers of a few papers have given you a complete outline of my remarks. I have been interested and somewhat amused by these clairvoyants who put on the front page today days ago this speech, which, because of pressure of time, I could only think out and dictate this very morning.

Whatev:r his party affiliations may be, the President of the United States, in addressing the youth of the country - even when speaking to the younger citizens of his own party - should speak as President of the whole people. It is true that the Presidency carries with it, for the time being, the leadership of a political party as well. But the Presidency carries with it a far higher obligation than this - the duty of analyzing and setting forth national needs and ideals which transcend and cut across all lines of party affiliation. Therefore, what I am about to say to you, members of the Young Democratic Clubs, is precisely word for word - what I would say were I addressing a convention of the youth of the Republican Party.

A man of my generation comes to the councils of the younger warriors in a very different spirit from that in which the older men addressed the youth of my time. Party or professional leaders who talked to us twenty-five or thirty years ago almost inevitably spoke in a mood of achievement and of exultation. They addressed us with the air of those who had won the secret of success for themselves and of permanence of achievement for their country for all generations to come. They assumed that there was a guarantee of final accomplishment for the people of this country and that the grim spectre of insecurity and want among the great masses would never haunt this land of plenty as it had widely visited other portions of the world. And so the elders of that day used to tell us, in effect, that the job of youth was merely to copy them and thereby to preserve the great things they had won for us.

I have no desire to underestimate the achievements of the past. We have no right to speak slightingly of the heritage, spiritual and material, that comes down to us. There are reasons that it teache.s that we abandon only as our own peril. "Hold fast to that which is permanently true," is still a counsel of wisdom.
While my elders were talking to me about the perfection of America, I did not know then of the lack of opportunity, the lack of education, the lack of any of the essential needs of civilization; that all these existed among millions of our people who lived not alone in the slums of the great cities and in the forgotten corners of rural America—existed even under the very noses of those who had the advantages and the power of Government of those days.

I say from my heart that no man of my generation has any business to address youth unless he comes to that task not in a spirit of exultation, but in a spirit of humility. I cannot expect you of a younger generation to believe me, of an older generation, if I do not frankly acknowledge that had the generation that brought you into the world been wiser and more provident and more understanding, you could have been saved from needless problems and needless pain and suffering. We may not have failed you in good intentions but we have certainly not been adequate in results. Your task, therefore, is not only to maintain the best in your heritage, but to labor to lift from the shoulders of the American people some of the burdens that the mistakes of a past generation have placed there.

There was a time when the formula for success was the simple admonition to have a stout heart and willing hands. A great, new country lay open. When life became hard in one place it was necessary only to move on to another. But circumstances have changed all that. Today we can no longer escape into virgin territory: we must master our environment. The youth of this generation finds that the old frontier is occupied, but that science and invention and economic evolution have opened up a new frontier— one not based on geography but on the resourcefulness of man and woman applied to the old frontier.

The cruel suffering of the recent depression has taught us unforgettable lessons. We have been compelled by stark necessity to unlearn the too comfortable superstition that the American soil was mystically blessed with every kind of immunity to grave economic maladjustments, and that the American spirit of individualism—all alone and unhelped by the cooperative efforts of Government—could withstand and repel every form of economic disarrangement or crisis. The severity of the recent depression, toward which we had been heading for a whole generation, has taught us that no economic or social class in the community is so richly endowed and so independent of the general community that it can safeguard its own security, let alone assure security for the general community.

The very objectives of young people have changed. In the older days a great financial fortune was too often the goal. To rule through wealth, or through the power of wealth, fired our imagination. This was the dream of the golden ladder—each individual for himself.

It is my firm belief that the newer generation of America has a different dream. You place emphasis on sufficiency of life, rather than on a plethora of riches. You think of the security for yourself and your family that will give you good health, good food, good education, good working conditions, and the opportunity for normal recreation and occasional travel. Your advancement, you hope, is along a broad highway on which thousands of your fellow men and women are advancing with you.
You and I know that this modern economic world of ours is governed by rules and regulations vastly more complex than those laid down in the days of Adam Smith or John Stuart Mill. They faced simpler mechanical processes and social needs. It is worth remembering, for example, that the business corporation, as we know it, did not exist in the days of Washington and Hamilton and Jefferson. Private businesses then were conducted solely by individuals or by partnerships in which every member was immediately and wholly responsible for success or failure. Facts are relentless. We must adjust our ideas to the facts of today.

Our concepts of the regulation of money and credit and industrial competition, of the relation of employer and employee created for the old civilization, are being modified to save our economic structure from confusion, destruction and paralysis. The rules that governed the relationship between an employer and employee in the blacksmith's shop in the days of Washington cannot, of necessity, govern the relationship between the fifty thousand employees of a great corporation and the infinitely complex and diffused ownership of that corporation. If fifty thousand employees spoke with fifty thousand voices, there would be a modern Tower of Babel. That is why we insist on their right to choose their representatives to bargain collectively in their behalfs with their employer. In the case of the employees, every individual employee will know in his daily work whether he is adequately represented or not. In the case of the hundreds of thousands of stockholders in the present day ownership of great corporations, however, their knowledge of the success of the management is based too often solely on a financial balance sheet. Things may go wrong in the management without their being aware of it for a year, or for many years to come. Without their day to day knowledge they may be exploited and their investments jeopardized. Therefore, we have come to the recognition of the need of simple but adequate public protection for the rights of the investing public.

A rudimentary concept of credit control appropriate for financing the economic life of a nation of 5,000,000 people can hardly be urged as a means of directing and protecting the welfare of our Twentieth Century industrialism. The simple banking rules of Hamilton's day, when all the transactions of a fair-sized bank could be kept in the neat penmanship of a clerk in one large ledger, fail to protect the millions of individual depositors of a great modern banking institution. And so it goes through all the ranges of economic life. Aggressive enterprise and shrewd invention have been at work on our economic machine. Our rules of conduct for the operation of that machine must be subjected to the same constant development.

And so in our social life. Forty years ago, slum conditions in our great cities were much worse than today. Living conditions on farms and working conditions in mines and factories were primitive. Few people considered that the Government had responsibility for sanitation, for safety devices, for preventing child labor and night work for women. In 1911, twenty-four years ago, when I was first a member of the New York State Legislature, a number of the younger members of the Legislature worked against those old conditions and called for laws governing factory inspection, for workmen's compensation and for the limitation of work for women and children to fifty-four hours, with one day's rest in seven. Those of us who joined in this movement in the Legislature were called reformers, socialists, and wild men. We were opposed by many of the same
organizations and the same individuals who are now crying aloud about the socialism involved in social security legislation, in bank deposit insurance, in farm credit, in the saving of homes, in the protection of investors and the regulation of public utilities. The reforms, however, for which we were condemned twenty-four years ago are taken today as a matter of course. And so, I believe, will be regarded the reforms that now cause such concern to the reactionaries of 1935. It came to an understanding of these new ways of protecting people because our knowledge enlarges and our capacity for organized action increases. People have learned that they can carry their burdens effectively only by cooperation. We have found out how to conquer the ravages of diseases that years ago were regarded as unavoidable and inevitable. We must learn that many other social ills can be cured.

Let me emphasize that serious as have been the errors of unrestrained individualism, I do not believe in abandoning the system of individual enterprise. The freedom and opportunity that have characterized American development in the past can be maintained if we recognize the fact that the individual system of our day calls for the collaboration of all of us to provide, at the least, security for all of us. Those words "freedom" and "opportunity" do not mean a license to climb UPHILLS by pushing other people down.

Any paternalistic system which tries to provide for security for everyone from above only calls for an impossible task and a regimentation utterly uncomenial to the spirit of our people. But Government cooperation to help make the system of free enterprise work, to provide that minimum security without which the competitive system cannot function, to restrict the kind of individual action which in the past has been harmful to the community -- that kind of governmental cooperation is entirely consistent with the best tradition of America.

Just as the evolution of economic and social life has shown the need for new methods and practices, so has the new political life developed the need for new political practices and methods. Government now demands the best trained brains of every business and profession. Government today requires higher and higher standards of those who would serve it. It must bring to its service greater and greater competence. The conditions of public work must be improved and protected. More parity membership and loyalty can no longer be the exclusive test. We must be loyal not merely to persons or parties, but to the higher conceptions of ability and devotion that modern government requires.

There was a day when political sages, or those who controlled them, took the attitude that anything new, or what they called "non-conformist", would lead to dire results. There is nothing new in those prophecies of gloom. I read these lines in a paper the other day -- a little poem entitled GOING TO THE DOGS:

My grandpa notes the world's warm dogs,  
And says we're going to the dogs;  
His granddad in his house of logs,  
Sware things were going to the dogs;  
His dad, among the Flemish bogs,  
Vowed things were going to the dogs;  
The caveman in his queer skin toga,  
Said things were going to the dogs;  
But this is what I wish to state --  
The dogs have had an awful wait.
I would be lacking in any sense of responsibility and lacking in elementary courage if I shared in such a hopeless attitude.

I, for one, am willing to place my trust in the youth of America. If they demand action as well as preaching, I should be ashamed to chill their enthusiasm with the dire prophecy that to change is to destroy. I am unwilling to swear at the vision of youth merely because vision is sometimes mistaken. But vision does not belong only to the young.

There are millions of older people who have vision, just as there are some younger men and women who are ready to put a weary, selfish or greedy hand upon the clock of progress and turn it back.

Who seek to go forward must ever guard ourselves against a danger which history teaches. More than ever, we cherish the elective form of democratic government, but progress under it can easily be retarded by disagreements that relate to method and to detail rather than to the broad objectives upon which we are agreed. It is as if all of us were united in the pursuit of a common goal, but that each and every one of us were marching along a separate road of our own. If we insist on choosing different roads, most of us will not reach our common destination. The reason that the forces of reaction so often defeat the forces of progress is that the Tories of the world are agreed and united in standing still on the same old spot and, therefore, never run the danger of getting lost on divergent trails. One might remark in passing that one form of standing still on the same spot consists in agreeing to condemn all progress and letting it go at that.

Therefore, to the American youth of all parties I submit a message of confidence. - Unite and Challenge! Rules are not necessarily sacred - Principles are. The methods of the old order are not, as some would have you believe, above the challenge of youth.

Let us carry on the good that the past gave us. The best of that good is the spirit of America. And the spirit of America is the spirit of inquiry, of readjustment, of improvement, above all a spirit in which youth can find the fulfillment of its ideals. It is for the new generation to participate in the decisions and to give strength and spirit and continuity to our Government and to our national life.
RADIO INTERVIEW BETWEEN SENATOR POPE
AND SECRETARY OF LABOR FRANCES PERKINS.

LATER AND THE FUTURE

April 1937

SENATOR: I am glad indeed to have this opportunity to
discuss some of the problems of the nation's wage earners and what
the United States Department of Labor is doing in their interest. It
is an added pleasure to have with me Secretary of Labor Frances Perkins
whose department has achieved such fine results since March 1933, not
only as they affect wage earners, but as they affect the general wel-
fare of all the people. Right now, Miss Perkins, many people are
interested in industrial relations and perhaps you will tell us some-
thing as to how the situation stands up from your viewpoint.

SECRETARY: Yes, Senator, I agree with you that many people
are interested in industrial relations and it is right that they
should be because it is in the interest of wage earners, employers
and the general public that such relations should be stabilized.

SENATOR: Have you any plan in mind by which this desired
condition can be brought about?

SECRETARY: I have already held conferences in Washington
to discuss collective bargaining, which as you all know, is established
as the law of the land by the recent decision of the Supreme Court.
Others are planned and at each of these will be present leaders of workers
and employers and representatives of the Government and the public. I
hope that out of these meetings a program will emerge which will help
to stabilize industrial relations.

SENATOR: Specifically what do you propose to discuss?

SECRETARY: It is proposed to discuss, at the outset at least,
just how the two great partners in industry can cooperate in making use
of the effective technique of conciliation and mediation under the
National Labor Relations Act. The United States Department of Labor
has available the services of officials skilled in conciliation and
mediation work and representatives of workers and employers will find

There is another side of the industrial
picture in which we are all vitally interested, Miss Perkins, and
which will insure industrial peace for extended periods.

that is — how the lot of wage earners has improved since the law.

SENATOR: Do you think there will be a reduction in the
number of industrial disputes now that the Supreme Court has upheld
the validity of the National Labor Relations Act?

SECRETARY: That would seem to be likely, Senator, and for
this reason — The Court ruling has certainly done away with the
principal cause of industrial unrest in America today. Not only
of this law but they were in the corresponding year in 1923.

have the most bitter strikes in recent months centered around the
issue of union organization but more strikes have arisen from this
cause than from all other causes combined. Of the 1,035 strikes
reported during the six months period ending February 1, 1937,
524 were for union organization and 491 for all other causes.

The total saving of persons employed in non-

SENATOR: Won't you tell us what in your opinion the
Court rulings will mean to workers and employers?

SECRETARY: The decisions mean that employers in the basic
interstate industries will now recognize the established right of
their employees to bargain collectively and will not interfere with
the attempt of their workers to organize for this purpose. The
decisions mean that the legal machinery which the Federal Government
has provided, in the National Labor Relations Board, for the protection
of this right is now available. In recent months when lower court
injunctions had created doubts as to the validity of this machinery
and greatly impaired its effectiveness there had been a tendency on
part of both employers and employees to ignore the Labor Relations
Law.
Act.

SENATOR: There is another side of the industrial picture in which we are all vitally interested, Miss Perkins, and that is — how the lot of wage earners has improved since the low point of the depression in March 1933.

SECRETARY: More than 7,000,000 men and women, who were jobless and panic stricken then are working again in private and regular government employment and drawing their weekly pay regularly. Factory pay rolls alone were $117,413,000 greater weekly in February of this year than they were in the corresponding month in 1933. Outside of private employment over 2,800,000 men and women are engaged in useful work provided or assisted by Government.

SENATOR: How do these figures compare with those of years of prosperity?

SECRETARY: The total number of persons employed in non-agricultural work in the United States, exclusive of Works Progress Administration, is approximately the same as the number of persons who were employed in the United States in July 1930. If to these are added those employed in the agriculture and on the Federal Works program, the total will approximate the average employment of 1929.

SENATOR: Some industries are employing more people now than even in the boom period, I have learned through your reports.

SECRETARY: Yes. We now find ourselves in a situation where many of our industries are employing more people than at any other time in American history. Thus, for example, the employment rate in the blast-furnace-steel work and rolling mill industry is the highest on record. The same is true of the manufacture of engines, turbines and
tractors. A similar situation prevails in glass manufacture, in
knit goods, in men's clothing, women's clothing, shirts and collars,
baking, and paper and pulp.

With the exception of November and December of 1936, and two months in the spring of 1929 the automobile industry is employing more people than at any other time for which records are available.

Surely the Social Security Act is a truly forward looking measure.

In the manufacture of wire the employment level exceeds the averages of all years back to 1923. A similar situation prevails in the cash register industry, the manufacture of typewriters, clocks and watches. In the carpet and rug industry, and the cotton goods industry employment exceeds the level of any period since the early part of 1927. The hazards with which we began are now

In woolen and worsted goods employment is above the average for any period since April 1925. Chemicals are back to the level of January 1929 and exceed the averages of all years for which data is available.

In the manufacture of hardware we are at the highest level since February 1930. Other industries which are back to the levels of the early days of 1930 are agricultural implements, electrical machinery, machine tools, and foundries and machine shops.

SENATOR: I know that the lot of the farmer and employer has been greatly improved since the low point of the depression.

SECRETARY: They too have reaped benefits during the last few years. For instance the cash income of the nation's farmers from the sale of their principal product rose from $4,328,000 in 1932, to
$7,578,000 in 1936 and with 1,925 reporting corporations showed
profits of only $131,000,000 in 1932, 2,140 reporting corporations
showed profits of $3,622,000,000 in 1936.

SENATOR: We have passed such legislation which has been
of special importance to wage earners and the most important in the
opinions of some of us is Social Security.

SECRETARY: Surely the Social Security Act is a truly
forward looking measure for the protection of millions of our people,
providing as it does for unemployment compensation, when a worker
loses a job through no fault of his own, old-age insurance, assistance
for the needy aged and for crippled and needy children and the blind.
It means that our people can now look forward to a real measure
of security against the hazards with which we became so heart-
breakingly familiar during the depression period. It means that
here in the United States we have begun, through the leadership
of President Roosevelt, an effort to level the economic peaks
and valleys in the interest of all our people.

SENATOR: I have been greatly interested in other
helpful programs designed to aid the youth of the nation such as the
CCC and the National Youth Administration. They have
both accomplished big things.

SECRETARY: Yes indeed. The Civilian Conservation Camps
and the National Youth Administration have been important parts of
President Roosevelt's program to help young Americans through a
depression which was not of their making and about which so many
of them could do nothing. Before his inauguration thousands of
our young people were roaming about the country in dire need and
with the specter before them of becoming permanently homeless wanderers. How they have been and will continue to add to the national wealth by constructive work in the Civilian Conservation Camps and have been enabled to continue their education in schools and colleges through the National Youth Administration.

SENATOR: Many people are interested in what the United States Employment Service is doing in finding jobs for

SECRETARY: The United States Employment Service, as,

set up by the Wagner-Peyser Act in 1933, is performing a most

useful service in the interest of the jobless. Approximately

2,000,000 job placements have been made by this agency and the

Reemployment Service in connection with it, in the last two

fiscal years. Of these more than two and one-quarter million

were placements in private industry. Private placements in

wage earners for whom minimum wage laws are not able to compensate it

make possible a continuation of this condition in the interest

of wage earners?

SECRETARY: It is highly important that the purchasing

power of low income groups be increased so as to make it possible

continuously of the improvement of other wages up to the American

standard of living.

SENATOR: What else do you think might contribute to

the raising and stabilizing of the wage

earner's income, the raising of the farmer's income and the raising

against the major hazards of modern industry—lack of earning power.
of the agricultural laborer's income is a part of the responsibility of those who are responsible for the promotion of the welfare of the workers in the United States. We need to build up constantly a purchasing power of the wage earners and farmers equal to the production capacity of the great mass of industries in the country.

SENATOR: Precisely so might it be considered the responsibility of all those who are still visible on the economic stage in the United States for the rehabilitation of agriculture, depression and of all our economy. Let us not call it rehabilitation in the usual sense but let us call it rehabilitation of reconstruction. If it had a great war or a great earthquake, we would be able to provide relief for those whose homes were destroyed. It is in the interest of rehabilitation that we begin to think in terms of rehabilitation and the elimination of the victims of labor's disaster.

SECRETARY: Reasonably short hours, no child labor, first-class working conditions, wages commensurate with the value of the services and wages commensurate with the American standard of living are indeed needed, Senator. It is in the increase of the standard of living, as well as in the maintenance of a living wage, that the true future development of labor's income lies. The American standard of living, is a very high standard, and most wage earners are not able to approximate it in the course of their working life. As a result, we need not only to fix minimum wages for those who are in the lowest income groups and most subject to exploitation, but we have to think continuously of the improvement of other wages up to the American standard of living.

SENATOR: What else do you think might be needed to help improve the condition of wage earners?

SECRETARY: We need assurance of protection of workers against the major hazards of modern industry—lack of earning power
due to accidents, due to unemployment, and due to old age and untimely death. These are partially provided for in the present social security act.

SENIOR: Surely we might do something in this country to aid those who are still victims of the depression.

SECRETARY: There ought to be a permanent activity in the United States for the rehabilitation of the victims of the depression and of old-age poverty. Let us not call it relief any more—let's call it rehabilitation and reconstruction. If we had had a great war or a great earthquake, we should cease to think in terms of relief and begin to think in terms of rehabilitation and reconstruction of the victims of these disasters.

SENIOR: The Administration is developing a fine program in the interest of wage earners. It will benefit the farmer and business as well.

SECRETARY: I agree with you, Senator, and think the following points will cover it—

1. The protection of the great mass of workers by legislation on minimum working conditions.

2. Protection and promotion by legal enactment and machinery of right to organize and bargain collectively for those who wish to do so as a method of improving the standard of living and securing status and importance for wage earners who are willing and able to make this effort.

3. Utilization of effective technique of conciliation and mediation to ease the strain of collective bargaining and to see that fairness and justice prevails between the great
partners in industry.

4. Provision for workers and employers alike of economic and financial information relating to industries where collective bargaining is under way.
and Gentleman: Once again from the Nation's Capital is presented TOPICS FROM WASHINGTON... .......

(host of TIMELY TOPICS, brings before the Secretary of Labor, Frances Perkins. The Senator will discuss the pertinent FUTURE... Here is Senator Pope...)

...)

...)

as his guest, Secretary of Labor, Frances Perkins. The discussion you have just heard was that of LABOR AND THE FUTURE... ... A reminder, friends, to be listening again next week for the theme of TIMELY TOPICS FROM WASHINGTON... .......

THEME (Full up out to end.)
May 5th, 1937

THEME: (establish and fade to...)

ANN: How do you do, Ladies and Gentlemen: Once again from the United States Senate in the Nation's Capital is presented your program of TIMELY TOPICS FROM WASHINGTON... 

THEME: (full up and fade on announcement)

ANN: Senator Jim Pope, your host of TIMELY TOPICS, brings before the microphone today the Secretary of Labor, Frances Perkins. Miss Perkins and the Senator will discuss the pertinent question of LABOR AND THE FUTURE... Here is Senator Pope...

THEME: (Establish and fade to....)

ANN: Senator Jim Pope has had as his quest, Secretary of Labor, Frances Perkins. The discussion you have just heard was that of LABOR AND THE FUTURE... A reminder, friends, to be listening again next week for the theme of TIMELY TOPICS FROM WASHINGTON.

THEME (Full up out to end.)
INTERVIEW WITH SENATOR RICE OF IDAHO

LABOR AND THE FUTURE

MAY 7, 1937

SENIOR: I am glad indeed to have this opportunity to discuss some of the problems of the nation's wage earners and what the United States Department of Labor is doing in their interest. It is an added pleasure to have with me Secretary of Labor Frances Perkins whose department has achieved such fine results since March 1933, not only as they affect wage earners, but as they affect the general welfare of all the people. Right now, Miss Perkins, many people are interested in industrial relations and perhaps you will tell us something as to how the situation sizes up from your viewpoint.

SECRETARY: Yes, Senator, I agree with you that many people are interested in industrial relations and it is right that they should be because it is in the interest of wage earners, employers and the general public that such relations should be stabilized.

SENIOR: Have you any plan in mind by which this desired condition can be brought about?

SECRETARY: I have already held conferences in Washington to discuss collective bargaining, which as you all know, is established as the law of the land by the recent decision of the Supreme Court. Others are planned and at each of them will be present leaders of workers and employers and representatives of the Government and the public. I hope that out of these meetings a program will emerge which will help to stabilize industrial relations.

SENIOR: Specifically what do you propose to discuss?

SECRETARY: It is proposed to discuss, at the outset at least, just how the two great partners in industry can cooperate in making use
of the effective techniques of conciliation and mediation under the National Labor Relations Act. The United States Department of Labor has available the services of officials skilled in conciliation and mediation work and representatives of workers and employers will find we are always ready to lend expert assistance in working out agreements which will insure industrial peace for extended periods.

SENATOR: Do you think there will be a reduction in the number of industrial disputes now that the Supreme Court has upheld the validity of the National Labor Relations Act?

SECRETARY: That would seem to be likely, Senator, and for this reason -- The Court ruling has certainly done away with the principal cause of industrial unrest in America today. Not only have the most bitter strikes in recent months centered around the issue of union organization but more strikes have arisen from this cause than from all other causes combined. Of the 1,015 strikes reported during the six months period ending February 1, 1937, 524 were for union organization and 491 for all other causes.

SENATOR: Won't you tell us what in your opinion the Court rulings will mean to workers and employers?

SECRETARY: The decisions mean that employers in the basic interstate industries will now recognize the established right of their employees to bargain collectively and will not interfere with the attempt of their workers to organize for this purpose. The decisions mean that the legal machinery which the Federal Government has provided, in the National Labor Relations Board,
for the protection of this right is now available. In recent months when lower court injunctions had created doubts as to the validity of this machinery and greatly impaired its effectiveness there had been a tendency on the part of both employers and employees to ignore the Labor Relations Act.

**SENIOR:** There is another side of the industrial picture in which we are all vitally interested, Miss Perkins, and that is — how the lot of wage earners has improved since the low point of the depression in March 1933.

**SECRETARY:** More than 7,000,000 men and women, who were jobless and panic stricken then are working again in private and regular government employment and drawing their weekly pay regularly. Factory pay rolls alone were $117,413,000 greater weekly in February of this year than they were in the corresponding month in 1933. Outside of private employment over 2,800,000 men and women are engaged in useful work provided or assisted by Government.

**SENIOR:** How do these figures compare with those of years of prosperity?

**SECRETARY:** The total number of persons employed in non-agricultural work in the United States, exclusive of Works Progress Administration, is approximately the same as the number of persons who were employed in the United States in July 1930. If to these are added those employed in agriculture and on the Federal works program the total will approximate the average employment of 1929.
Some industries are employing more people now than even in the boom period, I have learned through your reports.

Yes. We now find ourselves in a situation where many of our industries are employing more people than at any other time in American history. Thus, for example, the employment rate in the blast-furnace-steel work and rolling mill industry is the highest on record. The same is true of the manufacture of engines, turbines and tractors. A similar situation prevails in glass manufacture, in knit goods, in men's clothing, women's clothing, shirts and collars, baking, and paper and pulp.

With the exception of November and December of 1926, and two months in the spring of 1929 the automobile industry is employing more people than at any other time for which records are available.

In the manufacture of wire the employment level exceeds the averages of all years back to 1923. A similar situation prevails in the cash register industry, the manufacture of typewriters, clocks and watches. In the carpet and rug industry, and the cotton goods industry employment exceeds the level of any period since the early part of 1927.

In woolen and worsted goods employment is above the average for any period since April 1925. Chemicals are back to the level of January 1929 and exceed the averages of all years for which data is available.
In the manufacture of hardware we are at the highest level since February 1930. Other industries which are back to the levels of the early days of 1930 are agricultural implements, electrical machinery, machine tools, and foundries and machine shops.

SENATOR: I know that the lot of the farmer and employer has been greatly improved since the low point of the depression.

SECRETARY: They too have reaped benefits during the last few years. For instance the cash income of the nation's farmers from the scale of their principal product rose from $4,328,000 in 1932 to $7,578,000 in 1936 and while 1,925 reporting corporations showed profits of only $151,000,000 in 1932, 2,140 reporting corporations showed profits of $2,622,000 in 1936.

SENATOR: We have passed much legislation which has been of special importance to wage earners and the most important in the opinions of most of us is Social Security.

SECRETARY: Surely the Social Security Act is a truly forward looking measure for the protection of millions of our people, providing as it does for unemployment compensation, when a worker loses a job through no fault of his own, old-age insurance, assistance for the needy aged and for crippled and needy children and the blind. It means that our people can now look forward to a real measure of security against the hazards with which we became so heart-breaking familiar during the depression period. It means that here in the United States we have begun, through the leadership of President Roosevelt, an effort to level the economic peaks and valleys in the interest of all our people.
SENATOR: I have been greatly interested in other helpful programs designed to aid the youth of the nation such as the CCC and the National Youth Administration. They have both accomplished big things.

SECRETARY: Yes indeed. The Civilian Conservation Camps and the National Youth Administration have been important parts of President Roosevelt's program to help young Americans through a depression which was not of their making and about which so many of them could do nothing. Before his inauguration thousands of our young people were roaming about the country in dire need and with the specter before them of becoming permanently homeless wanderers. Now they have been and will continue to add to the national wealth by constructive work in the Civilian Conservation Camps and have been enabled to continue their education in schools and colleges through the National Youth Administration.

SENATOR: Many people are interested in what the United States Employment Service is doing in finding jobs for those out of work.

SECRETARY: The United States Employment Service, as set up by the Wagner-Peyser Act in 1933, is performing a most useful service in the interest of the jobless. Approximately 9,000,000 job placements have been made by this agency and the Reemployment Service in connection with it, in the last two fiscal years. Of these more than two and one-quarter million were placements in private industry. Private placements in March reached the highest level in the past 33 months which is another indication of improving conditions.
only to fix minimum wages for those who are in the lowest income groups and most subject to exploitation, but we have to think continuously of the improvement of other wages up to the American standard of living.

SENIOR: What else do you think might be needed to help improve the condition of wage earners?

SECRETARY: We need assurance of protection of workers against the major hazards of modern industry—lack of earning power due to accidents, due to unemployment, and due to old age and untimely death. These are partially provided for in the present social security act.

SENIOR: Surely we might do something in this country to aid those who are still victims of the depression.

SECRETARY: There ought to be a permanent activity in the United States for the rehabilitation of the victims of the depression and of old-age poverty. Let us not call it relief any more—let's call it rehabilitation and reconstruction. If we have had a great war or a great earthquake, we should cease to think in terms of relief and begin to think in terms of rehabilitation and reconstruction of the victims of these disasters.

SENIOR: The Administration is developing a fine program in the interest of wage earners. It will benefit the farmer and business as well.

SECRETARY: I agree with you, Senator, and think the following points will cover it:
1. The protection of the great mass of workers by legislation on minimum working conditions.

2. Protection and promotion by legal enactment and machinery of right to organize and bargain collectively for those who wish to do so as a method of improving the standard of living and securing status and importance for wage earners who are willing and able to make this effort.

3. Utilization of effective techniques of conciliation and mediation to ease the strain of collective bargaining and to see that fairness and justice prevails between the great partners in industry.

4. Provision for workers and employers alike of economic and financial information relating to industries where collective bargaining is under way.

Senator: Thank you Miss Perkins, the people of Idaho are glad to hear your discussion.
as Chairman of the Senate Committee on Labor, Congressman

Commissioner and to Chairman of the House Committee on Labor,

First Assistant Secretary of Labor,

President of the Massachusetts State Federation

That heritage of pioneering and social statesmanship
bequeathed to Massachusetts by its early settlers has con-
tributed in no small measure to the development of the
federal department of which I have the honor to be Secretary.

For the United States Department of Labor is the federal
counterpart of the State Departments of Labor. And Mas-
achusetts was the first state in the Union to provide the
nucleus of such a department through its Bureau of Statistics
of Labor set up in 1869. This Bureau served as a model for
similar bureaus in other states and for the national bureau
in Washington.

The Honorable Carroll Davidson Wright, early appointed
Commissioner of the Massachusetts Bureau of Statistics of
Labor, set up and maintained an admirable standard of admin-
istration. So distinguished were his 15 years of service
that upon organization in 1885 of the newly created United
States Bureau of Labor in the Department of the Interior he
was appointed by President Cleveland its first Commissioner.
In this capacity Colonel Wright served for 20 years, retiring
in 1905 to become the President of Clark College.

In addition to Labor leaders other citizens of Massa-
chusetts who have been active in connection with the estab-
ishment and development of the Federal Department of Labor
include Congressman George F. Hoar who, as early as 1871,
introduced a bill for the creation of a Federal Commission of
Labor, Senator David Walsh who for a number of years has served
as Chairman of the Senate Committee on Labor, Congressman Connery who is Chairman of the House Committee on Labor, Edward F. McGrady, First Assistant Secretary of Labor, Robert Watt, President of the Massachusetts State Federation of Labor, and Edwin S. Smith, formerly State Commissioner of Labor and now a member of the U. L. N. E.

As an independent department of the Government, with representation in the Cabinet. It is the youngest of all the executive branches of the Government. That is why I sit at the end of the Cabinet table and bring up the rear of all Cabinet proceedings.

The purpose of the United States Department of Labor is to serve and work wisely with executive authority, to aid the American people in the common welfare, and to develop that common welfare in the material, spiritual, social, industrial, and intellectual.
Mr. Chairman, members of the Centennial Committee, and

It occurred to me that you might care to know more about the United States Department of Labor, how it came to be established, how it is organized, what it has accomplished.

Not until 1913 was the United States Department of Labor set up as an independent department of the Government, with representation in the Cabinet. It is the youngest of all the executive branches of the Government. That is why I sit at the end of the Cabinet table and bring up the rear of all Cabinet processes.

The purpose of the United States Department of Labor has been to draft and horse and buggy stage, with conservatice security, a job for everybody but wasted one, more work than hours. That a contrast to our present day system, complex, mechanized, swiftly moving, and insecure.
Mr. Chairman, members of the Tercentenary Committee, and fellow citizens:

It is a rare pleasure for me to be with you this evening to return to this "pleasant Pilgrim town" of my forebears and to participate with you in celebrating the three hundredth anniversary of its founding.

In my walk about Scituate this afternoon and in my visits to your many charming old landmarks, I couldn't help thinking of life in the early days, life especially as lived by those who worked for a living—simple, quiet in the handicraft and horse and baggy stage, with comparative security, a job for everybody who wanted one, more work than workers. What a contrast to our present day system, complex, mechanized, swiftly moving, and insecure!
Mr. Chairman, members of the Tercentenary Committee, and fellow citizens:

It is a rare pleasure for me to be with you this evening to return to this "pleasant Pilgrim town" of my forebears and to participate with you in celebrating the three hundredth anniversary of its founding.

In my walk about Scituate this afternoon and in my visits to your many charming old landmarks, I couldn't help thinking of life in the early days, life especially as lived by those who worked for a living—simple, ordered in the handicraft and horse and buggy stage, with comparative security, a job for everybody who wanted one, more work than workers. What a contrast to our present day system, complex, mechanized, and insecure!
TECHNIQUES IN READJUSTING THE UNEMPLOYED TO INDUSTRY

By

M. H. Trabue

To discuss in half an hour all of the various techniques that will probably be employed in readjusting the unemployed to industry would obviously be impossible. The chief purpose of this paper is to discuss a few of the important techniques which the writer has recently had the opportunity to observe in actual operation. Before the techniques are described, however, it may be useful to indicate briefly some of the reasons for readjusting the unemployed and some of the factors that are involved in the process of readjustment.

It should be made perfectly clear at once that I am speaking of the readjustment of unemployed individuals. The only approach a psychologist can make to the study of any group of human beings is through the individual persons who make up the group. The most important fact to be recognized regarding unemployed persons is that they differ from each other to an almost unbelievable extent. In qualifications for work, in desire to work, or in any other traits one could name, "the unemployed" are not a single homogenous group, but an enormous number of individuals and groups of individuals. They run the whole gamut of human qualities, and that type of treatment which would produce perfect readjustment for one of them might produce the greatest possible maladjustment for another.

Not only do these people differ among themselves in the qualities they possess and in the ambitions and interests that drive them on, but they differ just as greatly in the limits to which training or any other treatment could ever modify them. Only slight changes could ever be made in some of them, although extensive modifications might possibly be made in the
qualifications of others. Each unemployed person must be studied and readjusted as a distinct individual.

The problems involved here are still further complicated by the fact that industry itself is changing rapidly. It seems probable that the readjustments of individuals will not be to any fixed and well-defined scheme or organization of industry, but to a flexible program. Some of us are convinced that a drastic reorganization of the very purposes and ideals of industry is inevitable. The production of material things will probably become much less important in the new industrial program, while the satisfaction of fundamental human needs will become more important. It would not be desirable, in my judgment, to spend the time and money necessary to work out effective techniques for the readjustment of human beings to an industry organized solely for the private profit of a few owners. The type of industry for which it seems desirable to work out techniques for making adjustments is the type that is organized to promote the widest possible distribution of the normal satisfactions of human wants and needs. To the extent that industry actually does turn in this direction, however, the making of adjustments in the workers will be more difficult and tentative, because of the increased lack of definiteness and permanence in the industrial scheme to which these adjustments are to be made.

Normal human beings enjoy being active. While this desire to be active may sometimes be inhibited by other tendencies, especially after middle age, the average person get real satisfaction from seeing things happen as a result of his own activity. Inactivity, unless it is a rest after exertion, is not a normal condition for a human being. There may be a few individuals who, if they had a perfectly free choice, would rather do nothing than be active, but such persons are abnormal and rare.
In addition to the fun of seeing things happen as a consequence of one's efforts, every normal person obtains a certain amount of satisfaction from having other persons, especially his peers, observe that he is accomplishing things. No normal human being is really satisfied to remain for any great length of time as merely "one more member of the earth's population." Much of the effort that men make in life is to attract to themselves the favorable attention and approval of other persons. These efforts to attract attention to one's self as a distinctive person begin soon after birth and continue throughout life. The desire for approval is perfectly natural, but when normal methods of gaining attention do not succeed, the individual is likely to try abnormal methods.

The most normal source of approval from one's fellows is the excellence of the contribution one is making to the community life. The florist who contributes the loveliest flowers frequently enjoys the praise given to his blossoms as much as the money received for them. The true physician is interested not only in relieving his patients of pain and disease, but also in having their approval of his skill. Most of us are not especially proud of being able to breathe, to eat, or to walk, for these acts do not set us apart from our fellows. The skills we cultivate most carefully are those which enable us to distinguish ourselves from the common herd.

Normal social behavior may be expected from the person who is using his peculiar combination of abilities, interests, and training in rendering the community a distinctive service. Abnormal or unsocial behavior, on the other hand, develops readily in those persons who find it difficult or impossible to make their individualities felt through their work. If each person were earning a respectable living through the full use of his distinctive equipment of interest, abilities, and personality traits, he would be recognized as a
citizen of real consequence in his community, and he would have little
tendency to develop antisocial behavior.

If an industrial system throws its employees out of work whenever
doing so promises to increase an operator's private profits the social
order which tolerates or encourages the system may justly be held responsi-
sible for the unemployment thus created. A State must be prepared to do
one of three things: (1) to prevent its citizens from becoming unemployed;
(2) to correct the injustice of unemployment by readjusting the workers to
the various changes that occur in industry; or (3) to surrender its control
to a type of State organization that will guarantee social justice to its
workers. In any one of these situations it is clear that techniques must
be available for adjusting the unemployed individual to industry, whatever
the form it may possess, and for whatever purpose it may exist.

We may now consider more carefully the various steps involved in the
adjustment of an individual worker. Expressed in its simplest terms, such
an adjustment involves three steps: (1) a careful analysis of the individual's
equipment of skills and characteristics, (2) an equally careful analysis of
the various positions in industry to determine the requirements of each, and
(3) a fitting of the individual into the position for which he seems most
adequately qualified. Finding that a given human peg is "square", the dis-
covery that there is a square occupational hole in a given factory, and the
fitting of the square peg into the square hole seem to be very simple opera-
tions when stated in this brief manner, but there are endless complications
as soon as one attempts to put the plan into operation with actual persons
and jobs.

In the first place, very few human beings can be classified simply as
"round pegs" or "square pegs." Human pegs have an almost infinite number of
shapes. They always possess size as well as shape. Indeed, they have an enormous number of other characteristics which are probably more important than mere shape in determining one's success and satisfaction on a job. Men differ, one from another, in scores of different characteristics, some of which are important helps or serious hindrances in certain occupations. Unfortunately, for some of these human traits there have not been developed as yet any accurate means of measuring and recording the strength or amount possessed by a given individual. Estimates and ratings of human characteristics are notoriously unreliable. Furthermore, some traits and abilities can be increased or decreased by training, while others do not seem to be subject to significant modification by training and experience. For these and other reasons it is not easy to make a useful analysis of the occupational qualifications of a human being.

The determination of the characteristics and abilities that make for success and satisfaction in any particular job or industrial operation is quite as complex and difficult as the analysis of an individual worker. One of the greatest difficulties always appears in the attempt to determine which workers are really efficient and well adjusted in their work. Whenever one asks a worker how he likes his job, the answer is sure to be colored by his guess as to why the question was asked. If he thinks you may have a job with higher wages waiting for him, he may tell you that his present job is not especially interesting to him. If he thinks that his employer may be looking for some excuse to lay him off, he will probably tell you that he is very much interested in and thoroughly satisfied with his work.

If unemployed persons are ever to be satisfactorily adjusted in a given job, it will be necessary to determine the qualities of well-adjusted workers on that job by means of exactly the same instruments of measurement that have
been used in determining the characteristics of unemployed persons. The requirements of the job and the qualifications of the available workers must be expressed in exactly the same units. The usual job analysis is not adequate as a basis for selecting candidates for a given position, for such an analysis is in terms of what is to be done rather than in terms of the characteristics of the persons who do these things well. Even if it should happen to be recorded in connection with such an analysis that the "operator must be intelligent", it is not unlikely that the best operators might, when measured by any of the usual "intelligence tests", be found to possess only an average amount of that characteristic. There are different kinds of intelligence, just as there are different kinds of bravery, different kinds of honesty, or different kinds of skill. Both the job and the applicant must be measured by exactly the same instruments if successful placements and adjustments are to be assured.

Bringing together the worker and the task in which he will find personal satisfaction and make the largest possible contribution to society is an ideal toward the achievement of which both the individual and the State may work together whole-heartedly. It is an ambitious program, however, and it cannot be realized or even approximated without the expenditure of money. The research necessary to determine objectively the qualifications of successful persons in a score of the most common occupations would of itself be an expensive item. Recent experiments in the Employment Stabilization Research Institute at the University of Minnesota and in the Adjustment Service in New York City indicate that the objective determination of the occupational assets and liabilities of a single worker will cost from five to fifteen dollars. Effective guidance and placement machinery for bringing the worker and the job together may cost another five dollars.
The important question for the State and Nation to decide is this, "Is it worth ten or twenty dollars to help an unemployed person to make a happy occupational adjustment?" Do we really want to see people working effectively at their tasks and enjoying their work? Are we willing to pay real money to reduce the amount of unhappiness and dissatisfaction felt by those who work, or should they be left to their own devices and discontentments? It would cost as much to help one worker to plan his life program intelligently as it costs to keep one soldier for half a month. Is it worth it?

The first technique that must be used, when this problem of human adjustments is seriously attacked, is the preparation and use of more accurate records of individuals. No science has ever developed until it learned to keep accurate records of its phenomena and results. In and of themselves, records are probably useless, but as sources of data for making scientific progress they are absolutely essential. In order to make a satisfactory adjustment of an individual, one must have detailed, precise, cumulative records of the individual to be served, and equally detailed, precise records of the various positions in which individuals can be used.

The facts recorded for use in such occupational adjustments must be as objective as it is possible to obtain. It must be an easy matter for any member of the placement organization to identify precisely what each record means, even though the person who copied the record is a thousand miles away. The units in which facts are recorded must be the same in all parts of the system, and they should be so reliable that approximately the same index will be obtained, regardless of who makes the measurement or when. It is in these techniques of measuring human traits objectively that psychologists, sociologists, and statisticians have made their greatest contributions in
recent years. Human abilities and interests have been subjected to objective methods of measurement, and attitudes and personality traits have been worked upon vigorously, although with somewhat less satisfactory results. All of these studies have demonstrated, however, that objective measurements are much more useful in any practical program of individual adjustment than the subjective ratings and estimates which are commonly used. The only justification for employing a subjective rating of any personal trait would be the absence of a more valid objective measure of that trait.

This use of objective measures is necessary in the description of job requirements as well as in the recording of an individual’s qualifications. If any large placement organization is to be able to bring the worker and the job together into a permanent and happy adjustment, both worker and job must be described in the same terms and units. When objective measurements are actually made of the successful workers in an occupation, some of our most confidently-made judgments regarding the requirements of the job prove to be incorrect. Most employers would insist, for example, that a good office clerk should have a stable personality and be a self-sufficient sort of person. Actual measurements, by means of the best objective tests now available, indicate that successful office clerks, whether they are employed in the offices of a meat-packing plant, a department store, a life-insurance company, or a public school, are not more stable, more self-sufficient, or more aggressive than the average young women. In certain other qualities, however, the tests show that successful office clerks are quite different from the average person.

Department store saleswomen in Minneapolis and St. Paul, when tested for exactly the same traits by exactly the same instruments, showed that they had only average abilities in the intellectual and clerical lines in which the clerical workers were outstandingly high. The saleswomen,
according to the tests, were more stable emotionally and more aggressive socially, however, than the average clerical worker. Whatever our opinions may be as to the traits which workers in these two fields should possess, the placement officer who hopes to make satisfactory adjustments should have the use of objective measures, not only of each applicant, but also of typical successful workers in each field.

As was suggested in a previous paragraph, the best possible criteria of adjustment to an occupation or job must be used in connection with such studies as these. When a group of three hundred graduate nurses were examined in Minnesota, it was learned that about one tenth of them were not well adjusted to their work. In spite of the fact that they had held their jobs during a severe economic depression and in the face of a large oversupply of trained nurses, thirty-two of these nurses were not really well-satisfied with their work and were rated as "poor" nurses. The contrast between the measured characteristics of these poorly-adjusted nurses and those of nurses who were most happy and successful was very instructive.

The two groups were just alike in mechanical ability and very similar in their personality measures, but the well-adjusted group was superior to the maladjusted group in the speed and accuracy of their clerical test results, and decidedly superior in their physical strength and academic intelligence.

It would seem from this that girls with only average physical and mental abilities should not be encouraged to enter the nursing field, if they really wish to be happy and successful.

Similar distinctions between excellently adjusted and poorly adjusted clerical workers in a single organization indicate that personality measures are important tools in predicting adjustment in this field. However much an employer may insist that he wants a clerk who has initiative and self-sufficiency,
the employment office should send him only those whose scores are a little below average in that trait for, according to the results of our experiments at the Employment Stabilization Research Institute of the University of Minnesota, the self-sufficient clerk will in nine cases out of ten be unhappy in her work and unsatisfactory to her employer. The only significant differences discovered between the average clerk and the most excellently adjusted clerks was in these personality measures, which showed that the best clerical workers had lower scores in nervous stability, self-sufficiency, and dominance than had the average workers in this field.

Another technique which must be developed in order to aid in the adjustment of unemployed individuals to industry is a better classification of operations or occupations in terms of modern industrial conditions and the human characteristics required in the workers. The thousands of job titles that have been so long in use are confusing and in some cases meaningless. Essentially the same operation may have a dozen different titles, depending upon the industry or the section of the country in which it is found, while exactly the same name may be used for operations that require entirely different combinations of skills and personal characteristics in the workers. We must develop a new nomenclature of occupations, or at least a new system of notation that will assist placement officers in selecting for a given worker a job that will enable him to be happy and successful, even though it be in an entirely different industry than he has known before.

We are indebted to the psychiatric social workers and the clinical psychologists for the development of one of the techniques that is essential to success in adjusting individuals to their work. The "clinical approach" or "case-study method" attempts to consider all of the various factors that bear upon the adjustment of the individual, and to give to each factor the weight
which it should have in the light of the total human situation. It is impossible to make human adjustments by any mathematical formula, even though many mathematical and statistical formulae are extremely helpful to us in learning how to evaluate the different facts regarding human beings.

The adjustment of a particular individual to a position in which he can work happily and effectively is primarily an adventure in the art of human understanding. It involves all of the facts obtainable regarding the individual's past history and training, his present interests, ambitions, abilities, and personality traits, his future prospects, social and economic conditions in his community, employment trends in the various occupations that interest him, and so on. All these facts must be weighed and balanced against each other very thoughtfully before one can arrive at a final judgment which will have great promise of bringing happiness and success to the worker concerned.

This careful consideration of all the factors in a situation may be illustrated by the case of a thirty-nine year old man who came to the Adjustment Service in New York City about a year ago. This man grew up in Kentucky, attended high school for two years, and then got a job as office boy with a steel company. He was promoted to a clerical job within a year, and two years later he became a traveling salesman, selling steel bars, nuts, bolts, and the like through the Middle West. After six years of selling on the road, he was drafted into the Medical Corps of the United States Army and sent to France.

During all of this period, in whatever town he happened to be, he spent his evenings and spare moments looking at women's dresses in the shop windows. As soon as his unit reached France he sought a transfer to Paris, for he wanted to have the chance to study French fashions for women. When he finally obtained a transfer to Paris, he visited the establishments of the great
dressmakers, saw their collections, inspected their workrooms, and made up his mind that he would some day be the proprietor of a similar establishment in New York.

Upon his return to this country he secured a job as stock boy in one of the best shops in New York City. He was promoted occasionally during the next nine years and finally became interior display man. It was his plan to become the buyer for the firm, since that seemed to him to be the proper approach to the ownership of a shop of his own. When an assistant buyership became vacant and another man was given the job, this man resigned and went to San Francisco, where he obtained a position of the same type as that he had held in New York. About a year later he heard that the new assistant buyer in New York had resigned, so he returned to New York and applied for the position, but he was unsuccessful.

Since he had learned something about cooking from helping his wife in the evenings, he decided to buy a restaurant that was for sale. Before this venture could get onto its feet the stock market crashed, and all his savings were wiped out. He obtained a job then as floor-walker in another dress shop, but in a few months the firm failed. He was unable after that to find another job, so he spent almost two years in trying to figure out why he had not been made assistant buyer. He came to the Adjustment Service with the idea that perhaps we could help him to discover what was wrong with him.

In appearance this man was only of medium height, slender, neatly dressed, and very well-groomed. He was friendly in manner, but he had an almost-feminine daintiness in his behavior which would certainly not be typical of buyers. On the objective tests he seemed to have the interests, abilities, and personality traits typical of the artist rather than of the business man. His judgments on an art appreciation test were unusually excellent. In the course of the guidance interview the suggestion was made
that he might possibly achieve his ambition through creative, artistic channels rather than through a buyership and the managerial route. It was pointed out to him that his gentle manner and appearance were not typical of buyers, but that they would not handicap him in designing and creative work.

The man seemed to feel that the suggestion was workable and worth trying. He registered at the East Side Continuation School for adult classes in cutting, draping, and designing. Within a few months he had designed and sold a number of dresses, and before winter came on last year he had developed a steady market for his creations and was earning forty or fifty dollars each week by his designs. Furthermore, he was independent again, he was happy in his work, and he again had visions of being able some day to own and operate a shop of his own. This man has been adjusted to industry, although not in the way he had sought to become adjusted.

This case is typical in that it shows how no single technique is adequate in the solution of the problem of an individual's industrial adjustment. The mere record of the man's previous occupational experience would not have been sufficient. The record of his personal interests and ambitions was important, but it needed the confirmation of the objective tests of his interests, appreciations, and abilities to persuade him to alter his attack upon his problem. Most important of all, it was necessary that the man's counselor should bring together all of the evidence available regarding the various elements in his problem, and then, in the light of all the facts, work out such a solution as would make the best possible adjustment of the man to his industrial field. It must be admitted that the making of such an integrated picture of the total situation and the working out of a practical solution of the difficulties requires a counselor of unusual characteristics. Every distinctive job, however, requires for its successful completion a person
who has a distinctive combination of traits.

It is my belief, also, that a new emphasis and practice must be introduced into our public school programs. The worker, who finds in middle life that the job by which he has always earned his living has disappeared, is just as much in need of training and is much more ready to benefit by training than the immature youth. The State which has fostered the technological changes that took away the man's job has a definite obligation to help him to become adjusted in some other type of work. Why should not the public schools provide at public expense such retaining of adults as is necessary in these readjustments of unemployed adults to industry? I am sure that the effort to meet these needs of adults would have a very wholesome effect upon the school's regular work for and with children.

If society is to render any really vital service in the adjustment of unemployed individuals to industry, there must be a system of well-planned public employment offices, equipped with adequate records, both of the individuals and of the positions available, and manned by a competent staff of persons who look upon this work as an opportunity to render a really great service to society through assisting individuals to achieve better occupational adjustments. Selfishness, political ambition, and the like have no place in such an employment service. The techniques which I have described would all find their greatest usefulness in connection with the work of such a service. If it can be kept free from selfish political exploitation, a public employment service is the ideal agency to lead the way in the adjustment of unemployed individuals to industry and to the changed social conditions growing out of industry. I should be willing to predict, also, that if the public employment service can maintain its ideals of service to individuals and to the State, it will be able to play a very significant part in the adjustment of industry itself to the requirements of a new and better social order.

(1630)
Secretary Perkins' speech over NBC
Saturday, November 13th

Our government seeks the facts about our unemployment problem. It must know how many unemployed and partially unemployed there are in America today; it must know in what parts of the country unemployment exists; the age of its unemployed who are able to work and want work, what kind of work they have done, and what kind of work they are prepared to do.

Those of you who are unemployed or partially unemployed are the only ones who can answer these questions. Accordingly your government has turned to you, and on November 16, will ask you to answer them. On that day an unemployment report card, with plainly worded questions, asking for this information, will be left in every home, every address in the nation.

If you are unemployed or partially unemployed, and if you are able to work and are seeking work, I urge that you fill out the card you receive, mail it, or give it to your postal carrier before November 20. There is nothing compulsory in this; it is entirely voluntary. Nobody is required to report at a place of registration. You may fill out your card at home. But answer all the questions.

There is no reason to be afraid about answering these questions. The information you give on your card will be used only for the purposes of the unemployment census. I can solemnly assure you, in the name of your government, that none of the information you give will be used in any way which might adversely affect your individual interests.
The sole reason for asking you to fill out these cards is to help the unemployed to find work. To do this intelligently your government must have the information which is being requested. With this information it will be possible for the government to know in which trades unemployment is the greatest. That information, in turn, will make it possible for us in the Department of Labor to know which trades are suffering from an excess of skilled labor, as well as which ones can absorb unemployed younger workers. It will help us to plan effectively for training workers for new occupations where they will have a better chance to find employment. With information telling us about the ages of our employable unemployed we shall be better able to plan such adjustments as may ease their condition. We have found that certain trades are sufficiently alike in their labor requirements as to make it possible for workers to shift from one to the other, if this should prove a desirable thing to do. There are some trades, however, where the age of the worker is a factor in adaptability, thus making shifting impracticable for certain groups. For such workers other plans must be worked out.

Thus, you can see, the information which you are asked to supply on the cards that will be given you on November 16 is of vital importance to all unemployed and to our government which must help plan for reemployment. Filling out your card is not in any sense registration for a job, or for relief. It may, however, well prove to be a step toward your getting back on a payroll again.

I have referred to OUR unemployment problem which must be solved by OUR government. Unemployment is a national concern, and not merely
a problem for those without work. Planning for effective reemployment is a national task, that calls for the best effort of every element of our nation - business, government and labor. All must work together for an early and practicable solution of our most urgent economic problem. By furnishing our government with the essential information it needs you will be helping in that solution.
WORKERS' EDUCATION IN THE UNITED STATES, 1933

The workers' education movement in the United States is promoted by various groups. Outstanding among them are the Workers' Education Bureau of America, which is under the auspices of the American Federation of Labor; the Affiliated Workers' Schools; Brookwood College, and the Socialist and Communist workers' education group.

The latest published reports on the Workers' Education Bureau are not statistical and the problem of financing this institution, I assume, has somewhat restricted the printing of detailed annual reports. In the section of the report of the Executive Council of the American Federation of Labor which deals with workers' education it is stated that recent industrial changes have provided striking opportunities for the workers' education movement. New schools have been set up, new classes formed and labor institutes multiplied. "The desire of labor to study the causes of the depression during the past two years has been turned in the past six months to an attempt to understand the economic program of the new administration."

Special emphasis is given to the holding of labor institutes, among them being that at Rutgers University. This was the largest institute of the kind ever held at that university and the crafts represented were more diversified. The subject of discussion was the "World Economic Situation."

At the labor institute held in connection with the convention of the Colorado State Federation of Labor there was a day's discussion of the National Industrial Recovery Act.

The Massachusetts State Federation of Labor, before the opening
of its last annual meeting, devoted a day to the consideration of the National Recovery Act. The Illinois State Federation of Labor also adopted a similar program.

In September 1933 an institute for labor leaders was conducted on the Haverford College campus, sponsored by the American Friends’ Service Committee and the labor movement of Philadelphia. Labor institutes or special conferences have also been held by a representative group of central labor unions, for example, the Boston Central Labor Union, the Trade and Labor Assembly of Newark and the Greater New York Central Trades and Labor Council.

A summer school for workers was established in California this year at Occidental College. It was in session a month and is reported "a notable success." Last August at Oberlin, Ohio a two weeks' institute for office workers was held. This was the first time such workers have been included in this kind of an educational project.

In 1932 the Workers Education Bureau inaugurated a national radio program on "Labor and the Nation." Plans have been under way to resume this project in cooperation with the National Council of the Radio in Education, provided the requisite financial support is secured.

The Affiliated Schools for Workers include the summer schools held each year at Wisconsin University, which is attended by between 40 and 60 students, and at Bryn Mawr College which has an annual attendance of approximately 100 women. The Vineyard Shore summer school and the Barnard College School also belong to this group. The Affiliated Schools for Workers have also promoted the setting up of local workers' education classes in 56 cities.
Education in workers' colleges and classes is chiefly through discussion. Economic problems, of course, have a conspicuous place. For example, the Wisconsin Summer School last year selected for its principal topic "The Worker and His Community." Small groups of students studied the following questions: government problems, trade union problems, unemployment, race relations, consumption, education, and housing; and reported back to the student body as a whole.

The teaching of English occupies an important position in workers' education programs. Bryn Mawr and Barnard are particularly interested in the technique of visual education. Dramatics and psychology are popular.

The Workers' Education Bureau of America held its Seventh Annual Convention early in October 1933 in Washington, D. C. in connection with the convention of the American Federation of Labor. Reports were submitted on the California workers' education project, workers' education in the South, the International Ladies' Garment Workers' classes, Brookwood College, Massachusetts workers' education projects; and the workers' educational activities of the Women's Trade Union League of New York.

There was considerable discussion at the meeting of the great possibilities for workers' education under the appropriations for the employment of jobless teachers. Another interesting address was entitled "Toward a National Program of Adult Education." The proceedings of this convention are not yet published and the Bureau of Labor Statistics has not yet been able to secure a copy of the transcript of the sessions.
LAW AND THE MODERN STATE

I am glad of the opportunity to discuss with you the position of the Government and of labor itself comes to naught because of failure to understand the role of labor in our present society. That wage-earners and their families are the most important consumers of the nation's production of commodities and services is now commonly conceded. And there is some realization that this fact requires that a New Deal be given to the wage-earner. But the nature and content of that New Deal, how it is to be brought about, how much of it must come through the efforts of the Government, of business men, of labor itself, and of the public generally—these things are little understood.

It is important, therefore, that those who control the destinies of our economic institutions should know that their labor policies are affecting not only their labor costs and the attitudes of their employees toward their management but also their customers, their markets, and the citizenship and political life of the nation. And more important still, they should know concretely how and in what way their labor policies are affecting these things. Similarly working people need to understand that their efforts to improve wages and working conditions for themselves represent more than a mere struggle over division of business gains. They need to know their rightful place in the councils of industry and the nation and they must be mindful of their responsibilities as consumers and citizens.

The extent to which wage-earners must depend upon themselves through solidarity with one another and upon the active support of the labor unions employed labor organizations and labor movements, and the extent to which they can co-operate on projects.
depend upon the Government and the community, must be clearly comprehended. And there is need for a clear definition of goals and methods of achieving ends on the part of both the rank and file and the leaders of the labor movements.

We are all familiar with the futile attempts to get labor legislation enacted when the proposals represent confused aims or more vague strivings for improvement. But quite often labor laws are defeated after their enactment by failure on the part of the Government and its administrators to understand the nature and purpose of the legislation, the rearrangement of economic power and interests that made the enactment of the legislation possible, and the new interests of labor that the legislation was intended to conserve. An aroused and informed public opinion could, of course, secure proper administration of labor laws that would achieve intended purposes as it could secure clear-cut legislation reflecting labor's proper position. But this brings us back to the original point of the need for public education by organizations like your own to back up the efforts of informed and self-conscious groups of workers and business men as well as of Government administrators, to bring about a proper balance of economic forces that will permit labor to play its real role in modern economic life.

I may make my meaning more clear by telling a story that came to me the other day from the Civil Works Administration. It seems that a building contractor had been placed in charge of the CWA in one of our mid-western cities. He objected strenuously to what seemed to him unnecessarily high rates of pay fixed in Washington for the laborers employed on CWA projects. He insisted that the projects must be conducted
economically, and aside from the high pay, he complained against the
employment of men whom, if he were operating his own private business,
he would be laying off. Apparently Mr. Harry Hopkins employed supervi-
sing agents who really understand their jobs and the implications of the
laws they administer. For one of them explained to this contractor who
had spent most of his life as an employer of labor in a private business,
that as an administrator of the city's CWA projects he was occupying an
entirely new position. He was now responsible for laborers before they
got their jobs and after they were laid off, as well as when they were on
the job. As a private employer he was concerned with workers only as they
reflected themselves as costs on his accounting books. What happened to
them and their families before he employed them or after he let them go
was none of his business. But in his position as a Government administrator
this kind of bookkeeping is entirely out of place. The Government is con-
cerned with labor as much before it comes to a particular employer and after
it leaves him, as it is while he is working for that employer. It and the
community bear the costs of those periods when the employer's books show
no costs. Therefore, a Government administrator must be guided by a
different system of bookkeeping, even though the accountants have not yet
devised any system of social cost accounting. The contractor then said
that this was an entirely new idea to him. He had never thought of it
that way. But he understood and was then willing to administer the CWA
projects on a basis that was economical for labor and the community,
rather than wasteful to the community and economical to the owner of a
private business.
The difference between the labor rates paid by the CWA and those minimum wages fixed in the industrial codes that have been adopted under the NRA is serve to clear up another misunderstanding about the relation of the Government in relation to labor. The common labor on CWA projects are forty, forty-five, and fifty cents, varying with sections of the country. For skilled labor the rates are $1.00 to $1.10 and $1.25 per hour. These are considerably higher than the rates fixed in the codes, and business men throughout the country, as well as code authorities, have vigorously protested that the CWA was upsetting wage schedules everywhere. A number of states administrators had to be removed because they refused to pay the rates prescribed by the CWA's. This conflict of opinion that broke out in the press and that has been widely appealed somewhat by a reduction in the weekly working hours allowed on CWA projects, shows not only what may result from lack of understanding of the relation of government to labor and industry, but also illustrates the process of adjusting those relations when the problems involved are not clearly understood. If the government is fixing wages and hours in the NRA codes, then of course it is absurd for the same government to stipulate wages and hours on CWA projects that are clearly out of line with the code provisions. But once we understand that the NRA codes are business men's codes, made by them for the regulation of competition among them, with the mere approval of the government, whereas in the CWA the government is acting as an employer in its own right and therefore directly setting working standards that reflect the interest of labor and of the whole nation of which business men represent only one part, then it becomes plain that just as of the interests of all groups that are necessary and are being
the Government is acting in two different capacities in the CWA and the
NRA. Business men may set standards that the Government will acquiesce in,
but which it could not follow because they are too low when it acts in its
own right as an employer and as trustee of enterprises belonging to all the
people. When this became plain through public discussion, it was not
difficult to adjust the interests of business men in their wage scales to
labor's interests and the interest of the people as a whole.

Just as when we listen to the minister denouncing sinners and the
otherwise unrighteous, we are inclined to think he is talking about our
neighbors but not ourselves, so when the President talks to us about the
New Deal we are inclined to think of ourselves as the beneficiaries. Our
particular interests, we think, have been the forgotten ones; other economic
groups seem to us to have more than they are entitled to. But the President's
New Deal is intended for all groups, and its administrative devices are
finding ways of adjusting the diverging interests of various groups. Not
only labor, the farmer and the security investor, but the small business man
and the large, as well as the consumer are encompassed within the New Deal.
The various agencies in the administration's reconstruction program are
intended for all economic groups, but each group is inclined to think that
it was specially designed to promote its particular interest. Hence there
is often unnecessary disappointment, which might be avoided by a proper
understanding of what the recovery agency was really intended to accomplish.

By describing labor's relation to the Government and its reconstruction
agencies, I hope not only to clear up misunderstanding of the position of
labor in the national life, but also to illustrate the balancing and adjust-
ment of the interests of all groups that are necessary and are being.
laboiously worked out in order that we may continue as a democracy, to which I take it this country is unalterably committed.

The NRA, for example, is an attempt at economic planning, as the President has often explained, but it is planning with liberty and democracy maintained, not communistic or other dictatorial planning. So the codes are business men's codes, made by themselves. They represent efforts on the part of the owners of the private enterprise in an industry to act as one organic whole, rather than as independent units, to subordinate individual units to the functions of the whole, to plan for the industry an adjustment of production and consumption and to regulate competition among them as well as the functioning of large units and small units, and of the various economic classifications such as owners, managers, laborers, and investors.

Many people, however, have thought of the codes of fair competition as they are known, as designed to promulgate charters of labor or standards of wages, hours and terms of employment fixed by the Government in the form of a labor code. It may be argued that such labor codes dictated by the Government should be established, though I doubt if American working people would really want that. But the fact is that they theory underlying the NRA did not contemplate any such thing. It did require that every code shall guarantee freedom of organization of labor and of representation, so that labor standards might be established by effective voluntary collective bargaining. It did contemplate that minimum wage rates and maximum hours of labor were to be stipulated in the codes, but these were to be fixed by business men and labor was in no way bound to accept them, except as
and because of this we hear much complaint. Yet it is encouraged and it was consulted and approved of them, while the Government's part was mainly to prevent abuses rather than to impose its own standards.

In other words, what we have in the NRA is an experiment in economic planning on a democratic, co-operative basis, in which employers, labor, and the Government participate. As such it has all the weaknesses, but also all the strength, that democracy in any line of human activity produces; but it is in tune with and an outcome of the traditions and habits of our people, and however it may have to be modified with time and with the needs of the present through their own organizations and practice, basically it must succeed because it is a development of the democratic institutions and principles that underlie our American democratic institutions and such a development is needed to adjust government, industry and labor to the conditions of modern industrial life.

First, then, we have the Government acting to stimulate cooperation among our people, to enlarge the conception of liberty by permitting them to associate and combine for useful ends, such as the control and regulation of industry. This freedom was formerly denied to business men, as it had been previously to laborers and farmers, because of the evils that might result from abuse of the freedom. But we see now that the fear of abuse is not the only thing that brings about a true cooperative adjustment and which denied the liberty of free association brought greater evils in its place. We are experimenting now with the idea of trusting business men, who are not only the ablest to secure recognition of collective bargaining machinery in the codes, but once they get used to thinking in those terms, and meanwhile the Government will be in a position to watch for abuses and to protect other interests as well as the public.

So the Government permits business men to combine and to make their own codes and administer them. It lets them set their own labor standards,
and because of this we hear such complaint. But it also encourages and
guarantees the right to working people to organize and to make labor codes
for themselves and their industries by means of collective bargaining con-
tracts. When codes are criticized, therefore, because the labor standards
in them are inadequate, the criticism is mistaken, because it is based on
the misapprehension that the government intended to have labor standards
imposed on working people by government fiat. In fact, however, the theory
embodied in the National Recovery Act is that working people, like business
men, will make their own codes through their own organizations and through
collective bargaining with their employers. Only in this way can the
principle of cooperative democratic planning be maintained; and if the
results thus far seem disappointing, the fault lies not in the principle
or in the law itself, but in the management of their affairs by employers
and labor organizations and in lack of understanding of the nature and
intent of the NRA on the part of employers and labor alike as well as
of some administrators.

The set-up of the NRA, with its Labor Advisory Board, Industrial
Advisory Board, and Consumer's Advisory Board, makes it possible for
every economic group to function in a free cooperative adjustment and
balancing of interests. In those industries where labor is well organized
and disciplined, it has not only been able to secure recognition of collec-
tive labor agreements and collective bargaining machinery in the codes, but
the minimum rates of pay and the maximum hours of labor fixed in the codes
have also been arrived at by agreement with labor and thus made acceptable.
But in industries which are poorly organized, where labor has not reached
the stage of unity, self-consciousness and self-discipline, it has not
fared so well. Where employers have deliberately prevented organization
and self-government of their employees, so they could freely cooperate and
function in the NRA program as industry is doing, this of course is merely
one of the problems of enforcement and administration of the law, which
will be worked out in time. But in any case it is not the intent of
the NRA, nor is it desirable that the Government itself should fix wages,
force organization, or dictate terms of employment. These are to be left
with those involved to be worked out in such a manner as to permit of
true to free cooperative effort in keeping with our democratic traditions.

Nevertheless, the Government cannot stand by and be a mere referee
to determine who is licked in a fight between employers and employees,
unrestricted and uncontrolled. The Government is standing but unenforced
whether this is done on an individual or a collective bargaining basis.
That conception of government has no place in a complex, tightly woven,
society such as we now have. It must encourage self-help through organi-
ization of all interests, but this is for the purpose of securing cooperation
and reasonable adjustments of conflicting interests. It cannot tolerate balance
of power in the sense of armed camps ready to war upon one another, nor can
it tolerate the joining of forces to oppress the public. It must seek to
avoid militancy, turmoil and disorder. Sound relations of employer and
employee, farming and industry, consumer and producer, race with race, are
not to be achieved in the atmosphere of battle. Constructive compromise
is essential a large part of the duty and economy alike that has given us
that are the steps by which progress is made, cannot be worked out in such
atmosphere. The Government, in the N. R. A., the A. A. A., and the
T. V. A. and the other agencies of reconstruction, is developing the technique
of quiet conference which must ever remain our main hope in getting con-
structive compromises.

Our Government is also developing a new awareness, a new sensitiveness

to the human problems involved in industrial life. You may remember the
compulsory arbitration law that Kansas enacted some years ago and which
the United States Supreme Court declared unconstitutional. That law pro-
vided that if there was threat or danger of a strike and interruption of
life of part sections of the country, they could not be dealt with by
industry, then the Court might intervene and adjudicate the dispute.
Political problems. Labour's rôle is the human expression of political
problems. But if grievances and injustices affected individuals who suffered in
silence or who were too helpless to revolt, then the Court had no juris-
diction. Such insensitiveness to the needs of those who have no organized
power to help themselves can no longer be the basis of the relation between
Government and economic life. The Government is seeking out and becoming
more and more the economic and social arbiter in the industrial area. But hence the
power to help themselves can no longer be the basis of the relation between
the people and the Government.

It is evident to all intelligent groups of people that unemployment is such an issue now because it has become plain that
failure of industry to bear the full cost of its fluctuating employment
results in disruption of the economic and social life of the whole Nation.
Another that is rapidly developing is the migration of industries, the moving
of shops and industries from one part of the country to another, and thereby
uprooting a large part of the family and community life that has grown up
around them. The substitution of product for product, oil and water power
for coal, for example, or motors for railroads, is another economic problem
that is coming to the fore as a political issue. Already the railroad
co-ordination law has taken some note of this problem, and increasingly we
shall see our Government concerned with such issues. It is necessary,
however, that they be foreseen long in advance if they are to be properly
dealt with.
Again, these are the kind of problems that cannot be effectively dealt with by collective bargaining. The strike and bargaining techniques are not designed for such problems. They reach far beyond such bargains. They affect and are inter-related with whole groups of industries and the entire economic strategy and the wisdom and sagacity of leaders of particular groups.

The economic strategy and the wisdom and sagacity of leaders of particular groups.

All must work together through their Government toward a solution.

But how?

It is evident to all intelligent persons that government must exercise more control over economic forces and processes. We must have something like a plan in which the forces of the economy, the forces necessary in design and planning, are used with economy, and in which the forces of democracy and social structure necessary to adjust our life to technological developments, while yet retaining the fundamental institutions of liberty and democratic government. All the world is watching with hope to see whether we in America can make the necessary social adjustments and still keep our liberties in...
the process. The fate of democracy the world over as well as in our own nation may depend on our success.

In this democratic process we are really going through transition, unfolding a new state. No longer can the modern state be made up of detached, independent, individuals. There are necessary readjustments to be made in the structural position of the farming, wage-earning, investment, business, and banking groups in our population. All must be rearranged in a new organic whole. This is the problem of the next generation. We are at the threshold of the change. What the democratic method of self-government for business, industry, and agriculture means in this process we all understand fairly well. But self-government for labor is still a matter of debate. To many self-government in industry still means government of labor by employers. Many of the latter are not yet ready to concede to wage-earners the same right to rule themselves that employers seek for themselves.

Fear of domination by one numerically large group of laborers may account for this. But occupational and professional organizations of all kinds spring up when men are free to rule themselves, and these combine in different ways—not in one solid majority.
AMERICA'S CAPACITY FOR ECONOMIC PROGRESS

For "The Commonweal"

I am not one of those who believes that America is in a declining phase of industrial development, that the golden age of industry is over, or that the American standard of living for vast numbers of our people will be lowered. Anyone who has read the economic history of the United States knows that every major depression gives rise to that kind of melancholy. It was true in the 70's, when America faced the aftermath of Civil War. It was true in the 90's, when we paid the penalty for the over-expansion and speculation of the late 80's. This generation can hardly be expected to be more optimistic after the hard times of the early 30's than our grandfathers were in similar circumstances.

It is true that the old frontier is gone, that the great Westward movement, the Western land booms, the golden era of railroad expansion, the gold discoveries of '49, the initial exploitation of coal and oil and our other natural resources are all over, and that many of our great industries are really old industries. But our frontier was gone in fact by 1900; and since then we have had unexampled prosperity, together with one great depression. We have seen the rise of a new frontier, those great new industries which our grandfathers never dreamed of—the automobile with its attendant expansion of a vast network of highways more complete than any in the world, and all its auxiliary services; of radio; of the motion picture industry; and of the airplane industry. We have seen the advance of real wages and of production to the highest levels in our history. Who can say that because we cannot now visualize the possibilities of the future, that there are no such possibilities? I, for one, would not date.
There are difficulties, to be sure. There are new factors in
the economic situation. Many of our resources have been exploited;
our population is increasing more slowly largely due to the decline
in immigration.

Our economic position becomes more vulnerable as our prosperity
depends more and more upon luxuries and upon durable goods; our great
export markets have diminished and compensating consumption possibilities
must be developed. The frontiers of social progress can be extended
so as to fulfill the promise of a better living standard for every man
and when this is done our economic position of this and other countries
will show rapid and growing improvement.

I have abounding faith in the ingenuity, ability and good common
sense of the American people. It is part of the American genius to
delight in solving difficult problems; we believe in "doing something
about it". If this opportunity is dedicated unselfishly to promoting
the common good under God's law of love and brotherliness then there
is bound to be an ever increasing capacity for economic progress. With
the foresight, patience, good nature and good judgment, which prevails;
I am confident that the people of the United States will eventually work
out of these temporary difficulties and that our prosperity will again
reach higher levels. The democratic, political and social system gives
to individuals great opportunity to realize themselves and to develop
the responsibility that goes with the recognition of the dignity and
worth of human beings. This derives partly from our close pioneer
period and partly from the fortunate absence of a rigid class structure
and in consequence of that a great fluidity of population and constructive
internal competition.
Outlook for Economic and Social Security
In America

Every man wants for himself and his family security of life, income, home, and goods. Protection against interference with personal rights, assurance for safeguarding health, skilled care in sickness, a regular job, an income sufficient to supply the basic human needs, and provision for periods of incapacity and for old age are the primary necessities of life.

In no country of the world has mankind yet succeeded in achieving such security for the great majority of the people. Some nations have advanced farther than others in the development of provision for meeting essential needs. Sir Francis Floud has described for us the steps that have been taken in England, over a period of at least a quarter of a century. These measures have applied both to maintenance of fair conditions of employment and rates of wages agreed to by representatives of employers and employees and sanctioned by government, and to social insurance affording protection to families and to individual wage earners. The Dominion Government and the Provinces of Canada have worked out some of the features of such a program. About a hundred thousand people in Canada have been brought under the cooperative Dominion-Provincial plan for old-age assistance. It is very significant that the comprehensive Dominion unemployment insurance act now pending in Parliament was passed by the House of Commons with only three votes in opposition.

In the United States we have experienced through six years of bitter suffering the results of the lack of economic security. It is the purpose of President Roosevelt, the members of his administration, and the great majority of Senators and Congressmen to lay a foundation now for the development of safeguards which will tend to prevent or at least to reduce
the effects of some of the major hazards which threaten family life and individual welfare. The extent of insecurity during the decade preceding the depression has been brought home to us by statistics of mortality, morbidity, accidents, concentration of wealth in the hands of a few, employment, earnings, and dependency. Throughout the period for which we have accurate information, America has lost more women from causes associated with childbirth than any other country, except one, for which figures are available, and at least half of these deaths could have been prevented by application of the knowledge and the skills we now possess. Our infant mortality has been decreasing fairly steadily since 1915, but the lives of thousands of babies could be saved each year if proper care were available. Infant mortality has been shown to be directly associated with low annual earnings. Industrial and traffic accidents kill and maim many thousands each year—occupational disease, tuberculosis, the social diseases, cause premature death and disability.

On the economic side, income-tax figures show steadily increasing concentration of wealth. Between 1922 and 1929 an average of 8 per cent of our industrial workers were unemployed. The average per capita income of all salaried workers in 1929 was only $1,675, and 18,000,000 gainfully employed persons, constituting 44 percent of all those gainfully employed exclusive of farmers, had annual earnings of less than $1,000.

When President Roosevelt took office in March 1933, the business index had fallen to

All banking operations had to be

immediately suspended,

persons, percent of the total

employable population, were without work. Many of the unemployed had been without regular earnings for two or three years. Wages had steadily
Fallen. Fly-by-night industries were employing the cheapest labor available. The evils of child labor had become so prevalent that "children's strikes" occurred during the spring of 1933 in several centers. Business was panic-stricken, labor apathetic and despairing, agriculture unable to find markets, farm and home mortgages were being foreclosed by the thousand, and tenants were being evicted for non-payment of rent. The Federal Government had only recently accepted any responsibility for relief, and Federal relief operations were solely on the basis of loans to states and municipalities. Many municipalities were bankrupt, hundreds of schools were closed, health and social services were curtailed.

Under these conditions the relief and recovery programs of the "New Deal" were born. Banking was placed upon a sound basis, and small depositors were insured against loss. Relief of the unemployed was declared to be a Federal as well as a local responsibility. A diversified relief and emergency work program was developed. Prompt provision for a considerable proportion of the unemployed young men under the age of 25 years was made through the Civilian Conservation Corps. A great regional project for the development of power, decentralization of industry, and the rehabilitation of agriculture was set up in the Tennessee Valley.

The National Industrial Recovery Act provided for the introduction of order into private industry through codes and agreements having governmental sanction. Under these codes and agreements certain unfair competitive practices were eliminated, industrial child labor was abolished, collective bargaining was extended, and minimum standards for wages, hours, and working conditions were established. The act also authorized a public works program of major proportions. At the same time farmers were afforded
relief through the benefits made available by the Agricultural Adjustment Administration.

The Supreme Court decision holding unconstitutional Section 3 of the National Industrial Recovery Act cannot wipe out the protection that was afforded by this legislation during the latter part of the most severe economic depression in our history. Among the achievements of the National Recovery Administration are the following:

1. Bringing wage earners under the protection of the codes.

2. Checking the tendency toward the exploitation of the labor of 14- and 15-year-old children, and eliminating entirely the employment of children under the age of 16 years from mining and industrial pursuits, and substantially eliminating them (except for light work outside of school hours) from commercial occupations.

3. Prohibiting employment of young people under the age of 18 years in occupations declared to be hazardous.

4. Providing a minimum wage level substantially higher than that prevailing before the passage of the National Industrial Recovery Act.

5. Reducing hours and increasing employment.

(Can any figures be given on this point?)
6. Providing for advisory service from labor and from consumers in the development of code provisions.

7. Extending the area of collective bargaining.

Since 1935 trade union membership has increased percent. Both labor and capital have come to have greater confidence in governmental agencies as mediators in industrial disputes.

In the face of the temporary reverses involved in the Supreme Court decision, it can be assured that in the long run this great undertaking to establish order and justice in industry will bear permanent fruit.

So far as child labor is concerned, ratification of the child labor amendment by the twelve states needed to complete the process is an immediate step which should be taken at the first opportunity for legislative action. Voluntary maintenance of standards agreed to as fair and just, and the extended use of collective bargaining to achieve industrial justice are to be encouraged. Other means may be found within the Constitution to carry forward some of the great gains that have been achieved.

We are now in a period of business recovery. The index of industrial production —

Note: Suggest that figures be given here as to payrolls, estimates, extent of unemployment, etc.

Should anything be said with reference to industrial-conflict situations that are immediately confronting us?
The emergency work program authorized by the emergency relief act of 1935 is intended to provide employment in emergency work projects at prescribed monthly rates of pay for 3,500,000 persons, most of them now on the relief rolls. Through conference between representatives of labor, government officials, and others concerned, every effort is being made to establish within the framework of the Executive Order rates of compensation that will represent at least a substantial advance over relief grants.

Under the Emergency Relief Act the civilian conservation program is to be extended to include at least 600,000 young men. I hope that provision can also be made for unemployed boys and girls in their home communities through the existing facilities for employment service, education, recreation, and emergency work projects and the development of new projects.

Some of the features of the emergency relief and work program, including public works, soil erosion, forestation, and the great rural electrification project, will provide a wide variety of governmental employment for those who cannot yet be absorbed by industry and will advance the conservation of our natural resources to a degree hitherto undreamed of.

The President's vision of what may be done to head down to our children and their descendants material resources which have been conserved and enriched by human forethought and skill, must be accompanied by similar care for our human resources. The social security program which has grown out of the President's message of June 8, 1934, and the work of the Cabinet Committee on Economic Security and its technical and professional advisers, comprises measures for the conservation of health and of child life, provision for an assured compensation during part at least of periods of unemployment, and provision for assistance to the aged. These subjects,
as pointed out in the report of the House Ways and Means Committee, are closely related and together constitute an important step in a well-rounded, unified, long-range program for social security.

There has been little dissent with reference to the public health and child-welfare features of the bill. They follow established precedents for grants-in-aid to the states, and are to be administered by agencies of the Federal Government with experience in these fields -- the Bureau of the Public Health Service in the Treasury Department, and the Children's Bureau in the Labor Department. Their effectiveness will depend upon the adequacy of the State agencies which will be responsible for administration of the funds provided jointly by the Federal Government and the States. They should help to reduce the needless waste of human life and the human suffering caused by disease, ignorance, neglect, and lack of social and health services. They will also make it possible to extend the aid now made available to fatherless children in their own homes under mothers'-aid laws on the statute books of 35 states.

The old-age assistance provisions in Title I of the Senate bill also authorize grants-in-aid and will extend the operation of State old-age pension systems. Prior to 1935, 26 States had old-age assistance laws, other states have passed such legislation this year under the stimulus of the Federal economic security proposals.

Unemployment compensation or insurance systems have been widely accepted abroad, but prior to this year only one State (Wisconsin) had enacted such legislation. In a number of other States carefully drawn proposals for legislation had been developed, and since the first of the year the states of New York, Washington, and
enacted unemployment compensation laws which are in general harmony with
the principles of the Federal bill.

Various views are held as to the kind of provision that should be made
for meeting future unemployment. The plan incorporated in the Economic
Security bill, based on a pay-roll tax on employers, to be effective up to
50 percent of the tax, for contributions to approved State unemployment
compensation systems, gives wide latitude for State initiative and experimen-
tation.

(Insert some discussion of unemployment
compensation -- coverage in Senate bill,
etc.)

(Insert also discussion of old-age annuities,
coverage, voluntary annuities, effect of
reserve funds.)

The Economic Security Act will be passed within a short time. In
anticipation of its enactment a number of States have already passed laws
authorizing general cooperation under the Security program, and amendments
to State legislation to bring it in harmony with the provisions of the
Federal bill have been made in some cases.

The development of governmental agencies, Federal, State and local,
as effective instruments for carrying out the Security program and other
social programs, is one of our most important tasks. In the United States
only nine States have State civil service systems in operation. Extension of adequate civil service methods which will insure the selection of personnel on the sole basis of fitness for the job is the only way by which we can be assured of continuing and extending on a sound basis the use of government for the requirements of health and welfare functions in areas where only government has the range and power necessary to meet human need. Public service must be made an attractive and interesting career for young people, and they must be assured opportunities for the development of initiative and for recognition and advancement. The development of social work as a profession for the specific training and experience which is required is directly related to the possibilities of developing adequate governmental programs for furthering social welfare.
L!IllOR COimrrroN.:: IN
1934. Althau,)l slightly
less
spectacular
in
its
labor
aspects than 1933, the year 1934 was full of significant events. For the
most part these events were closely connected with the National Industrial
Recovery Act and associated legislation and policies.

At the end of 1933, only 195 industrial codes had been approved, although
these included some of the major industries, such as automobiles, iron and
steel, and bituminous coal mining. By the end of 1934, the number of approved
codes had been increased to 541, and it was estimated by the NRA that these
covered 89 per cent of the industrial workers who might be subject to code
coverage. Only a few large industries—notably, anthracite mining, slaughtering
and meat packing, and the communications industries—remained uncoded.

The codes adopted in 1934, although far more numerous than those of 1933,
followed rather closely the general standards of the earlier codes as regards
minimum wages, maximum hours, child labor prohibition, etc. Outstanding ex­
ceptions were the amendment to the bituminous coal code in April, providing for
a weekly maximum of 35 hours, and a change in the cotton-garment code in
December, providing for a reduction of weekly hours by 10 per cent, i.e., from
40 to 36, with a corresponding increase in wage rates. Also of importance
was the approval by the NRA during the latter part of the year of a number
of collective agreements regarding working conditions in subsidiary branches
of the construction industry. These agreements thereupon became part of the
codes, as provided for in section 7 (b) of the National Industrial Recovery Act.

EMPLOYMENT AND PAY ROLLS.— The upward movement in employment and pay rolls
which had begun with the NRA program in the spring of 1933 continued, in general,
up to the summer of 1934. A recession then took place, but this was followed
by a considerable degree of recovery toward the end of the year, and the year
closed on a rather optimistic note.
In the manufacturing industries as a whole, employment was higher in 1934 than in 1933 in 10 of the 12 months, and in December 1934 was 5 per cent above the figure for December of the previous year. Pay rolls made a still better showing, being higher in 1934 than in 1933 in all but one of the 12 months, and in December 1934 were 16 per cent above December of the preceding year. With this improvement, the index of factory employment in December 1934 was 78.0 per cent and the pay roll index 69.2 per cent of the years 1923-25. Analyzing the separate industries, a sharp difference appears between those making heavy or durable goods—such as iron and steel—and those making consumption or nondurable goods. The nondurable goods industries had never suffered anything like as severely as the others, and recovered very rapidly during 1933 and 1934. Thus employment in the food products industries in December 1934 was 5.8 per cent above the 1923-25 average and in the chemical industries was 8.8 per cent above the base period. On the other hand, practically all the durable-goods industries continued to have poor employment records. In total, the employment index for the nondurable-goods industries was 92.7 in December 1934 as against only 64.3 in the durable-goods industries. Thus, the problem of employment and pay roll recovery in manufacturing developed early to be a problem primarily of the heavy industries, and it was also recognized that the slump in building construction was the largest factor in the situation, building construction being the largest consumer of many of the durable-goods manufacturers, such as lumber, structural steel, cement, and glass. There are no very satisfactory data regarding employment in building construction over a period of years, but the depths into which that industry had fallen are indicated by the fact that the total value of contemplated building construction shown in the building permits issued in the principal cities of the United States declined approximately 90 per cent between 1929 and 1934.
In the industrial groups other than manufacturing for which official data are available, the trend of employment and pay rolls during 1934 while by no means uniform for all industries was, on the whole, quite favorable. This is shown in Table 1, which gives the index numbers of employment and pay rolls in December 1934 with amount of percentage change from December 1933.

Of the 20 industry groups (including manufacturing) listed in the table, all but four (steam railroads, quarrying and nonmetallic mining, banks, and brokerage concerns) showed an improvement in employment over the period of the year; and of the 19 reporting pay roll data all but two (quarrying and nonmetallic mining and brokerage firms) showed an increase in pay rolls. On the whole, the increases in pay rolls were considerably greater than the increases in employment, and in a number of cases the pay roll increases were considerable.

The above figures relate solely to private industries and do not include the employment resulting from the Government's extensive public works and emergency relief projects, except insofar as the Federal projects resulted in orders for materials and supplies from private industries.

Employment created by the Federal Government was of two general classes: (1) Employment in the executive and other services, and on various construction projects financed by the Federal Government; and (2) employment on relief works of a purely emergency relief character. The following table shows the number of persons employed under these types of work in the month of October 1934, October being chosen as less affected by weather conditions than December. (The figures are preliminary.)
Table 1.—Employment and Pay-Roll Indexes, December 1934, and Percentage Changes from December 1933.

<table>
<thead>
<tr>
<th>Industry</th>
<th>December 1934</th>
<th>December 1933</th>
<th>December 1934</th>
<th>December 1933</th>
</tr>
</thead>
<tbody>
<tr>
<td>Index change from December</td>
<td>Per cent</td>
<td>Per cent</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All manufacturing industries combined</td>
<td>(1920-100)</td>
<td>(1924-100)</td>
<td>78.4</td>
<td>62.4</td>
</tr>
<tr>
<td>Coal mining</td>
<td>(1929-100)</td>
<td>(1923-100)</td>
<td>79.0</td>
<td>63.2</td>
</tr>
<tr>
<td>Anthracite</td>
<td>61.6</td>
<td>43.0</td>
<td>72.4</td>
<td>44.4</td>
</tr>
<tr>
<td>Bituminous</td>
<td>78.4</td>
<td>71.0</td>
<td>72.3</td>
<td>42.1</td>
</tr>
<tr>
<td>Metalliferous mining</td>
<td>42.1</td>
<td>23.6</td>
<td>29.6</td>
<td>12.2</td>
</tr>
<tr>
<td>Quarrying and nonmetallic mining</td>
<td>42.1</td>
<td>13.4</td>
<td>23.6</td>
<td>12.2</td>
</tr>
<tr>
<td>Crude petroleum producing</td>
<td>78.0</td>
<td>59.5</td>
<td>76.5</td>
<td>11.8</td>
</tr>
<tr>
<td>Public utilities</td>
<td>69.7</td>
<td>83.7</td>
<td>72.4</td>
<td>5.2</td>
</tr>
<tr>
<td>Telephones and telegraph</td>
<td>69.7</td>
<td>83.7</td>
<td>72.4</td>
<td>8.1</td>
</tr>
<tr>
<td>Electric light and power and manufactures gas</td>
<td>83.7</td>
<td>83.7</td>
<td>72.4</td>
<td>8.1</td>
</tr>
<tr>
<td>Electric railroad and motor-bus</td>
<td>78.0</td>
<td>62.3</td>
<td>72.4</td>
<td>4.5</td>
</tr>
<tr>
<td>Trades</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wholesale</td>
<td>85.0</td>
<td>64.3</td>
<td>64.3</td>
<td>6.4</td>
</tr>
<tr>
<td>Retail</td>
<td>90.8</td>
<td>66.3</td>
<td>66.0</td>
<td>3.1</td>
</tr>
<tr>
<td>Hotels (cash payments only)</td>
<td>83.3</td>
<td>64.9</td>
<td>64.9</td>
<td>12.7</td>
</tr>
<tr>
<td>Laundries</td>
<td>79.5</td>
<td>63.3</td>
<td>63.3</td>
<td>3.6</td>
</tr>
<tr>
<td>Dyeing and cleaning</td>
<td>72.4</td>
<td>61.1</td>
<td>61.1</td>
<td>8.0</td>
</tr>
<tr>
<td>Banks</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
<td>0.2</td>
</tr>
<tr>
<td>Brokerage</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
<td>28.1</td>
</tr>
<tr>
<td>Insurance</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
<td>1.1</td>
</tr>
<tr>
<td>Real estate</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
<td>3.8</td>
</tr>
<tr>
<td>Building construction</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
<td>11.8</td>
</tr>
</tbody>
</table>

1 Not available
### Federal services and construction work:

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal services (executive, etc.)</td>
<td>960,473</td>
</tr>
<tr>
<td>Construction projects financed by FWA</td>
<td>507,799</td>
</tr>
<tr>
<td>Construction projects financed by RFC</td>
<td>17,462</td>
</tr>
<tr>
<td>Construction projects financed by direct Government appropriations</td>
<td>13,593</td>
</tr>
</tbody>
</table>

### Relief work:

<table>
<thead>
<tr>
<th>Relief Work Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency conservation work (CCC camps)</td>
<td>391,894</td>
</tr>
<tr>
<td>Emergency work program</td>
<td>1,365,187</td>
</tr>
<tr>
<td>Total</td>
<td>2,390,081</td>
</tr>
</tbody>
</table>

In total, therefore, some 3,900,000 persons were being employed by and paid from the funds of the Federal Government in October 1934. Of this number, however, almost 1,000,000 were in the regular services of the Government—executive, judicial, legislative, and military.

Unemployment.—The exact number of persons unemployed in the United States at any time since 1930 is unknown. In that year a census was made, and at the 1934 Congress there was considerable discussion of a new population and unemployment census in 1935. No action, however, was taken. Pending such a census, estimates of unemployment for the country as a whole must be based more or less on guesswork. For certain industries—such as manufacturing—such estimates can be made with fair accuracy; for other employment groups—such as domestic service—there is very little on which estimates can be based. Using such data as were available, the Research and Planning Division of the NRA estimated the number of unemployed at the end of 1934 at about 10,830,000. This was somewhat lower than the estimate of the American Federation of Labor, which was over 11,000,000, and somewhat higher than estimates made by other private agencies, such as the National Industrial Conference Board.
Table 2.—Average Hours Worked per Week and Average Hourly Earnings and Per Capita Weekly Earnings, December 1934, and Percentage Changes from December 1933.

<table>
<thead>
<tr>
<th>Industry Type</th>
<th>Average hours worked per week</th>
<th>Average hourly earnings</th>
<th>Per capita weekly earnings</th>
<th>Percent change from</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>December 1934</td>
<td>December 1933</td>
<td>December 1934</td>
<td>December 1933</td>
</tr>
<tr>
<td>All manufacturing industries combined</td>
<td>35.2</td>
<td>32.8</td>
<td>56.0</td>
<td>54.9</td>
</tr>
<tr>
<td>Coal mining</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Anthracite</td>
<td>20.5</td>
<td>20.7</td>
<td>81.5</td>
<td>78.2</td>
</tr>
<tr>
<td>Bituminous</td>
<td>26.5</td>
<td>24.4</td>
<td>10.9</td>
<td>17.1</td>
</tr>
<tr>
<td>Metalliferous mining</td>
<td>30.4</td>
<td>30.3</td>
<td>36.1</td>
<td>36.7</td>
</tr>
<tr>
<td>Quarrying and non metallic mining</td>
<td>29.6</td>
<td>30.5</td>
<td>3.2</td>
<td>3.5</td>
</tr>
<tr>
<td>Crude petroleum producing</td>
<td>34.4</td>
<td>34.5</td>
<td>79.1</td>
<td>79.1</td>
</tr>
<tr>
<td>Public utilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Telephone and telegraph</td>
<td>33.2</td>
<td>33.3</td>
<td>74.6</td>
<td>74.2</td>
</tr>
<tr>
<td>Electric light and power &amp; manufactured gas</td>
<td>38.7</td>
<td>38.4</td>
<td>77.2</td>
<td>77.3</td>
</tr>
<tr>
<td>Electric railroad and motor bus operation &amp; maintenance</td>
<td>45.6</td>
<td>45.6</td>
<td>61.1</td>
<td>61.1</td>
</tr>
<tr>
<td>Trade</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wholesale</td>
<td>41.0</td>
<td>41.1</td>
<td>63.4</td>
<td>63.5</td>
</tr>
<tr>
<td>Retail</td>
<td>41.6</td>
<td>41.5</td>
<td>48.3</td>
<td>48.3</td>
</tr>
<tr>
<td>Hotels (cash payment only)</td>
<td>47.3</td>
<td>47.3</td>
<td>27.8</td>
<td>28.0</td>
</tr>
<tr>
<td>Laundries</td>
<td>39.2</td>
<td>39.3</td>
<td>37.4</td>
<td>37.4</td>
</tr>
<tr>
<td>Dyeing and cleaning</td>
<td>39.7</td>
<td>39.8</td>
<td>43.2</td>
<td>43.3</td>
</tr>
<tr>
<td>Banks</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
</tr>
<tr>
<td>Brokerage</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
</tr>
<tr>
<td>Insurance</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
</tr>
<tr>
<td>Real estate</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
<td>(1)</td>
</tr>
<tr>
<td>Building construction</td>
<td>27.8</td>
<td>27.8</td>
<td>83.5</td>
<td>83.5</td>
</tr>
</tbody>
</table>

(1) Not available
WAGES AND HOURS OF LABOR.—During 1934 there were, on the whole, no great changes in average hours per week or in average hourly earnings. In manufacturing industries combined the working week clung throughout the year rather closely to a 35-hour average, and monthly variations in average hourly earnings were only from 53 to 56 cents. Compared with 1933, however, per capita weekly earnings in manufacturing by months ran consistently higher, and in December 1934 averaged $19.73 as against $17.86 in the preceding December.

Table 2 shows for each of the major industrial groups for which the Bureau of Labor Statistics publishes data averages regarding weekly hours, hourly earnings, and per capita weekly earnings in December 1934, with percentage changes from December 1933.

As shown in the table, average hours per week in December 1934 ranged from a low of 26.5 in bituminous coal mining to 47.3 in hotels. In retail trade the average was only 41.6 in spite of the greater liberality in the codes governing employment in retail trade, and in spite of a very active pre-Christmas business in 1934.

Average hourly earnings in December ran as high as 33.5 cents, in building construction, and (disregarding hotels for which cash payments only are reported) as low as 37.4 cents, in laundries.

It is significant, however, that almost without exception average per capita weekly earnings were higher at the end of 1934 than at the end of 1933, and in the great majority of cases per capita weekly earnings in December 1934 were over $20, the average for manufacturing being just slightly below that amount.

Farm Wages.—Farm wage rates showed considerable recovery in 1934, according to the reports of the United States Department of Agriculture. Thus,
in October 1934 the average wage per month, without board, was $27.83 as against $25.89 in October 1933; and the rate per day without board averaged $1.24 in October 1934 as against $1.25 the preceding October. There continued to be, however, extremely wide ranges in the rates paid as between States—from 75 cents per day without board in South Carolina to $2.70, also without board, in Rhode Island.

There are no satisfactory data regarding the employment of farm labor. The Department of Agriculture, however, reports the percentage that supply and demand of farm labor is of normal, and these figures show a substantially stationary demand in 1934 as compared with 1933 but a substantial decrease in supply. The supply, expressed as a percentage of demand, was only 152.9 in October 1934 as against 163.6 in October 1933.

INDUSTRIAL RELATIONS.—The year 1934 was one of very widespread controversy in the field of industrial relations. At times such controversies culminated in work stoppages, as in the case of the west-coast longshoremen's strike in the spring and summer months and in the cotton-textile industry in September. In many instances, as in the automobile and steel industries, the disputes stopped short of overt action, but were nevertheless of far-reaching significance. Most of the disputes of this type centered around section 7 (a) of the National Recovery Act. That section provided that labor should have the right to organize and bargain collectively through representatives of its own choosing. In a few industries, such as bituminous coal mining, labor was well organized and the union was accepted as representing the workers. In certain other industries, however, the employers were strongly opposed to dealing with an outside labor organization and contended that section 7 (a) did not impose this obligation upon them. The outstanding test case on this point was that of the Houde Engineering Corporation. This company was cited before the National Labor Relations Board...
On the complaint of union workers that the company had refused to recognize the union as the sole representative of its employees, although a plant election had given the union a majority of the votes, the company holding that it had a similar obligation to the minority of its employees who had not so voted. The board decided in favor of the principle of "majority" rule. The case was then appealed to the courts, and was still pending at the end of the year. The court decisions in this case and similar cases will no doubt have a very profound effect upon the future labor policies of both employers and trade unions and also upon the course of legislation in this field.

Of the controversies which resulted in an actual stoppage of work, the textile strike of September attracted greatest attention because of the large number of plants and persons involved. The strike resulted from dissatisfaction of labor with certain of the code provisions and with the administration of the code, especially as regards the so-called stretch-out system. The strikers returned to work after a presidential board of inquiry, under the chairmanship of Governor Winant of New Hampshire, had recommended, and the President had approved, the establishment of a new Textile Labor Relations Board and special investigations of the labor and financial conditions of the industry, to be made by the United States Department of Labor and the Federal Trade Commission respectively.

The so-called west coast longshoremen's strike, which became acute in the early summer, involved as the most difficult point at issue the question of the control of the "hiring halls," that is, the places where the longshoremen are hired. In San Francisco the situation was complicated by a general sympathetic strike which, however, lasted only a few days. A special presidential board, known as the National Longshoremen's Board, succeeded, in October,
Securing an adjustment by an agreement which among other things provided for a joint control of hiring halls by the employers and the trade unions.

In total, the industrial disputes involving work stoppage were somewhat greater in 1934 in both number and severity than those in 1933. Thus, according to data compiled by the United States Bureau of Labor Statistics (preliminary for 1934) industrial disputes of this character numbered 1,636 in 1934 as against 1,562 in 1933, and the man-days lost from such disputes were approximately 18,900,000 as against 14,800,000 in 1933. The number of man-days lost in 1934 was very considerably affected by the large number credited to the September textile strike. This strike lasted only a very few days but involved some half million persons.

Table 3, page 393, shows the principal facts regarding strikes and lockouts from 1928 to the end of 1934.

Mediation and Arbitration.— An important result of the NRA program was the rapid development of a widespread national system for the adjustment of labor disputes. The first important step in this direction was the creation in August 1933 of the National Labor Board under the chairmanship of Senator Wagner. This agency handled cases affecting some 2,000,000 persons, either directly or through its 19 subordinate regional boards, prior to its being superseded in July 1934 by the National Labor Relations Board. This latter board was set up as a nonpartisan agency of three members, in contrast with the bipartisan character of the earlier board.

In addition to these general national boards, various special boards of industrial relations were set up in particular industries under codes, as in the steel, automobile, textile, and petroleum industries, and also special boards were appointed from time to time to deal with special problems, as the National Longshoresmen's Board. In addition, a special Board of Labor Review
Table 3.—Industrial Disputes, 1928 to December 1934

<table>
<thead>
<tr>
<th>Year or month</th>
<th>Number of disputes beginning during year or month</th>
<th>Workers involved in dispute in progress during year or month</th>
<th>Man-days lost in disputes during year or month</th>
</tr>
</thead>
<tbody>
<tr>
<td>1928</td>
<td>629</td>
<td>438,374</td>
<td>31,556,947</td>
</tr>
<tr>
<td>1929</td>
<td>907</td>
<td>266,305</td>
<td>9,975,213</td>
</tr>
<tr>
<td>1930</td>
<td>655</td>
<td>160,457</td>
<td>2,730,368</td>
</tr>
<tr>
<td>1931</td>
<td>894</td>
<td>254,443</td>
<td>6,386,183</td>
</tr>
<tr>
<td>1932</td>
<td>808</td>
<td>244,144</td>
<td>6,462,973</td>
</tr>
<tr>
<td>1933</td>
<td>1,562</td>
<td>313,134</td>
<td>14,818,846</td>
</tr>
<tr>
<td>1934 (preliminary)</td>
<td>1,607</td>
<td>1,337,000</td>
<td>18,906,487</td>
</tr>
</tbody>
</table>

In addition to the American Federation of Labor, there are a number of independent or unaffiliated unions—nearly the railroad Brotherhoods and a
was created to deal with labor controversies arising under PWA contracts.

Also, in 1934, the existing United States Board of Mediation, created in 1926 to handle railroad labor disputes, was superseded by a new board known as the National Mediation Board with somewhat broader jurisdiction than the earlier board, and with the special duty of insuring proper procedure of association among employees.

LABOR ORGANIZATION.—The expansion of trade-unionism which began with the National Recovery program in 1933 continued into and through 1934. The total paid-up membership of the American Federation of Labor in August 1934, as reported to the convention in October, was 2,823,750 as against 2,526,796 in August 1933. At the same time it was estimated that the effective strength of the organization—i.e., including members who because of unemployment were excused from dues—was approximately 5,650,000.

The growth in membership was, however, not due to an increase in each of the constituent unions. Many of these—such as the oil and tobacco workers' unions—showed spectacular increases. On the other hand, a few—such as the actors' union and some of the building trades organizations—showed considerable losses. In general, the most important membership growth in 1934 occurred in newly organized locals in industries previously little organized—as automobile, rubber, cement and aluminum. This development represented in part a change in the policy of the American Federation of Labor at the 1934 convention, when it was decided that the old practice of making the basis of unionism the craft or trade should be supplemented by an effort to organize the mass-producing industries without immediate regard to craft lines.

In addition to the American Federation of Labor, there are a number of independent or unaffiliated unions—notably the railroad brotherhoods and a
number of "left wing" industrial unions. The railroad brotherhoods at the end of 1934 had a combined membership of about 300,000. Data for the other independent unions are lacking. The Amalgamated Clothing Workers, with a membership of some 125,000 was for many years an independent union but in 1934 this organization formally affiliated with the American Federation of Labor.

During 1934, also, there was a tendency toward the spread of the union idea among the so-called white-collar workers. Thus, the American Federation of Labor reported an increase in the number of office workers' unions from 12 in 1933 to 32 in 1934. Other white-collar and professional workers who are organized in unions affiliated with the American Federation of Labor include actors, musicians, public-school teachers, draftsmen and employees of the United States Government. Unquestionably the developments under the NRA and the pressure of the depression upon professional workers, stimulated among such persons the tendency of dissatisfied groups to seek redress through organization.

HUGH S. HANNA
The Wagner-Peyser Act, enacted by the 73rd Congress, provides for a coordinated Federal-State system of public employment offices. Certain funds were authorized to be appropriated by Congress for administration of the Service, and for allotment to the various States in cases where States shall have appropriated funds for a State Employment Service. The Act requires the United States Employment Service to:

1. Promote and develop a national system of employment offices by assisting in establishing and maintaining them in the States.

2. Maintain a veterans' placement service, a farm placement service, and a public employment service for the District of Columbia.

The Act further authorizes the United States Employment Service to prescribe minimum standards of efficiency, to promote uniformity in administration and in statistical procedure, to publish information on employment opportunities, and to maintain a system for clearing labor between the States.

A State Employment Service becomes affiliated with the United States Employment Service, and thus becomes eligible to receive Federal funds up to the maximum of the apportionment to that State, where it meets certain requirements. Under the terms specified, thirty-five State Employment Services have become affiliated with the United States Employment Service, up to the present time. These services now operate 275 employment offices. In the offices of the affiliated Services, during the period July 1, 1933 to February 29, 1936, a total of 7,879,000 applications for employment were received, and 4,105,000 openings were filled.
In the veterans' placement service there has been appointed in each State a Veterans' Placement Representative, who visits all of the employment offices, and makes certain that veterans' interests are properly observed. Every employment office in under this arrangement, a veterans' placement office.

The Farm Placement Service operates in similar way through regular employment offices. In several States, particularly where the movement of migratory farm labor is of importance, Farm Labor Supervisors have been appointed to assist employment offices in the effective administration of this work.

Through field representatives, the National Headquarters of the United States Employment Service maintains frequent contacts with the Directors of the State Services and with the members of their administrative staffs, in order that in a cooperative way, suggested standards may be currently maintained, and the process of employment service may be continually refined and made more effective.

The National Reemployment Service is a temporary emergency agency of the United States Employment Service. Title II of the National Industrial Recovery Act included specific provisions governing preferences for labor on public works projects financed under the Act. To assure adherence to preferences and equitable distribution of work opportunities, to discourage migration of labor, and for other essential reasons, the Special Board for Public Works enacted a regulation which provided that (with certain exceptions) labor required on public works projects must
be secured through employment agencies designated by the United States Employment Service. Offices of State employment services were immediately designated for this purpose, but it was necessary for the United States Employment Service to be represented in every district in which a public works project was to be undertaken.

In November of 1933, the Civil Works program was launched, and the United States Employment Service was given the task of selecting 2,000,000 self-sustaining unemployed individuals for placement on Civil Works projects. This required a still more wide-spread distribution of employment offices.

Executive Orders issued concerning "The Emergency Relief Appropriation Act of 1935" passed in April, 1935, provided that all persons employed on projects financed in whole or in part under this Act, unless otherwise exempted, shall be certified by employment agencies designated by the United States Employment Service, and that at least 90% of the persons so employed should be taken from the public relief rolls.

The maintenance of the National Reemployment Service has provided the answer to the requirements of these situations. This emergency service has been financed without use of the funds appropriated to the United States Employment Service under the Wagner-Peyser Act. Special allotments were received from emergency funds, and local communities made voluntary contributions.

The National Reemployment Service had reached its peak of expansion during the Civil Works Administration program at the end of December, 1933, when 3,320 employment offices were
in operation. Upon the completion of that program, a plan of reorganization was instituted, providing for district offices in much smaller number. By June 30, 1934, the total number of National district Re-employment offices was approximately 600, each serving a specified district, usually comprising several counties. During February, 1936, there were 417 such district offices of the National Reemployment Service in the United States, with 974 branch offices.

Up to March 1, 1935, offices of the National Reemployment Service had registered 13,714,000 applicants, and had made 10,031,000 placements. The entire United States Employment Service, embracing the affiliated State Employment Services and the National Reemployment Service, had registered 21,593,000 applicants, and had filled 14,136,000 jobs.

In those States which have affiliated employment services, it is the objective of the United States Employment Service to merge the National Reemployment Service as rapidly as financially and administratively possible into the State services. Encouraging progress is being made along this line.

Through its designated agencies, the offices of the State employment services and the offices of the National Reemployment Service, the United States Employment Service has very close relationships with the work of the Works Progress Administration, as also for the past thirty-four months it has had such close relationships with all Federal agencies administering public works activities. At National headquarters in Washington the administrative officials of the United States Employment
Service have had constant and highly cooperative relationships with the officials of the Works Progress Administration. This has made it possible for employment offices throughout the United States to perform their legitimate functions in dealing with the unemployed, both of relief and non-relief status, and serving employers on Works Progress Administration projects with the degree of efficiency with which they serve employers on other public works projects and in private industry. The rules and regulations governing employment policies and procedures on Works Progress Administration projects originate with the officials of the Works Progress Administration. These are transmitted to the headquarters of the United States Employment Service in Washington, and sent with explanatory covering letters through the Directors in all the States to all employment offices throughout the Nation. In this way local employment offices have concurrently the same information and instructions as are sent by the Works Progress Administrator to the State and local officials of that agency. This makes it possible to have in the States and in the communities the same cooperative relationship and action as exists at the headquarters of the two agencies.

Under the rules of the Works Progress Administration, the Relief agencies have been required to certify to the employment offices the names of those persons who are eligible for employment on Works Progress Administration projects, due to the fact that they have been recipients of relief. The occupational files in the employment offices therefore in each case are organized so that an order for workers on a
project financed under the Emergency Relief Appropriation Act of 1935 is filled (except where exemptions have been made) from the section of the occupational file in which are filed the registration cards of those who have been certified as relief recipients.

This is the method used in employment offices in the filling of orders on all types of projects, including those sponsored by the Division of Women's and Professional Projects of the Works Progress Administration. Where there has been any possible question as to eligibility or qualifications of registered workers for any of these projects, it has been our purpose that employment office personnel shall keep in close contact with the district or local sponsors of the project so that there may be constant cooperative activity between the two agencies in securing for these particular projects those who are at once eligible and qualified.

Our records show that for the period beginning May 1, 1935 and ending March 30, 1936, 2,639,041 placements were made on W.P.A. and work relief projects, and of that number, 403,773 were women. It is significant to note that beginning with July, 1935, when the Works Progress Administration program was really under way, placements of women on W.P.A. and work relief projects averaged about 64,000 each month (although during May and June placement of women on such projects averaged only a little more than 3,000 per month), in comparison with the average monthly total of all placements on Works Progress Administration projects of approximately 288,000. This shows clearly the effective and energetic administration of the Division of Women's
and Professional Projects of the W.P.A., and the fine working relationship between employment services and that Division.

For the period May 1, 1935 to March 30, 1936, the total placements in all types of employment through employment offices in the United States were 4,824,042, and of these, 744,876 were women.
THE ROUTE BACK TO WORK

The US Employment Service with Its State and Local Branches

BY BEULAH AMIDON

SOMETIMES the lights of Washington seem like beacons signaling the state of the nation. In the winter of 1917-18 the windows of the State-War-Navy Building, blazing far into the night, showed the vast effort of mobilization for war. This winter State-War and Navy has been dark and quiet after the usual office day, no longer focusing the intensity of our national concern. The windows that are lighted late at night flash signals of our mobilization for employment. The White House offices seem never to sleep, and those of the NRA are pricked-out in the huge masses of the Commerce Building. When I was there late in January the Treasury Building shone as double shifts of clerks made out and dispatched Civil Works checks. Up a side street the dingy Labor Department Annex was alight with activity, overtimes and Sundays, setting-up a new country-wide scheme of labor placement in the midst of emergency tasks of registering millions of unemployed for CWA and PWA jobs.

This article is not an attempt to assay the gains and setbacks in this new mobilization. It is a more modest undertaking—a quick survey of the plans and activities of the new US Employment Service and of the Emergency National Reemployment Service superimposed upon it. But like the crowded days in Washington on which it is based, it leads from that lighted annex into other offices and departments, and it proves to be not a story complete in itself but a strand running through our relief and recovery efforts.

Like the lighted windows, it is a story with a wartime prologue. During those times, fifteen years ago, a federal employment service was set up to help meet the emergency of labor shortage. Employers from coast to coast were clamoring for workers to replace the men called into service, and to meet the demand for top-speed production of munitions and supplies. With the end of the War, the employment service, a mechanism essential to an organized labor market and taken for granted in other modern industrial countries, was allowed to rust out. The Farm Labor Division survived, but on a much reduced scale. Toward the end of the boom years there was established a placement service for veterans which, in 1930, had offices in thirty-one cities. A few states had developed their own services but there was no nation-wide employment system to supply reliable information, to facilitate placement, when the great post-War emergency swept over us, and instead of employers clamoring for workers, workers in mounting numbers begged for jobs.

During all this time, the Wagner Bill, first introduced in 1919, to lay the groundwork for such a national system, hung fire in Congress. Finally passed early in 1931, it was vetoed by President Hoover, and a few weeks later the ineffectual “Doak reorganization” of what remained of the former federal employment system was launched (see Survey Graphic, March 1933, page 165).

In the crowded special session of Congress last spring, the Wagner Bill was again passed, almost unchanged, and signed by President Roosevelt, as part of the recovery program. It is based on the principle that the organization and conduct of employment placement ought to be a function of state and municipal government, that the activities of the federal office should include the setting-up and maintenance of standards, research, special services for farm labor and for veterans, and clearance of labor between states, and that the state service should be integrated into a nation-wide employment system.

To this end the Act provided grants in aid to state employ-
ment systems which affiliate with the USES. It authorized an appropriation for this purpose of $1,500,000 for the first year, $4 million a year to June 1938, and thereafter such sums annually as the Congress may deem necessary." Three-fourths of each year's appropriation is earmarked for the states, in amounts proportioned to population.

The underlying aim, like that of centralized employment service in other countries, is to cut down as far as possible the wageless period between jobs, to gather reliable data on employment and unemployment, on occupational trends and shifting demands for labor, and to give intelligent placement service without charge to employer or to employee.

Even before the Wagner Bill was passed, the President laid on the secretary of labor a responsibility that called for such a country-wide employment service. The task was the recruiting of a quarter of a million young men for the Civilian Conservation Corps. Casting about for an administrator who could push through a detailed emergency effort and who, as a seasoned executive, could take over a long-term responsibility if and when the Wagner Bill was enacted, Miss Perkins selected for this task W. Frank Parsons, whom she had sent on duty during the War as director general of Red Cross civilian relief. "And the thing that impressed him on my memory," she recalled sixteen years later, "was the fact that condensed milk arrived and kept on arriving, in correct quantities and on time, in every civilian relief home where there was a baby."

Mr. Persons took office on April 5. On April 7, the first of the CCC quotas were ready for the conditioning camps. And at the rate of 15,000 a week, faster than the Army draft, the young civilians were registered, cleared, enrolled and waiting for the word to go.

The Wagner Bill was signed early in June. The first appropriation under it became available for the new USES Employment Service July 1. But before the CCC quotas were ready, Mr. Persons and the small staff of assistants he and Miss Perkins had chosen had a chance to draw their plans, they were called on for a second and far heavier emergency task.

The Federal Emergency Administration of Public Works ruled that all placements on PWA projects must be made through agencies designed by the USES Employment Service with one exception: closed-shop contractors may continue to secure skilled, organized labor through local unions. Further, the $400 million set aside for the Bureau of Roads must, it was stipulated, be spread over at least three quarters of the countries in each state. Here was immediate need for a network of some 2500 employment offices under federal supervision. To meet it, the National Recemployment Service was set up, as an independent unit under the supervision of the USES. An employment director in each state was appointed by Mr. Persons. In each community, a citizens' committee was given responsibility for the organization and functioning of a local office, though office personnel had to be passed upon by the state directors of relief and the new state reemployment directors.

The service was purposely decentralized, in the belief that under pressure of time and need, maximum efficiency with minimum friction would result if the final responsibility rested on the community itself. Walter Burr, formerly Missouri state relief director, came to USES as associate director and was promptly made executive head of NRS. By mail, telephone and telegram, Mr. Burr keeps in touch with the state services. "But I deal only with forty-eight men," he tells...
have borne so many disappointments during the depression years.

It was a simple, reasonable plan, but it did not succeed in controlling registration. The mere rumor of new jobs in the community filled the local office with applicants. The announcement of CWA and CWS in November meant a rush to register by men and women filled with hope by the promise of “jobs instead of relief,” and the announced wage rates. Promotion tactics were adopted by the federal CWA to stimulate civil projects, especially as hard-pressed communities were expected to foot the bill for supplies. That CWA would pay for materials as well as for labor, except in rare instances, was not a part of the original scheme, though the fact that it was in an unexpected number of cases required to do so was one of the reasons why the money ran short. It is not surprising that in “selling” CWA to public officials, it was oversold to the unemployed. By thousands and then by millions, they rushed to NRS to enroll for “government jobs.”

CWA practice was, until the curtailment in mid-January, to assign to each county an employment quota. In filling that quota, with due regard for the legal preferences in favor of ex-service men and local citizens with dependents, the basis of selection has been fitness for the job. NRS quickly allayed the early fears that, to be eligible for a job, the applicant must be “on the rolls,” and the equally acute fear that men on relief or farmers who had received an adjusted payment under AAA were to be penalized in allotting the new jobs. The Guide to the Operation of Reemployment Offices states:

The primary purpose of the stuff is to refer to employers persons who will be acceptable because their experience, education, physical fitness and character best fit them for the job requirements.

This makes clear an essential point: NRS is not a relief agency but a placement service. And Walter Burr, describing the rush of enrollments in the local offices, comments, “The American people are clamoring for a job, not a handout.”

A LETTER from an NRS official in Arizona shows that this distinction is not a mere headquarters theory but a very active fact:

Under the old registration for relief we had about 319 men registered as truck drivers, and the first thing that our reemployment manager had to do was to interview and tell the great majority of these men that they could not handle a 5-ton dump truck. Most of our men had only been used to driving light trucks which operate more or less as light passenger cars. . . . The educating of men in general to the fact that they must be qualified in order to hold a job has been to my mind the greatest good that the Reemployment Office has done in this vicinity.

And the head of a local committee in Kentucky wrote:

We feel that with this giving of jobs to qualified men and not mixing “need” in with it, we are helping those that best deserve help and getting a dollar’s worth of work for each dollar of public money spent.

There was another disputed boundary fence that NRS had to establish. It was necessary to make clear not only that placement is not relief, but that it is not politics. From the beginning, public work in this country has been “mixed up with politics,” and opinion was widespread that “pull”
would always land a job, that without it no job could be obtained.

An ex-sailor, two years out of work and desperate, called at NRS headquarters one day. He had hitchhiked from his home in a nearby state, armed with a letter from his Congressman, to see "a man at the top." CWA headquarters had sent him to Mr. Burr, though no registration or placement is done at national headquarters.

"Let's talk this over," Mr. Burr suggested. "Put up your letter—I don't want to read it." Having explained NRS procedure, he inquired whether the man had registered at home.

"MAYBE there is a New Deal," said the man. "I went to that office. I stood in line behind a fellow that was sure he was going to get a job. He had two letters from big political bosses. I didn't have any letter then. He said, 'Boy, you just got a chance. You watch me.' I felt pretty well, well, after a while he got his turn. When he came out, I says, 'What kind of a job did you get?' He says, 'I didn't get any job. I got on the East. And when I showed them those letters it only made them mad. What kind of a show is this?' he says to me. And now you don't even look at this letter. Mr. X gives me. Don't 'pull' work no more?"

On the same day, a Texas staff member arrived by plane for a conference. He has helped organize and administer the reemployment service in that far-flung state, with offices in each of its 254 counties, many of which are larger than a New England state. The Texan reported, as a common opinion in his state, that:

The Reemployment Service has been a barrier against politics in PWA and CWA. The placement in our state—and I believe that holds for the service in general—is purely on qualifications. The peanut politician can't get a toehold. It's wiping him out because there just ain't any gravy for him. Under NRS, no one in our state can secure crooked preference in registration or referral. That's backed by the overwhelming sentiment of the community.

Investigation into CWA, just getting underway as this is written, has disclosed some irregularity. There is indication, particularly in industrial centers governed by "machine" politics, that some jobs have been assigned and held as a result of political pressure. What the investigation will uncover remains to be seen. The goal of NRS has been effective placement service on the basis of fitness for the job. The evidence available at the Washington office in reports, through visits of the workers in the field, in correspondence files, indicates that this purpose has been realized to a striking degree, considering the size of the undertaking, the speed with which it was planned and pushed. But obviously the detailed record is not yet in hand, nor can CWA and the part the employment service has played in it be clearly assayed and valued. As it stands at this writing, it is a stirring and heartening story, not only in the way unforeseen and unprecedented tasks were performed, but in the far-reaching influence of this emergency placement service which has functioned in most of the counties of every state in the Union.

In casting up the account of the NRS, the financial reckoning must not be overlooked. PWA figured that it would cost at least $100,000 a month to organize and supervise the state-wide placement service, and $500,000 was allocated for that purpose to run from August 1 to January 1. FERA set aside $400,000 for office salaries, since PWA projects would afford substantial easement to relief rolls. This sum was augmented when CWA took the stage, increasing the NRS load until a personnel of 18,000 was required to swing it. On January 1, NRS reported that it had spent $362,000 of the half million turned over to it for organization and supervision, and this included some 185 tons of forms, orders, and other printed matter—more than 49 million units—sent from the Washington headquarters to the state offices. Quarters for the 3320 reemployment service in this building have been rent free, and equipment, often including heat, light and telephone, has been supplied without cost to the service. Twenty-three of the forty-eight state directors are dollar-a-year men; so are many of the local managers. Capable volunteers came forward, as they did in war time, to further the work and to help "make the money last." Investigators, interviewers, clerical help were selected from among the registrants.

The January 19 order, closing CWA payrolls to new workers and announcing that the effort would be liquidated at the rate of 509,000 workers a week, terminating on or before May 1, meant another emergency for NRS. The suddenly curtailed program brings up many problems of planning and procedure. Except for maintaining the forces on projects that are to be completed, and handling employment inquiries and complaints, NRS now seems to have fulfilled its responsibility to CWA. But as spring comes, PWA and the Bureau of Roads will make increasing demands on NRS in employment for communities not yet served by USES, and will continue to do so, until the federal-state-local setup of permanent employment offices, envisioned by the Wagner Act, takes its place in American life. Here the reemployment service has been a trail-blazer in areas where even private employment agencies have had no footing and public employment services have never been known.

In many cities and towns, NRS has been much used by private employers. Thus the manager of an eastern reemployment office reports:

While received somewhat skeptically at first as "only another experiment," NRS has steadily forged to the front. Not only have contractors come to recognize its importance, but private parties as well, until today practically as many placements are being made with local firms as with projects using public funds. As Mr. Persons recently pointed out:

The Reemployment Service has shown the state-wide value of these offices. Nothing could have been more fortunate than this large-scale demonstration opportunity in every county in the United States, making clear the social and business advantages of a public employment service.

To try to tell the story of the USES down to date really calls for some such device as a two-typewriter duet or a running account in parallel columns. For while the dramatic jobs of the NRS have gone forward with speed, thoroughness and economy, the development of the USES and its affiliation with the states has not been hampered or delayed.

The Wagner-Peyser Act provides two methods for affiliation of state services with USES: through legislative enactment or, under certain provisions, by proclamation by the governor. The amount available for the employment service under the Act is apportioned to the states on the basis of population. No payment is to be made out of this apportionment, however, until the state funds are available. The federal funds granted to the affiliated state employment services will match each state appropriation, provided the state fund is not less than 25 percent of the apportionment according to population, and in no event less than $5000 for the year.
At this writing, sixteen state employment systems are affiliated with USES: New York, Pennsylvania, Ohio, Michigan, New Jersey, Illinois, Massachusetts, Connecticut, Indiana, Minnesota, Missouri, Nevada, Oklahoma, Virginia, Wisconsin, Arizona. In these—California, Colorado and Iowa—plans have been approved but negotiations are not entirely completed. Eight state plans are being drafted and thirteen additional states are in correspondence with Washington headquarters. Eight states—Alabama, Florida, Idaho, Louisiana, Mississippi, Montana, North Dakota and South Carolina—have taken no action and expressed no interest in the affiliated service.

Working with Mr. Persons at the federal office are four associate directors. Mary LaDame, who came to USES with a wide experience in research and administration, particularly related to public employment offices, is in charge of the division of operations, which keeps in touch with affiliated state services and establishes contact with those not affiliated. William H. Stead, formerly executive secretary of the Minnesota Employment Stabilization Research Institute, heads the division of standards and research. Mr. Burr has been kept free from other responsibilities to give full time to NRS. T. G. Addison is in charge of business and financial administration. In addition to general executive responsibility, Mr. Persons is directing the special placement service for ex-service men and for farm labor established by the Wagner-Peyser Act.

The division of operations has general responsibility for the affiliation of state services, and for the maintenance of standards. Each state desiring affiliation, before it is certified for federal funds, is required to submit an "annual operating plan," covering income and budget, location of offices, personnel, quarters, procedure, state advisory council, compilation of statistics and reports, provisions for clearance and for cooperation with related public and private agencies. The state must meet the standards of the federal service on all these points.

To many American communities, a public employment office means a dingy room on a side street, an untrained manager and a counter across which job applicants are "interviewed." Sometimes the "procedure" is reduced to, "Hey, youse!" and a jerk of the thumb. Only unskilled, casual labor patronizes such a place and it becomes a sort of loafers' club rather than an employment service. Under the standards of the division of operation, "the appearance of the building and interior of a public employment office shall compare favorably with that of the progressive business organizations of the community." So far as possible, the offices are to be organized into divisions on an occupational basis, as has been done in the demonstration state-city offices in Philadelphia, Rochester, St. Paul, Milwaukee and Dubuque (see Survey Graphic, February 1933, page 87), and in the few and scattered offices, notably those of Cleveland and Milwaukee, which have established and maintained competent public employment service without the help of foundation grants. Comfortable clean waiting-rooms, private interview rooms, ordinary business courtesy in dealing with applicants for jobs or for workers seem simple and obvious provisions. How much of an improvement they mean in public employment service as we have for the most part known it in this country can perhaps be appreciated only by visiting an "old style" office, and learning at first hand how dirty, ill-equipped and mismanaged such a place can be.

The division is for the first year emphasizing the importance of sound structure, urging state services to "strengthen what you have," rather than build up to get the number of offices or the range of activities. It is also stressing personnel standards—education, training and experience; and the establishment of a training center in each state.

The chief concern of the USES, as of other organizations, is with the human beings through whom principle must be translated into performance. A few hold that the present educational minimum, "highschool graduation or its equivalent," is too high. Miss LaDame states that experience both in this country and abroad indicates that education is more important than craft skill in employment office personnel. "A broad background and an objective point of view," she says, "has proved more helpful in meeting employers or employees, helping define their problems and trying to cooperate in solving them than that which is confined to a particular trade or employment."

The personnel records of all the present employees in the affiliated State Services have been analyzed and those employees listed as meeting standards, not meeting standards, or furnishing incomplete information. "But this analysis," Miss LaDame points out, "is not enough. Too many factors slip in between lists of qualifications. Some type of objective test, written and oral, is essential. The problem is one of personality as well as training and experience. But how, for example, to test for a liberal and forward-looking point of view?"

But while the pose philosophic questions, Miss LaDame goes ahead with practical attempts to "see what can be done." Men and women who have given a large share of their working lives to employment service and who are protected in their present positions by civil-service status are in many instances the opportunity to acquaint themselves with modern principles and methods. A number of these seasoned workers welcome the chance to bring themselves abreast of the times and are proving effective members of new teams. Others resist any change in accustomed routine, lead themselves to political manipulation and continue their handicap to the development of the service. A simpler problem is the selection and training of new staff members. One office in each state is to offer instruction in employment service principles, and in occupational requirements and trends, and also practice, under competent supervision, in interviewing, record-keeping, making employer contacts, and other techniques.

In shaping the new structure as well as in the refinement of practices to follow, there must be some means of determining whether standards are maintained and plans carried through. To this end, the operations division is developing what for want of a better name they call a "compliance survey," a checking of actual performance by the headquarters staff in cooperation with state and local administrators. Experimental surveys of New Jersey and Connecticut are under way, and on the basis of this experience, quick evaluations of the rest of the affiliated state services will be made. Based on compliance surveys and periodic "progress reports" of finances and activities, constructive suggestions will be offered the state services.

In line with the plan to integrate NRS with USES, Dr. Stead's division in December took over responsibility for the statistical side of the whole employment service. All the hundreds of Reemployment Offices, ranging from large departmentalized units in big cities to informal placement centers in country stores, were from the beginning instructed in uniform methods of record-keeping and supplied with cards and forms. It was soon found that the pressure of registration was interfering with this phase of the program and that there was danger that an opportunity to collect invaluable data on employment and unemployment would be lost. Dr. Stead "sold" to CWA the plan of having a statistical clerk in every NRS office, with a statistical unit at each state headquarters. In Washington, arrangements were made to check and tabulate the material sent in by the states. The scheme was not only to handle current reports but to obtain and analyze information from the registration cards filed before the project was launched. With CWA keeps and wages up, it has become necessary to delay for a time the second part of the plan and to depend on weekly-by-week figures of registration, referral and placement.

A weekly report form is being used by all local and state offices of USES and NRS. The affiliated services of New Jersey and Minnesota are experimenting with a daily report, tabulated in the state centers, and the same form is being used by scattering cities, including Philadelphia, Albany and Cleveland. The Monthly Labor Review, published by the US Bureau of Labor Statistics, will hereafter carry a section of USES figures and news. Once the heavy task of compiling and analyzing the NRS registration records is con-
p leted, the plan is for a relatively small statistical unit which, as Dr. Stead expresses it, "will serve as a way-station between the employment offices and the Bureau of Labor Statistics."

The Standards and Research division is also responsible for research in the employment-service field. Two research projects have been outlined. The first will attempt to supply our present lack of knowledge of the tasks actually performed in industry. At present more than one thousand occupational listings are used, but with no very clear notion of what they mean in actual job experience and requirements. The need is for a comparatively few groups, cutting across many industries. Thus Group A might include one hundred jobs in thirty industries, all alike in requiring one hand-skill. Today, Jim Allen registers at an employment office as an X-machine operator. The very fact that he is so registered may indicate a meager demand for X-machine operators. The placement question to be answered is: for what other job is Allen fitted by his training and experience on X-machines? The Civil Service has a direct interest in such a project; so has the Census. The process of analysis and definition is to be built around the training and demonstration centers of the USES, supervised by a technical committee named by the Social Science Research Council. One of the foundations is ready to supplement public money with a grant for the project. Though widely commented, the project will not be launched without the President’s approval. The plans are now on his desk.

The second project will take the results of the first, and study successfully employed individuals in each group, trying to define minimum standards in training and experience. The National Research Council has agreed to engineer this undertaking, with foundation funds to help finance it. As the study progresses, "laboratories" will probably be established in four or five strategic employment offices to check results under actual placement conditions.

At every point the plans for standards and research are being measured in terms of public employment office experience—the day by day needs of employers and workers, and the long-range effort toward an orderly labor market for the country as a whole. Special provisions for ex-service men and for farm labor are required of the USES under the Act creating it. Mr. Persons has so far continued farm placement as a semi-independent unit within the larger framework. The service has headquarters in Kansas City, with regional offices in Jackson, Miss., Fargo, N. D., Los Angeles, Fort Worth, El Paso and San Antonio. Its functions are to survey and predict demands for farm labor; get information about reported jobs, including location of work, product, duration, wage rates, working and living conditions; to organize information as to available farm labor and forward it to employment offices in the territory; to devise means of transposing workers to jobs without delay or unnecessary expense; to encourage farm communities to regularize and balance their labor demands; to minimize useless job-hunting. Temporary special agents will be sent to areas of high seasonal labor demands. A study of farm placement is being made in North Carolina, to gather facts on the changing demand for farm help due to the return of many city workers to the land, reduced crop acreage, the effect of the hard times on the amount of labor being hired and the arrangement—money wage, share-cropping, cash tenancy—most favored.

Placement service for veterans, as Mr. Persons sees it, calls for an opposite approach. Hitherto, veterans’ placement had been developed as a series of independent offices, often in competition with more general offices, and never functioning beyond the limits of the local community. The new and wholly experimental scheme is to have ex-service men register at the general offices in the division appropriate to their skills and experience, and to have a veterans’ placement representative for the state as a whole. This staff member will move from office to office, supervising the registration, referral and placement of former army and navy men, and also visiting local Legion posts and similar organizations, giving information about the employment service and enlisting their cooperation in facilitating the placement of veterans. This means that instead of a few scattered and purely local offices handling the employment problems of ex-service men in their respective communities, an office gives his full time to employment service to veterans of that state. Reports on the plan to date are encouraging.

Advisory councils, national, state and local, play an important part in the scheme of the employment service. The national council of which Robert Maynard Hutchins, president of the University of Chicago, is chairman, has as vice-chairmen William Green of the American Federation of Labor, Henry L. Hartman of the US Chamber of Commerce and Senator Robert F. Wagner. Its 60 members include 15 employers, 15 representatives of labor and 30 "others." The council meets semi-annually; its executive committee of 10 members more frequently. Special committees on vocational rehabilitation, farm placement and veterans’ service have been organized, and others will probably be added. The state and local councils, smaller in membership are similar in make-up. They thrash out problems of policy, help in place the service into the community life, and deal with such local problems as race relations, and coordination with other public and private agencies. The entire service looks to these citizen groups for guidance and backing in answering the most critical question that confronts it: whether employment placement can be carried on effectively as a public service. Here is a problem that is rooted in our whole American experience with democracy in local, state and national affairs. As with other public agencies, whatever devices are adopted to safeguard the Employment Service from manipulation for selfish ends—personnel and work standards, civil-service examination, special training, careful records—can be effective only if they are backed by public understanding and support.

The US Employment Service in the few months of its existence, under the handicap of emergency demands that put an almost incredible strain on new machinery, has won its way in states and local communities. American experience, scattered and brief as it has been, has reinforced the opinion of other countries that only such a mechanism makes possible a systematized labor market and the orderly movement of workers from slack to busy seasons, trades and communities. A nation-wide network of employment services is fundamental to whatever schemes of public works and unemployment insurance we set up, out of our bitter depression experience, to help us on the road to recovery, and to forestall and ease in future such ordeals as we have undergone in the past few years. That real gains in enacting legislation, state as well as federal, and in standards of administration seem likely to come out of the depression is reason for renewed hope that "the direction is upward."