

CONTROLLING RETAILERS

A Study of Cooperation and Control in the Retail Trade
With Special Reference to the NRA

BY

RUTH PRINCE MACK

SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS
FOR THE DEGREE OF DOCTOR OF PHILOSOPHY
IN THE
FACULTY OF POLITICAL SCIENCE
COLUMBIA UNIVERSITY

No. 423 in the "Studies in History, Economics and
Public Law" of Columbia University.

NEW YORK
1936

14122
COPYRIGHT, 1936

BY

COLUMBIA UNIVERSITY PRESS

PRINTED IN THE UNITED STATES OF AMERICA

..

*To my parents this house,
built, like the first,
with hammer and saw.*

PREFACE

THIS book traces the reactions of retailers to experiments in the social control of merchandising.

My interest in this subject can be traced to a seminar in which Professor Wesley C. Mitchell developed the thought that basic to any economic theory were explicit or implicit assumptions about human nature. I was anxious to undertake a case study—to view the actual behavior of business men in order to learn what assumptions could properly be made concerning their economic nature and, conversely, to see the full implications of these assumptions when reflected in a pattern of action. An analysis of this kind would necessitate a detailed study of a particular group of men at work in their characteristic milieu.

An opportunity to undertake such a study occurred when, through the courtesy of Grover H. Whalen, I obtained a position on the staff of the Retail Code Authority—City of New York. The winter at the Authority provided understanding, in terms of specific cases, of the problems with which the Retail Code dealt; innumerable interviews, much reading and statistical analysis afforded further insight into the way in which the Code seemed to have operated. The story developed thru these investigations is the subject of this book.

This story falls into five major sections. Part I deals with the history of government control and cooperation among retailers prior to the summer of 1933; it examines the way in which retail cooperation developed, what type of needs it answered, the method by which it grew, and the stage of development which it had reached when the NIRA

became law; in short it pictures the attitudes, customs, and institutions inherited by those retailers who were the actors in the NRA experiment. The next section tells the story of the drafting of the Retail Code; here we are interested in the outlines of the battle of wits waged by proponents of conflicting opinions or opposed interests and the means by which agreement was achieved. Part III presents the problems and processes of Code administration; in this section we aim to discover the way in which the actions of the men administering the law and of the men who were the subjects of regulation conditioned the problem of administration. In Part IV we survey the terrain: what were the changes in the status of the retail employee, the retailer, the previously existing group relations, which occurred during the lifetime of NRA; how did the law in practice relate to the law on paper? In the concluding section we attempt to proceed from the particular to the general: does the story of retailer cooperation and behavior under the Code develop any pattern of a sufficiently generalized nature to possess at least partial applicability to other fields of business enterprise or to other attempts at trade regulation?

A limited number of assumptions are necessary to the analysis. I have assumed that the vague purposes of NRA—the promotion of the public interest, or more specifically, the improvement of the general standard of living and the reduction of insecurity and waste—are good objectives in a capitalist economy. I believe this to be true. But I have gone farther: the analysis in the first four Parts starts with an uncritical acceptance of the methods by means of which the NRA sought to achieve the public interest—minimum wages, shortened hours, the regulation of trade practices and prices; the machinery designed to embody these methods is then examined in order to determine how it operated; criticism in the final section is based on the conclusion that the

methods were bad because the machinery did not, in fact could not, work, the plan was based on inadequate historical insight. The framework on which this book was constructed was dictated by the belief that a plan for society typically calls for a blueprint of the kind of person of which society is to be composed. The failure of planned societies is most likely to result not from deficiency in the theory of the scheme nor even typically because people simply violate the regulations but because the inevitable interstices and leeways which must exist in any plan are utilized by individuals in the direction which they, equipped with an inherited ideology, think profitable.

But the approach which has been followed gives rise to several difficulties. In the first place, since my purpose has been to trace the social implication of individual behavior, the study is of necessity detailed and therefore long; summaries could not be used to abbreviate the discussion but only to clarify it. In the second place, the conclusions are largely negative—the plan was unrealistic, the job was impossible to perform. Negative criticism, since it is notoriously easy to find fault, is always suspect. Yet it seems to me that one can only follow where the evidence leads. If a task is not feasible, if moreover there are actual dangers in undertaking it, then realization of the futility avoids costly error. But analysis provides a basis not only for total acceptance or rejection but also for the selection of the workable from the unworkable in order that the former might conceivably be rearranged in a new pattern. In the third place, the method that has been adopted has made it necessary to tell the story from a point of view sympathetic to NRA. This may give the impression that people who worked in harmony with the National Recovery Administration were "good" and those who opposed it "bad." It

should be noted, however, that such an evaluation ignores the further question of whether the NRA itself was "good" or "bad". Moreover, the judgment refers to actions and not to motives. Altruistic motives might conceivably have been responsible for acts which either furthered or hindered the progress of NRA, as could selfish motives. In this analysis we are interested in the social consequences of individual behavior, we are interested in motives, but we are not concerned with ethical evaluation. We wish simply to discover how people act, not to judge how they ought to act. We are inquiring into the influence of their aggregate behavior on an attempt to regulate economic life.

A book of this kind obviously could not have been written without a great deal of assistance from a great many people. It has benefited, in the first place, from the constant and ingenious aid of my husband, Edward C. Mack; his careful reading of the manuscript at two stages of preparation is responsible for a considerable portion of whatever clarity the book may have. To the many others who through their un-failing helpfulness have made it possible to obtain the information necessary to the study I owe a large debt of gratitude. I name a few to whom I am especially indebted: Dr. Isador Lubin, Commissioner of Labor Statistics, Mr. H. J. Kenner, Director of the New York Better Business Bureau, Mr. Channing E. Sweitzer, Managing Director of the National Retail Dry Goods Association, Mr. Richard M. Neustadt, Managing Director of the National Retail Code Authority and his two assistants, Mr. Hollander and Mr. Raffa, Dr. A. Howard Myers, Executive Secretary of the National Labor Relations Board, Mr. Joel Berrall, staff representative on the Retail Code of the Labor Advisory Board, Professor Kenneth Dameron, who was generous with both information and valuable criticism.

Members of the Faculty of Political Science of Columbia University have helped me with this work through contributions both general and specific. To Professor James W. Angell I am indebted for crucial training; he gave me tools with which to work and the wish to use them. Professors Samuel McCune Lindsay, Paul Nystrom, Leo Wolman, Karl N. Llewellyn and Arthur R. Burns have read the manuscript and offered criticism of essential value. Professor R. S. Alexander read the book in first draft and throughout the work gave me the benefit of his insight into the problems with which I was dealing. To Professor Wesley Clair Mitchell, under whom the dissertation was written, I am indebted for sustaining encouragement and criticism. But in addition, and of precious worth, consultation with him has afforded me the opportunity to gain at first hand an appreciation of standards of scientific work and of the invigorating discipline which those standards impose upon the scientist.

TABLE OF CONTENTS

PAGE

PART I

PRE-CODE COOPERATION AND CONTROLS

CHAPTER I. INTRODUCTORY	17
Section I. The Retail Trade	19
Section II. Agencies of Cooperation	26
CHAPTER II. UNFAIR METHODS OF COMPETITION	31
Section I. The Growth of the Concept of Unfairness	31
Definition by Law	31
Definition by Trade	35
Section II. The Concept of the Term "Unfair" in Retailing.	39
Price	40
Quality	43
Purchaseability	44
Section III. Sanctions	46
Section IV. Evaluation	53
Accomplishments of the Fair Practice Movement	53
The Public Interest in Fair Competition	55
CHAPTER III. RETAILER AND CONSUMER	61
Section I. Uneconomic Practices	63
Section II. Support for Prices	68
Adequate Markup	68
Profitless Selling	71
Section III. Evaluation	74
The Public Interest	75
Organization of Consumer Interest	75
CHAPTER IV. RETAILER AND RESOURCES	80
Section I. Cooperation in Trade Relations	82
Consultation between Buyer and Seller	84
Association Activity	86
Inter-group Conference	87
Section II. Legislation	90
Section III. Evaluation	95
CHAPTER V. RETAILER AND GOVERNMENT	97
Section I. The Work	97
Section II. Evaluation	100

	PA-
CHAPTER VI. RETAILER VS. FACTORS OF PRODUCTION	11
Section I. Advertising	10
Section II. Employer-Employee Relations	10
The Employers' Side: Wages as a Business Cost	10;
The Employees' Side: Wages as Income	111
Minimum Wage Legislation	112
Summary	117
CHAPTER VII. SERVICES SUPPLIED THROUGH COOPERATION.	119
Section I. Propaganda	119
Section II. Services Supplied by Various Groups	120
Section III. The Public Interest	127
CHAPTER VIII. SUMMARY	128

PART II

THE GENESIS OF THE CODE

CHAPTER I. THE NATIONAL INDUSTRIAL RECOVERY ACT	135
Section I. Drafting the NIRA	136
Section II. The National Industrial Recovery Act.	145
CHAPTER II. THE PROCESS OF CODE DRAFTING	150
Section I. Whether to Have a Code	150
Section II. First Thoughts on Code Content	155
Section III. Negotiation	161
Retailers	163
The Government	168
CHAPTER III. CODE CLAUSES	172
Section I. Labor	172
Maximum Work Week	172
Minimum Wage	179
Section II. Trade Practice	183
Section III. Loss Limitation	188
Section IV. Administration	198
Section V. Finale	200
Section VI. Summary	201

PART III

CODE ADMINISTRATION

CHAPTER I. ADMINISTRATIVE AGENCIES	209
Section I. Government Machinery	210
Section II. Trade Machinery	213
Section III. Code Jurisdiction	219

TABLE OF CONTENTS

13

	PAGE
CHAPTER II. COMPLIANCE	225
Section I. Compliance Procedure	225
The Question of Representation	227
Complaints on Reference	231
Section II. Enforcement of Labor Clauses	233
The Compliance Problem	234
Adjusting Complaints	241
Summary	255
Section III. Trade Practice	257
Section IV. Loss Limitation	261
CHAPTER III. CODE MODIFICATION	265
Section I. Interpretation	265
Procedure	266
Premiums and "Free" Gifts	267
Professionals	279
Wages Above the Minimum	284
Section II. Exceptions	293
Section III. Amendments	296
Section IV. Evaluation	300
CHAPTER IV. ADMINISTRATIVE MACHINERY AND THE PUBLIC INTEREST	304
Section I. NRA as Guardian of the Public Interest	305
Section II. The Code Authority as Guardian of the Public	310

PART IV

THE RETAIL TRADE UNDER THE NRA

CHAPTER I. LABOR CLAUSES IN THEORY	319
Section I. Child Labor	320
Section II. Wage Differentials	322
Minimums Under the Code	322
Cost of Living and Wage Differentials	329
Ability to Pay	336
Summary	344
Section III. Store Wage Structure	348
Employees Who Work for Sub-minimum Wages	348
The Incidence of Code Minimums	361
Section IV. Hours of Work	367
CHAPTER II. LABOR CLAUSES IN PRACTICE	372
Section I. Employment	372
Employment Changes in 1933	372
Employment Changes 1932-1935	374
Geographic Differences	378

	PAGE
Variation in Different Groups of Stores	379
Summary	381
Section II. Wages	383
Wage Rate Changes in the Retail Trade	384
Geographic Differentials	386
General Merchandise Stores <i>vs.</i> Other Than General Mer- chandise Stores	387
Department and Dry Goods Stores	389
Variety Stores	396
Other Than General Merchandise Groups	399
Section III. Summary	403
CHAPTER III. THE EMPLOYER AND HIS CUSTOMER	411
Section I. The Setting: Sales and Transaction	412
Sales	412
The Number of Transactions	417
Section II. Profits	422
Section III. Operating Expenses	424
Section IV. Gross Margin	428
Evidence of Increased Margin	428
Moving Prices	430
Section V. Summary	440
CHAPTER IV. GROUP RELATIONSHIPS	443
Section I. Unfair Competition	443
Summary	451
Section II. Retailer—Consumer	454
Section III. Retailer—Resource	464
The Line Up	471
The Outcome	473
Summary	478
Section IV. Employer—Employee	480
Section V. Retailer—Government	487
Section VI. Summary	493

PART V

CONCLUSION

CHAPTER I. THE RETAIL CODE	497
CHAPTER II. CENTRAL REGULATION OF INDUSTRY AND TRADE. 501	501
Section I. The Control Problem	502
Section II. Control Techniques	505
Spontaneous Harmony	505
Pressures	510
Enforcement Agencies	515
Section III. Submission to Restrictive Measures	516
INDEX	541

APPENDIX

NATIONAL RECOVERY ADMINISTRATION

CODE OF FAIR COMPETITION

FOR THE RETAIL TRADE

AS APPROVED ON OCTOBER 21, 1933

BY

PRESIDENT ROOSEVELT

CODE OF FAIR COMPETITION FOR THE RETAIL TRADE

To effectuate the policies of Title I of the National Industrial Recovery Act the following provisions are established as a Code of Fair Competition for the Retail Trade.

ARTICLE I. APPLICATION OF CODE

SECTION 1. *Application of Code.*—The provisions of this Code, except such provisions as are included in Schedule A annexed hereto and in such other schedules as may subsequently be approved and annexed hereto, and except as hereinafter specifically provided, shall apply to all retailers and/or retail establishments engaged in the retail trade as defined in Article II hereinafter. The provisions of Schedule A and such other schedules as may subsequently be annexed hereto shall apply only to those retailers and/or retail establishments as are specifically included within the provisions of such schedules.

SECTION 2. *Request for separate Code.*—Any division of the retail trade which has not participated in the formation or establishment of this Code may make application to the Admin-

istrator to operate under a separate Code of Fair Competition. The Administrator shall determine whether such division of the retail trade shall operate under this Code or under a separate Code, and may, if justice requires, stay the application of this Code to such division pending his decision or pending the approval by the President of the United States of a Code of Fair Competition for such division.

ARTICLE II. DEFINITIONS

SECTION 1. *Retail trade.*—The term "retail trade" as used herein shall mean all selling of merchandise to the consumer and not for purposes of resale in any form, in the continental United States excluding the Panama Canal Zone. It is provided, however, that the term shall not include the selling at retail of milk and its products, tobacco and its products, and foods and food-stuffs, or the dispensing of drugs, medicines, and medical supplies by a physician, dentist, surgeon or veterinarian in the legitimate practices of his profession; and it is further provided that the term shall not include any division of retail selling (except the selling of drugs and allied products) which is now or may hereafter be governed by a separate Code of Fair Competition approved by the President of the United States.

SECTION 2. *Retailer.*—The term "retailer" as used herein shall mean any individual or organization engaged wholly or partially in the retail trade.

SECTION 3. *Establishment.*—The term "establishment" as used herein shall mean any store or department of a store, shop, stand, or other place where a retailer carries on business, other than those places where the principal business is the selling at retail of products not included within the definition of retail trade. The term is also used herein to refer to the retailer who carries on business in such establishments.

SECTION 4. *Employee.*—The term "employee" as used herein shall mean any person employed by any retailer but shall not include persons employed principally in the selling at retail of products not included within the definition of retail trade.

SECTION 5. *Definitions of personnel.*—(a) Executive: The term "executive" as used herein shall mean an employee responsible for the management of a business or a recognized subdivision thereof.

(b) Professional person: The term "Professional person" as used herein shall mean lawyers, doctors, nurses, research technicians, advertising specialists, and other persons engaged in occupations requiring a special discipline and special attainments.

(c) Outside salesman: The term "outside salesman" as used herein shall mean a salesman who is engaged not less than sixty (60) percent of his working hours outside the establishment, or any branch thereof, by which he is employed.

(d) Outside collector: The term "outside collector" as used herein shall mean a collector of accounts who is engaged not less than sixty (60) percent of his working hours outside the establishment, or any branch thereof, by which he is employed.

(e) Watchmen and guards: The terms "watchmen" and "guards" as used herein shall mean employees engaged primarily in watching and safeguarding the premises and property of a retail establishment.

(f) Store detective: The term "store detective" as used herein shall mean an employee engaged exclusively in detective work.

(g) Maintenance employee: The term "maintenance employee" as used herein shall mean an employee essential to the upkeep and / or preservation of the premises and property of a retail establishment.

(h) Outside service employee: The term "outside service employee" as used herein shall mean an employee engaged primarily in delivering, installing, or servicing merchandise outside the establishment, and shall include stable and garage employees.

(i) Junior employee: The term "junior employee" as used herein shall mean an employee under eighteen (18) years of age.

(j) Apprentice employee: The term "apprentice employee" as used herein shall mean an employee with less than six (6) months' experience in the retail trade.

(k) Part-time employee: The term "part-time employee" as used herein shall mean an employee who works for less than the maximum work week.

SECTION 6. *South*.—The term "South" as used herein shall mean Virginia, West Virginia, Maryland, North Carolina, South Carolina, Georgia, Florida, Kentucky, Tennessee, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, New Mexico, Texas, and the District of Columbia.

SECTION 7. *Population*.—Population shall be determined by reference to the Fifteenth Census of the United States (U. S. Department of Commerce, Bureau of Census, 1930).

ARTICLE III. EFFECTIVE DATE

The effective date of this Code shall be the second Monday after its approval by the President of the United States.

ARTICLE IV. GENERAL LABOR PROVISIONS

SECTION 1. *Collective bargaining*.—(a) Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection.

(b) No employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing, or assisting a labor organization of his own choosing.

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

SECTION 2. *Child labor*.—On and after the effective date of this Code, no person under the age of sixteen (16) years shall be employed, except that persons fourteen (14) and fifteen (15) years of age may be employed either—

(a) for a period not to exceed three (3) hours per day on six (6) days per week, or

- (b) for one day per week, such day not to exceed eight (8) hours.

In either case, all such hours of work shall be between 7 A. M. and 7 P. M. and shall not conflict with the employees' hours of day school. It is provided, however, that no person under the age of sixteen (16) years shall be employed in delivering merchandise from motor vehicles.

It is further provided that where a State law prescribes a higher minimum age no person below the age specified by such State law shall be employed within such State.

ARTICLE V. STORE HOURS AND HOURS OF LABOR

SECTION I. *Basic store and working hours.*—On and after the effective date of this Code establishments in the retail trade shall elect to operate upon one of the following schedules of store hours and hours of labor:

Group A.—Any establishment may elect to remain open for business less than fifty-six (56) hours but not less than fifty-two (52) hours per week, unless its store hours were less than fifty-two (52) hours prior to June 1, 1933, in which case such establishment shall not reduce its store hours; no employee of these establishments shall work more than forty (40) hours per week, nor more than eight (8) hours per day, nor more than six (6) days per week.

Group B.—Any establishment may elect to remain open for business fifty-six (56) hours or more per week but less than sixty-three (63) hours per week; no employee of such establishment shall work more than forty-four (44) hours per week, nor more than nine (9) hours per day, nor more than six (6) days per week.

Group C.—Any establishment may elect to remain open for business sixty-three (63) hours or more per week; no employee of such establishment shall work more than forty-eight (48) hours per week, nor more than ten (10) hours per day, nor more than six (6) days per week.

No employee shall work for two or more establishments a greater number of hours, in the aggregate, than he would be permitted to work for that one of such establishments which operates upon the lowest schedule of working hours.

No employee not included in the foregoing paragraphs, and not specifically excepted hereinafter, shall work more than forty (40) hours per week, nor more than eight (8) hours per day, nor more than six (6) days per week.

SECTION 2. *Schedule of hours to be posted.*—On or within one week after the effective date of this Code every retail establishment shall designate under which of the Groups set forth in the preceding Section it elects to operate and shall post and maintain in a conspicuous place in the establishment a copy of such election showing its store hours and employee working hours.

SECTION 3. *Changes in store hours and employee working hours.*—

(a) No establishment may change from the Group in which it has elected to operate except upon December 31 of every year.

(b) Any establishment, however, may at any time increase its store hours, provided it maintains the basic employee work week of the Group in which it originally elected to operate.

(c) Any establishment may, for a period not to exceed three (3) months during the Summer, temporarily reduce its store hours, but the weekly wages of its employees shall not on that account be reduced.

SECTION 4. *Exceptions to maximum periods of labor.*—

(a) *Professional persons, outside salesmen, outside collectors, watchmen, guards, and store detectives.*—The maximum periods of labor prescribed in Section 1 of this Article shall not apply to professional persons employed and working at their profession, or to outside salesmen, outside collectors, watchmen, guards, and store detectives.

(b) *Maintenance and outside service employees.*—The maximum periods of labor prescribed in Section 1 of this Article shall not apply to maintenance and outside service employees; but such employees shall not work more than six (6) hours per

week above the maximum hours per week otherwise prescribed by Section 1 unless they are paid at the rate of time and one-third for all hours over such additional six (6) hours per week.

(c) *Executives.*—Subject to the conditions set forth in Section 5 of this Article, executives receiving \$35.00 or more per week in cities of over 500,000 population, or receiving \$30.00 or more per week in cities of 100,000 to 500,000 population, or receiving \$27.50 or more per week in cities of 25,000 to 100,000 population, or receiving \$25.00 or more per week in cities, towns, villages, and other places under 25,000 population, may work in excess of the maximum periods of labor prescribed in Section 1 of this Article. In the South executives paid not less than ten (10) per cent below the wages just specified may work in excess of such maximum periods.

(d) *Peak periods.*—At Christmas, inventory, and other peak times, for a period not to exceed two (2) weeks in the first six (6) months of the calendar year and not to exceed three (3) weeks in the second six (6) months, an employee whose basic work week is forty (40) hours may work not more than forty-eight (48) hours per week and nine (9) hours per day; an employee whose basic work week is forty-four (44) hours may work not more than fifty-two (52) hours per week and nine and one-half (9½) hours per day; an employee whose basic work week is forty-eight (48) hours may work not more than fifty-six (56) hours per week and ten (10) hours per day. All such work may be without the payment of overtime.

SECTION 5. *Limitation upon number of persons working unrestricted hours.*—Notwithstanding the provisions of the foregoing sections of this Article, and regardless of the number of persons otherwise permitted to work unrestricted hours, the total number of workers in any establishment (whether such workers are executives, proprietors, partners, persons not receiving monetary wages, or others) who shall be permitted to work unrestricted hours shall not exceed the following ratio: In establishments comprised of twenty (20) workers or less the total number of workers who may work unrestricted hours (not in-

cluding those workers specified in Section 4 (a) of this Article) shall not exceed one worker for every five (5) workers or fraction thereof; in establishments comprised of more than twenty (20) workers the total number of workers who may work unrestricted hours (not including those workers specified in Section 4 (a) of this Article) shall not exceed one worker for every five (5) workers for the first twenty (20) workers, and shall not exceed one worker for every eight (8) workers above twenty (20).

SECTION 6. *Hours of work to be consecutive.*—The hours worked by any employee during each day shall be consecutive, provided that an interval not longer than one hour may be allowed for each regular meal period, and such interval not counted as part of the employee's working time. Any rest period which may be given employees shall not be deducted from such employee's working time.

SECTION 7. *Extra working hour on one day a week.*—On one day each week employees may work one extra hour, but such work is to be included within the maximum hours permitted each week.

SECTION 8. *Conflict with State laws.*—When any State law prescribes for any class of employees shorter hours of labor than those prescribed in this Article, no employee included within such class shall be employed within such State for a greater number of hours than such State law allows.

ARTICLE VI. WAGES

SECTION 1. *Basic schedules of wages.*—On and after the effective date of this Code, the minimum weekly rates of wages which shall be paid for a work week as specified in Article V—whether such wages are calculated upon an hourly, weekly, monthly, commission, or any other basis—shall, except as hereinafter provided, be as follows:

(a) *Within cities of over 500,000 population*, no employee shall be paid less than at the rate of \$14.00 per week for a forty (40) hour work week, or less than at the rate of \$14.50 per

week for a forty-four (44) hour work week, or less than at the rate of \$15.00 per week for a forty-eight (48) hour work week.

(b) *Within cities of from 100,000 to 500,000 population*, no employee shall be paid less than at the rate of \$13.00 per week for a forty (40) hour work week, or less than at the rate of \$13.50 per week for a forty-four (44) hour work week, or less than at the rate of \$14.00 per week for a forty-eight (48) hour work week.

(c) *Within cities of from 25,000 to 100,000 population*, no employee shall be paid less than at the rate of \$12.00 per week for a forty (40) hour work week, or less than at the rate of \$12.50 per week for a forty-four (44) hour work week, or less than at the rate of \$13.00 per week for a forty-eight (48) hour work week.

(d) *Within cities, towns, villages of from 2,500 to 25,000 population*, the wages of all classes of employees shall be increased from the rates existing on June 1, 1933, by not less than twenty (20) percent, provided that this shall not require an increase in wages to more than the rate of \$11.00 per week and provided further that no employee shall be paid less than at the rate of \$10.00 per week.

(e) *Within towns, villages, and other places with less than 2,500 population*, the wages of all classes of employees shall be increased from the rates existing on June 1, 1933, by not less than twenty (20) percent, provided that this shall not require an increase in wages to more than the rate of \$10.00 per week.

The minimum wages paid to professional persons, outside salesmen, outside collectors, watchmen, guards, store detectives, and maintenance and outside service employees shall be upon the basis of the basic employee work week upon which the establishment by which they are employed has elected to operate.

The minimum wages of any employee not included in the foregoing paragraphs and not specifically excepted hereinafter shall be upon the basis of a forty (40) hour work week.

SECTION 2. *Juniors and apprentices.*—Junior and apprentice employees may be paid at the rate of \$1.00 less per week than the minimum wage otherwise applicable; it is provided, how-

ever, that no employee shall be classified both as a junior and as an apprentice employee, and it is further provided that the number of employees classified as junior and as apprentice employees, combined, shall not exceed a ratio of one such employee to every five employees or fraction thereof up to twenty (20), and one such employee to every ten (10) employees above twenty (20).

SECTION 3. *Southern wage differential.*—In the South, within cities of over 25,000 population, the minimum wages prescribed in the foregoing sections may be at the rate of \$1.00 less per week; within cities, towns, and villages of from 2,500 to 25,000 population the wages of all classes of employees shall be increased from the rates existing on June 1, 1933, by not less than twenty (20) percent, provided that this shall not require an increase in wages to more than the rate of \$10.00 per week, and provided further than no employee shall be paid less than at the rate of \$9.00 per week except as provided in Section 2 of this Article; within cities, towns, villages, and other places under 2,500 population the wages of all classes of employees shall be increased from the rates existing on June 1, 1933, by not less than twenty (20) percent, provided that this shall not require an increase in wages to more than the rate of \$9.00 per week.

SECTION 4. *Part-time employees.*—Part-time employees shall be paid not less than at an hourly rate proportionate to the rates prescribed in the foregoing sections of this Article.

SECTION 5. *Weekly wages above minimum not to be reduced.*—The weekly wages of all classes of employees receiving more than the minimum wages prescribed in this Article shall not be reduced from the rates existing upon July 15, 1933, notwithstanding any reduction in the number of working hours of such employees.

SECTION 6. *Conflict with State laws.*—When any State law prescribes for any class of employees of either sex a higher minimum wage than that prescribed in this Article, no employee of such class of either sex employed within that State shall be paid less than such State law requires.

ARTICLE VII. LIMITATIONS UPON PRICE INCREASES;
PRIOR CONTRACTS

SECTION 1. *Limitation upon price increases.*—No retailer shall increase the price of any merchandise sold after the effective date of this Code over the price existing June 1, 1933, by more than is made necessary by the amount of increases in production, operating, replacement, and / or invoice costs of merchandise, and / or by taxes or other costs resulting from action taken pursuant to the National Industrial Recovery Act and / or the Agricultural Adjustment Act since June 1, 1933, and in setting such price increases retailers shall give full weight to probable increases in sales volume. It is provided, however, that if any price on June 1, 1933, was a distress price, an equitable adjustment may be made.

SECTION 2. *Adjustment of prior contracts.*—Where costs of executing contracts entered into before June 16, 1933, by any retailer for the purchase of goods at fixed prices for delivery during the duration of this Code are increased by the application of the provisions of the National Industrial Recovery Act and / or the Agricultural Adjustment Act, it is deemed equitable and promotive of the purposes of the Act that appropriate adjustments of such contracts to reflect such increased costs, actually incurred be arrived at by mutual agreement or arbitral proceedings or otherwise, and the National Retail Trade Council provided for in Article I hereinafter is constituted an agency to assist in effecting such adjustments.

ARTICLE VIII. LOSS LIMITATION PROVISION

SECTION 1. *Loss limitation provision.*—In order to prevent unfair competition against local merchants, the use of the so-called "loss leader" is hereby declared to be an unfair trade practice. These "loss leaders" are articles often sold below cost to the merchant for the purpose of attracting trade. This practice results, of course, either in efforts by the merchant to make up the loss by charging more than a reasonable profit for other articles, or else in driving the small merchant with little

capital out of legitimate business. It works back against the producer of raw materials on farms and in industry and against the labor so employed.

1. This declaration against the use of "loss leaders" by the storekeeper does not prohibit him from selling an article without any profit to himself. But the selling price of articles to the consumer should include an allowance for actual wages of store labor, to be fixed and published from time to time by the Trade Authority hereinafter established.

2. Such an allowance for labor need not be included in the selling price of any article of food, or be applied by storekeepers doing business only in communities of less than 2,500 population (according to the 1930 Census) which are not part of a larger trade area.

Provided, however, That any retailer may sell any article of merchandise at a price as low as the price set by any competitor in his trade area on merchandise which is identical or essentially the same, if such competitor's price is set in conformity with the foregoing provision. A retailer who thus reduces a price to meet a competitor's price as above defined shall not be deemed to have violated the provisions of this section if such retailer immediately notifies the nearest representative retail trade organization of such action and all facts pertinent thereto.

SECTION 2. *Exceptions.*—(a) Notwithstanding the provisions of the preceding Section, any retailer may sell at less than the prices specified above, merchandise sold as bona fide clearance, if advertised, marked, and sold as such; highly perishable merchandise, which must be promptly sold in order to forestall loss; imperfect or actually damaged merchandise, or bona fide discontinued lines of merchandise, if advertised, marked, and sold as such; merchandise sold upon the complete final liquidation of any business; merchandise sold in quantity on contract to public carriers, departments of government, hospitals, schools and colleges, clubs, hotels, and other institutions, not for resale and not for redistribution to individuals; merchandise sold or donated for charitable purposes or to unemployment

relief agencies; and drugs or drug sundries sold to physicians, nurses, dentists, veterinarians, or hospitals.

(b) Nothing in the provisions of the preceding Section shall be construed to prevent bona fide farmers' associations engaged in purchasing supplies and / or equipment for their membership from making patronage refunds to their membership.

(c) Where a bona fide premium or certificate representing a share in a premium is given away with any article the base upon which the minimum price of the article is calculated shall include the cost of the premium or share thereof.

ARTICLE IX. TRADE PRACTICES

All retailers shall comply with the following trade practices:

SECTION I. *Advertising and selling methods.*—(a) No retailer shall use advertising, whether printed, radio, or display or of any other nature, which is inaccurate in any material particular or misrepresents merchandise (including its use, trade-mark, grade, quality, quantity, size, origin, material, content, preparation, or curative or therapeutic effect) or credit terms, values, policies, or services; and no retailer shall use advertising and / or selling methods which tend to deceive or mislead the customer.

(b) No retailer shall use advertising which refers inaccurately in any material particular to any competitor or his merchandise, prices, values, credit terms, policies, or services.

(c) No retailer shall use advertising which inaccurately lays claim to a policy or continuing practice of generally under-selling competitors.

(d) No retailer shall secretly give anything of value to the employee or agent of a customer for the purpose of influencing a sale, or in furtherance of a sale render a bill or statement of account to the employee, agent, or customer which is inaccurate in any material particular.

(e) No retailer shall place obstacles in the way of the purchase of a product which a consumer orders by brand name by urging upon the consumer a substitute product in a manner which disparages the product ordered.

SECTION 2. *N.R.A. label.*—No retailer shall purchase, sell, or exchange any merchandise manufactured under a Code of Fair Competition which requires such merchandise to bear an N.R.A. label, unless said merchandise bears such label. Any retailer rightfully possessing the insignia of the N.R.A. who has in stock or purchases similar merchandise which has been manufactured before the effective date of the Code of Fair Competition requiring such merchandise to bear an N.R.A. label may attach thereto the N.R.A. insignia.

SECTION 3. *Prison-made goods.*—Pending the formulation of a compact or code between the several States of the United States to insure the manufacture and sale of prison-made goods on a fair competitive basis with goods not so produced, the following provisions of this Section will be stayed for ninety (90) days, or further at the discretion of the Administrator:

(a) Where any penal, reformatory, or correctional institution, either by subscribing to the code or compact hereinbefore referred to, or by a binding agreement of any other nature, satisfies the Administrator that merchandise produced in such institution or by the inmates thereof will not be sold except upon a fair competitive basis with similar merchandise not so produced, the provisions of paragraph (b) hereof shall not apply to any merchandise produced in such manner in the institutions covered by such agreement.

(b) Except as provided in the foregoing paragraph, no retailer shall knowingly buy or contract to buy any merchandise produced in whole or in part in a penal, reformatory, or correctional institution. After May 31, 1934, no retailer shall knowingly sell or offer for sale such merchandise. Nothing in this Section, however, shall affect contracts, which the retailer does not have the option to cancel, made with respect to such merchandise before the approval of this Code by the President of the United States.

(c) Nothing in this Section shall be construed to supersede or interfere with the operation of the Act of Congress approved January 19, 1929, being Public No. 669 of the 70th Congress and entitled "An Act to Divest Goods, Wares, and Merchandise

Manufactured, Produced or Mined by Convicts or Prisoners of their Interstate Character in Certain Cases", which Act is known as the Hawes-Cooper Act, or the provisions of any State legislation enacted under, or effective upon, the effective date of the said Hawes-Cooper Act, the said effective date being January 19, 1934.

SECTION 4. *Company scrip*.—The following provisions of this Section shall not become effective until March 1, 1934. Pending such effective date the Administrator shall appoint a Committee of not more than three persons to investigate the economic and social implications of these provisions. Said Committee may make recommendations, based upon its investigations, and such recommendations shall, upon approval by the President of the United States, become effective in the place of these provisions:

(a) No retailer shall accept as payment for merchandise any non-negotiable scrip, company checks, or other evidence of wage payment issued by any individual or private profit organization in payment of wages or as an advance upon unearned wages. A negotiable instrument issued by any individual or private profit organization in payment of wages shall be accepted only if it is payable in cash within one month of the date of issue. This paragraph shall not apply in cases where the cash funds of any individual or organization are rendered temporarily unavailable due to the closing by state or federal order of the bank in which such funds are deposited.

(b) No retailer shall extend credit in the form of goods, money, or services to any person other than its own employees engaged exclusively in the retail trade, upon any employer's guarantee of part or all of said person's future wages, or pursuant to a wage-deduction arrangement entered into with said employer, unless an identical guarantee or wage-deduction arrangement is available to all retailers.

ARTICLE X. ADMINISTRATION

The following provisions for the administration of this Code shall not apply to the retail drug trade, which shall be governed by the provisions of Section 5 of Schedule A annexed hereto.

SECTION 1. *Retail Trade Authority.*—The Retail Trade Authority shall consist of the Administrator or his Deputy, and three members appointed by the President of the United States, who shall advise and assist the Administrator or his Deputy. Members of the Retail Trade Authority shall be members, without vote, of the National Retail Trade Council provided for hereinafter.

SECTION 2. *National Retail Trade Council.*—(a) *Composition.*—The National Retail Trade Council shall consist of at least one, but not more than three, representatives from each major division of the retail trade presenting this Code or hereafter subscribing to it, as the Administrator shall designate.

Such representatives shall be elected, in accordance with a fair method approved by the Administrator, by the national trade associations representing the above divisions of the retail trade. Where more than one national trade association each represents a portion of a single division of the retail trade, the Administrator shall, for the purpose of establishing the membership of the National Retail Trade Council in the first instance, determine whether such associations are truly representative and what shall be the number and proportionate vote of such associations upon the Council; after the initial establishment of the Council such decisions shall be made by the Council subject to an appeal to the Administrator. Regardless of the number of its representatives, each division of the retail trade shall have one vote in all action taken by the National Retail Trade Council.

(b) *General powers.*—The National Retail Trade Council shall, in addition to the specific powers herein conferred, have all general powers necessary to assist the Administrator or his Deputy in the administration and enforcement of this Code.

(c) *Reports and investigations.*—The National Retail Trade Council shall, subject to the approval or upon the request of the Administrator, require from all retailers such reports as are necessary to effectuate the purposes of this Code, and may, upon its own initiative or upon complaint of any person affected, make investigation as to the functioning and observance of any

provisions of the Code and report the results of such investigation to the Administrator.

(d) *Recommendations.*—The National Retail Trade Council may from time to time present to the Administrator recommendations (including interpretations) based on conditions in the trade, which will tend to effectuate the operation of the provisions of this Code and the Policy of the National Industrial Recovery Act. Such recommendations shall, upon approval by the Administrator, become operative as part of this Code.

(e) *Local committees.*—The National Retail Trade Council shall, subject to the approval of the Administrator, supervise the setting up, within local trading areas, of local committees for the purpose of assisting in the administration and enforcement of this Code within such local areas.

(f) *Expenses.*—The expenses of the National Retail Trade Council shall be equitably assessed and collected by the Council, subject to the approval of the Administrator.

SECTION 3. *Regional Advisory Committee.*—The National Retail Trade Council shall, subject to the approval of the Administrator, appoint annually a Regional Advisory Committee consisting of one member appointed from and representing each major geographical section of the country as established by Federal Reserve Districts. It shall be the function of the Regional Advisory Committee to serve in an advisory capacity to the Administrator and to the National Retail Trade Council on matters pertaining to the administration of this Code in the respective districts. The Committee shall meet subject to the call of the Administrator, the National Retail Trade Council, or the Committee's chairman.

SECTION 4. *National Retail Trade Economics Board.*—The National Retail Trade Economics Board shall consist of five (5) members appointed by the President of the United States or by the Administrator. Such Board shall observe and study the economic effects and results of the various provisions of this Code and shall report from time to time to the Administrator.

SECTION 5. *Interpretations.*—The Administrator may from time to time, after consultation with the National Retail Trade Council, issue such administrative interpretations of the various provisions of this Code as are necessary to effectuate its purposes, and such interpretations shall become operative as a part of this Code, unless the Administrator shall otherwise specify.

SECTION 6. *Exceptions in cases of unusual or under hardship.*—Where the operation of the provisions of this Code impose an unusual or undue hardship upon any retailer or group of retailers, such retailer or group of retailers may make application for relief to the Administrator or to his duly authorized agent, and the Administrator or his agent may, after such public notice and hearing as he may deem necessary, grant such exception to or modification of the provisions of this Code as may be required to effectuate the purpose of the National Industrial Recovery Act.

ARTICLE XI. GENERAL

SECTION 1. *Membership in associations.*—Membership in the national retail associations represented upon the National Retail Trade Council, or in any affiliated associations, shall be open to all retailers of that portion of the retail trade which said associations respectively represent and said associations shall impose no inequitable restrictions upon admission to membership therein.

SECTION 2. *Information to be furnished Government agencies.*—In addition to information required to be submitted to the National Retail Trade Council, there shall be furnished to Government agencies such statistical information as the Administrator may deem necessary for the purposes recited in Section 3 (a) of the National Industrial Recovery Act.

SECTION 3. *Prohibition again monopolies.*—The provisions of this Code shall not be interpreted or applied to promote monopolies or monopolistic practices or to eliminate or oppress small enterprises or to discriminate against them.

SECTION 4. *Prohibition against use of subterfuge.*—No retailer shall use any subterfuge to frustrate the spirit and in-

tent of this Code, which is, among other things, to increase employment by universal covenant, to remove obstructions to commerce, to shorten hours of work, and to raise wages to a living basis.

SECTION 5. *Right of President to cancel or modify.*—This Code and all the provisions thereof are expressly made subject to the right of the President, in accordance with the provisions of Section 10 (b) of Title I of the National Industrial Recovery Act, from time to time to cancel or modify any order, approval, license, rule, or regulation, issued under Title I of said Act.

SECTION 6. *Modifications and supplementary provisions.*—Such of the provisions of this Code as are not required to be included herein by the National Industrial Recovery Act may, with the approval of the President, be modified or eliminated as changes in conditions or experience may indicate. It is contemplated that from time to time supplementary provisions to this Code or additional Codes will be submitted for the approval of the President to prevent unfair competitive practices and to effectuate the other purposes and policies of Title I of the National Industrial Recovery Act.

SECTION 7. *Expiration.*—This Code shall continue in effect until June 16, 1935, or the earliest date prior thereto on which the President shall by proclamation, or the Congress shall by joint resolution, declare that the emergency recognized by Section 1 of the National Industrial Recovery Act has ended.

INDEX

- Advertising: cooperative attempts to limit cost of, 103-105 (*see also* Unfair advertising and selling methods)
- Advertising media: enforcement of fair practice standards by, 50, 53, 453, 454; services supplied by, 105, 106
- Agricultural Adjustment Administration: position *re* loss limitation provision, 195, 196
- American Home Economics Association, 58n, 459
- American Standards Association, 51, 58n
- Apprentices: (*see* Juniors and Apprentices)
- Assumptions concerning human nature: as basic problem, 5, 7; findings *re*, 500, 510
- 'Bait' advertising; attitude of courts *re*, 48; determination of when unfair, 259, 260; interests of consumer *re*, 56, 57; meaning of, 44n; unfair use of, principle underlying, 57n, defined in BBB code, 44; use of, 48n
- Below cost selling; (*see* Loss leader, Price, Mark-up)
- Better Business Bureaus: enforcement of fair practice standards by, 47-50; fair practice code of 1935, 453; 'Guide for Store Advertising', 39-44; history of, 37-38; number of, 51; position *re* Code clauses, 186n, 188, 189; relation of complaints of Code violation to those received by, 257, 258; sponsorship of code authorities by, 217; use of techniques developed by, in Code compliance work, 260
- Boston Retail Trade Board, 124, 125n
- Business cycle: influence on retailer-resource relation, 81, 82; influence on trade ethics, 53, 451
- Chain stores: conference of, *re* policy in Code drafting, 160n; formation of Limited Price Variety Stores Association, 160n, of National Council of Shoe Retailers, 175n; loss leaders in, 71; low margin selling in, 69; position of, *re* maximum hour clause, 176, *re* loss limitation clause, 189, 191, *re* underselling claims, 189; resentment against, 70n, 71; salaries in, 359; taxation of, 97; techniques of achieving compliance with Code clauses in, 235, 248, 268
- Chambers of Commerce: attitude of *re* industrial regulation, 137n; distribution of, 29; Domestic Distribution Department of, 125, *see* National Conference on Distribution; operation of credit bureaus by, 125n; retail merchants bureaus of, 28, 89; sponsorship of retail code authorities by, 217
- Child labor; amount of, 320-322; Code clauses *re*, App. Art. iv, Sec. 2, 320; Presidential order *re*, 320; work of National Consumers' League, 113n
- Cities of different sizes: code authorities in, 217n; Code wage differentials for, 324, 326; cost of living in, 329-336; relation to retailer profits, 425n; relation to size of store, 340; wages in, 336-346
- Clothing stores: average wages in, 337, 359; changes in sales of, 414; employment changes in, 381; expenses of, 425; gross margins in, 429; hours open, 369n, 368; profits of, 422; proportion of workers receiving sub-minimum wages, 357, 358 (*see also*, Shoe stores, Specialty stores)
- Code administration: drafting Code clauses *re*, 198, 199; general plan of, 199, 200, 209, 210, App. Art. x;

- in 1st NRDGA code, 159 (*see also* Code enforcement, NRA administrators, NRA advisory boards, NRA compliance division, Local retail trade authorities, National Retail Trade Authority, Retail Trade Authority, Wage and hour provisions of Code, administration of, Trade practice clauses of Code, administration of)
- Code amendment: amendments suggested, 275, 276, 297-299; Code clause *re*, 297; importance of, 300, 301; mechanics of, 297, 299; mark-up in loss limitation clause, 296; report on company scrip, 296, 297
- Code drafting: chronology of, 162; general process of negotiation, 147-149, 162, 163; early efforts in, 155-161; drafting of administration provisions, 198-200, of hour provisions, 172-179, of loss limitation provision, 188-198, of trade practice provisions, 183-188, of wage provisions, 179-183; representatives of the government in, 168-171; representatives of retailers in, 155, 156, 163-168, 179, 184, 190, 191
- Code, exemptions from: Code clause *re*, 293; interpretation of, 293, 294; number of, 296; procedure in granting, 294; subjects of petitions for, 294, 295
- Code interpretation: area in which needed, 265, 266; as method of Code evasion, 301, 302, 310, 406; Code clauses *re*, App. Art. x, Sec. 5, Art. x, Sec. 2d; importance of, 301-303, 310; mechanics of, 266-268; (*see* 'Professional persons,' 'Free' goods, Wage reduction clause)
- Code, NRA General Retail: branches of trade represented in administration of, 164, 216n; retailer interest in having Code, 150-155; trade associations signatory to, 165; types of stores not under jurisdiction of, 219n; Chronology of drafting, 162, 200, 201; (*see also*, Wage and hour provisions of Code, Trade practice provisions of Code, Code administration, Code amendment, Loss limitation provision of Code, Code interpretation, Code exemptions from)
- Codes of fair business practice: of Associated Advertising Clubs, 37; of Better Business Bureaus, 39-44, 453; code prepared by committee of merchants, 190n; of trade associations, 38 (*see also*, Unfair advertising and selling methods)
- Commission payments: as method of Code evasion, 174, 286; in furniture stores, 400; probable effect on average wages of, 403; status *re* Code prohibition of wage reduction, 286, 287
- Company scrip: Code clause *re*, App. Art. ix, Sec. 4, 188; Report of Committee to Investigate, 296, 297
- Company unions, 110, 111, 484
- Competition: effect of, on maintenance of fair practice standards, 502-504; nature of, in retailing, 21-25; relation of, to form of cooperation, 26 (*see also*, Unfair competition)
- Consumer: effect of NRA on, 442, 501; income of, 433n; relation to purchases, 21; market contest with retailer, 62-79, 454-464; pressure exerted by, in enforcing and defining fair practice, 50-52, 452, 453, 462; reaction to increased prices, 70, 76, 77, 435-440
- Consumer Advisory Board of NRA: failure to approve Code, 200; policy and achievements of, 458, 459; policy of, *re* Code drafting, 169, 170; position *re* loss limitation clause, 196, 197; representatives of, on Retail Code, 169; suggested Code amendment on installment selling, 299, 300
- Consumer interest: espousal of by retailers, 98, 99, 460, 462; espousal of by government, 51, 76, 457-462, 463, 464; in maintenance of fair practice standards, 56-60;

- in use of loss leaders, 78; in loss limitation clause of Code, 196, 197, 454, 455; in price maintenance, 96. *see* Consumer, reaction to increased prices; in retailer delimitation of uneconomic practices, 63, 75; in retailer-resource contest, 96; in sales taxes, 101, 102; in services supplied cooperatively to retailers, 127
- Consumer organization: Consumers' Research, 51, 52; Cooperative Distributors, 457; cooperative retail stores, 75, 76, 456, 457, 462, 463; New Deal units of, 458-461; on behalf of employees, 483, 113n; scope of effective work of, 462, 463
- Consumers' Research, 51, 57n
- Cooperative League of America (*see* Cooperative retail stores)
- Cooperative retail stores: 75, 76, 456, 457, 462, 463
- Cooperation among retailers: agencies of, 27-30; achievements of, 30, 128-131; comparison of achievements under voluntary cooperation and under Code, 443-493; effect of NRA on character of, 493; relation of character of to nature of competition, 26, 27, 30; services supplied cooperatively, 119-124 (*see also*, Unfair advertising and selling methods, Uneconomic practices, Retailer-consumer-resource, -employee market contest, Education)
- Cost of living: amount of differentials in, 329-336; differentials in as justification for Code wage minimums, 328, 329, 335, 336; standard embodied in codes, 329n
- Courts: attitude *re* price maintenance, 92, 93; definition of fair practice standards in retailing by, 33-35; enforcement of fair practice standards by, 46-49, 52, 53; enforcement of NRA Codes by, 225, 232, 233, 254, 445
- Department stores: brief submitted by New York stores, 189n; employment changes in, 380, 381; expenses of, percent of sales, 345n, 425-428, per unit transaction, 424; in England, labor regulations of, 182n; interest in single code for retailers, 154, 155; labor turnover in, 287; number of manufacturers' codes affecting, 468; mark-up in, 429-434; number of, 163n; number of hours open, 368, 369n, 175n; number of sub-minimum workers in 349-354; number of retail codes subject to, 221; profits in, 422, 423; sales volume, changes in, 414, 417n; trade association of, *see* Nation Retail Dry Goods Association; techniques used to achieve compliance with Code labor provisions, 234, 235, with Code loss limitation clause, 262-264; wages paid in, averages, 337-338, 341, 344n, 345n, changes in, 389-395 (*see also*, General merchandise stores)
- Education, of consumers by retailers, 119, 120, 122; *re* price change under NRA, 438, 439
- Education of employees by retailers, 107, 122; with cooperation of government, 108
- Education of retailers: achievements of cooperation *re*, 130; by Boston Retail Trade Board, 125n; in cost accounting, 121, 123; research and information services, 121, 122, 124; thru trade journals, 124
- Employee interest: espousal of by consumers, 113n, 483; espousal of by government, 113-117, 203, 304-310, 503, 513, 514; in cooperative services supplied by retailers, 127; representation of by unions, 172, 173n, 482, 512
- Employees in retail stores: complaints of Code violation by, 238, 239; help from in Code enforcement, 244, 482; improvement in productivity of, 107, 407, 486; organization of, 111, 481; part-time work, 109n; return of restitution by, 246; training of, 108. (*See also*, Employment changes,

- Wage changes, Wages in retail trade, etc.)
- Employment changes: in general merchandise stores, 380, 381, 388-398; in specialty stores, 380, 381, 388, 398-403; in retail trade, 372-377, 385, 386; methods of economizing, 407-409; presumably required by Code, 369-371; re-employment objectives, 172n, 382; relation of actual to theoretical requirements, 382, 408; variation in, by states, 378, 379, 381 (*see also*, Hours of work)
- 'Executives': Code clause *re*, App. Art. v, Sec. 4c, 323n; definition of, in Code, 177; estimated number of, 369; relation of wages of to size of store, 345n; wages of in chain stores, 359; wages and duties of in small stores, 178n, 345n, 357; wages of in variety stores, 355
- Expenses of retail stores: for advertising, 103; for labor, 106, 426, 427; in large and small stores, 345n, methods of economizing, 406, 407, 486, 487; function of cooperation *re*, 128; ratio to sales, 425; relation of sales and transactions to, 70, 412, 420-422, 425; trends in, 25
- Federal Trade Commission: definition of fair practice in retailing by, 35; duties *re* enforcement of NRA Codes, 225, enforcement of fair practice standards by, 47; trade practice submittal procedure, 35n
- 'Free' goods: history of, 42n; judgments *re* unfair use of, 269-271; prohibition of, under loss limitation clause, 271; under inaccurate advertising clause, 272-275; subject of complaints of Code violation, 258; suggested amendment prohibiting, 275-299
- Furniture stores: average wages in, 337, 338, 341; changes in sales of, 414; employment changes in, 381; evasion of hour limitation by, 400n; hours open, 368, 369n; number of, 163n; trade association of, *see* National Retail Furniture Association; wage changes in, 399-401 (*see also*, Specialty stores)
- General merchandise stores: employment changes in, 380-382; expenses of, 428; number of stores in group, 380n; number of sub-minimum employees in, 365; sales volume, changes in, 382n, 413, 414; sales volume in rural areas, changes in, 416; wage changes in, 363-365, 388-398 (*see also*, Department stores, Variety stores)
- Gross margins in retail stores: amount of, 428-433, 435, 441; governmental curbs on increase in, 463, 464; individual motivation *re*, 508, 509
- Group buying, 84 (*see also*, Voluntary chains)
- Hardware stores: average wages in, 337, 341; employment changes in, 381, 401, 402; expenses of as percent of sales, 425; gross margins in, 429; number of, 163n; number of employees in sub-minimum wage group, 358; number of hours open, 368; profits in, 422, 423; retail codes applicable to, 221; sales volume, changes in, 414; trade association of *see* National Retail Hardware Association; wages, by size of store and size of city, 343
- Hours of work, limitation of: drafting of Code clauses *re*, 172-179; exemptions from Code limitations, 177, 178, 295; in Code clauses, App. Art. v, 174, 175n; in state laws, 115-117; relation of Code clauses to state laws, 205; relation to store hours, 174n, 178, 179, 367n; retailer interest in reduction of, 173-175 (*see also*, Wages and hour provisions of Code, administration of, Employment changes)
- Johnson, General Hugh: and Code drafting, 169; position *re* minimum wage, 160, *re* multiplicity

- of retail codes, 154, *re* trade associations, 139n, 149n, *re* underselling claims, 198
- Juniors and apprentices: Code wage provisions for, App. Art. vi, Sec. 2, 323; definition of, App. Art. ii, Sec. 5 i and u; drafting of Code provisions, 181; effect of Code on, 325n; Labor Board position *re*, 181; number of, 181n; 324, 325; state laws *re*, 112-117
- Labor Advisory Board of NRA: failure to approve Code, 200; function of, *re* Code drafting, 170, 173; position *re* labor compliance machinery, 229, 230; position *re* loss limitation clause, 195; position *re* wage differentials, 181; position *re* wage requirements for 'professionals', 284; representatives of, on Retail Code, 169
- Labor clauses in Code: *see* Hours of work, Wage minimums in Code, Wage reduction
- Labor turnover: Typical rates of, 287; wage reduction thru, 408
- Large firm: attitude towards price maintenance, 74, 91, 472-474, 475n; buying in violation of resources' Codes, 473, 449, 474; espousal of consumer interest by, 462, 472; influence of, in Code drafting, 203; interest in fair practice standards, 25, 52, 53, 55, 56; low margin selling by, 69; nature of compliance problem in, 234; objections to resource dictation of trade relations, 80, 472 (*see also*, Retailer-resource market contest, Department stores, Chain stores, Variety stores)
- Laws: definitions of unfair practice by, 31-33; *re* design piracy, 90; enforcement of fair practice standards by, 46-49; Lever Act, 76; *re* maximum hours of work, 115-117; *re* minimum wages, 113-115; *see* National Industrial Recovery Act; necessary ambiguity of NRA codes, 265, 266, 302, 303; *re* vocational education, 108; *re* price maintenance, 74, 93, 479; *see* *Printers Ink* model statute; Pure Food Acts, 51; relation of, to objectives of the Trade, 131; sales taxes, 98-101, 488; taxation of chain stores, 97, 98 (*see also*, Courts)
- League of Women Shoppers, 483
- Legal Advisory Board of NRA: functions *re* Code administration, 211, 212n; representatives of, on Retail Code, 169
- Limited Price Variety Stores Association: genesis of, 160n; interests *re* Code wage clause, 160n, 179, 180; member stores in cities of various sizes, 180n; membership of, 165n; position *re* Code wage clauses, 160n, 179, 181; position *re* Code hour provisions, 175n, 176; position *re* provisions of manufacturers' codes, 472
- Local Retail Code Authorities: constitution of, 216; duties of *re* labor compliance, 232, 233; financing of, 218; hearing of labor cases by, 247; of trade practice cases by, 261; number of, 217; number of labor complaints received, 240, 241; responsibilities *re* exceptions to Code, 294
- Loss limitation clause of Code: administration of, 261-263; Code clause, App. Art. viii; drafting of, 159, 188-198; contribution of, to pre-Code situation, 444, 447-451; fixing of mark-up, 296; interest of small retailer in, 189, 261n, 448-450; position *re*, of Consumer Advisory Board, 196, 197, of Labor Advisory Board, 195, of retailers, 188-195, 197, 452, of small retailers, 194n, 452n, of women's clubs, 196n; prohibition of 'free' goods on basis of, 271
- Loss leader: attitude of courts *re*, 47n; cooperative attempts to limit, 71n, 73, 74, 188, 198, 444, 453; consumer interest in, 78, 79, 194-197; extent used, 71-73, 447-451; pros and cons of, 78; status of, relative to other unfair prac-

- tices, 63, 444, 445 (*see also*, Loss limitation clause of Code)
- Macy, R. H. and Co.: underselling claims of, 41n, interest in, 191n, accuracy of, 193n, 194 (*see also*, Straus, Percy S.)
- Mail order firms: changes in sales of, 313, 314; low margin selling in, 69; labor cost in, 296
- Manufacturers' NRA Codes: clauses affecting retailers, 468-470; influence on retailer desire for Code, 153; number affecting retailers, 468, 470 (*see* Retailer-resource market contest)
- Mark-up in Retailing, *see* Gross margins
- Merchants' associations: city-wide promotions by, 120n; enforcement of fair practice standards by, 50; operation of credit bureaus by, 125n; sponsorship of Code authorities by, 217; trade agreements in 67
- Namm, Major Benjamin H.: address at Boston Conference by, 454n; brief submitted by, on behalf of New York City department stores, 189n; work in fair practice movement, 190; position *re* trade practice provisions of code, 184, 185, 190
- National Chain Store Association, 97, 98
- National Conference on Distribution, 82, 83, 89, 90, 126
- National Consumers' League: history of, 113n; work *re* labor legislation, 113, *re* early Christmas shopping, 120n
- National Council of Shoe Retailers: origin of, 175n; position of, *re* Code hour provisions, 176, *re* PRA schedule, 175, *re* price provisions in manufacturers' codes, 472; work in employee relations, 485
- National Industrial Recovery Act: background of, in popular attitudes, 135, 136; content for codes, 146, 147, 516-519; the control problem, 304, 305, 502-510; drafting of, 138-142; enforcement agencies, 305-316, 515; history of, 137, 138; objectives of, 145, 501; relation to fair practice movement, 1, 2, 131; requirements for code approval under, 147; sanctions available for enforcement of, 145, 516-519; tactical achievements of interested groups in, 142-145
- NIRA, Section 7a: Code requirements *re*, 147, App. Art. iv, Sec. 1; Congressional modification of, 141; history of, 139, 140; retailer apprehension *re*, 151, 484-486
- National Recovery Administration: general organization of, 145, 146, 209-213, 225-227; problem of maintaining control over code administration, 305-310, 520; projected and actual method of code drafting, 143, 147; theory underlying code administration, 304, code drafting, 202 (*see also*, Code administration, Code amendment, Code drafting, etc.)
- NRA Administrators and assistants: names and backgrounds of, 168, 210, 211; and Code administration, 199, 210, 211, 312; and Code amendment, 297; and Code drafting, 145, 147, 170, 171; and Code interpretation, 266-268, 301; and exceptions to Code, 294; position of *re* loss limitation provision, 195; protection of public interest by, 301, 302, 307-310; statements of, *re* wage reduction clause, 288, 291, 292
- NRA Advisory Boards: function of *re* Code drafting, 145; function of *re* Code interpretation, 268; protection of public interest by, 302, 307-310, 313; representatives of on Retail Code, 169 (*see also*, Labor Advisory Board, Consumer Advisory Board, and Legal Advisory Board of NRA)
- NRA Compliance Division: function of, in Code administration, 212, 225, 231, 232, 257; organization of, 226, 227; number of labor complaints received by, 241, 247; position *re* revision of

- labor compliance machinery, 230, 231
- NRA Research and Planning Division: function of *re* Code administration, 211; suggestions *re* geographical areas for Code administration, 218
- NRA Retail Codes: attempts to economize administration of, 221, 222; attempts to limit number of, 220; branches of trade under separate codes, 219n; jurisdictional problems, 219, 222, 223; number of, 220n; number of, applicable to average department store, 221 (*see* Code, NRA General Retail)
- NRA Retail Code Committee; meeting *re* "free" goods, 274; meeting *re* wage reduction, 290-292
- National Retail Code Authority: Adequacy as governmental body, 310-316; amendments suggested by, 298, 299; committees of, 214n, 215; financing of, 218, 222, 223; functions *re* Code amendment, 297; functions *re* Code exceptions, 294; functions *re* Code interpretation, 266-268; functions *re* compliance procedure, 213-215, 231-233, 257; membership of, 213n; office staff of, 214, 215; position *re* 'free' goods amendment, 273, 275; position *re* amendment submitted by Consumer Advisory Board, 299; position *re* wage reduction clause, 288; position *re* revision of labor compliance machinery, 228-231; recommendation *re* speed in labor cases, 227n; position on price maintenance, 472 (*see also*, Code administration)
- National Retail Credit Association, 124n
- National Retail Dry Goods Association: Code amendments requested by, 297, 298; Committee on National Affairs of, 490; defense of retailer interest in manufacturers' codes by, 465-468, 470-472; *see also*, Retailers Protective Committee; definition of 'professional person', 280; membership of, 165n; position *re* Lever Law, 76; position *re* price maintenance, 94, 96; position *re* single Code for retailers, 154; recommendations *re* unemployment insurance, 486, 489; services supplied by, 52, 120-123; work in Code drafting, 156-161; work in tax legislation, 98, 488; work in trade relations, 88
- National Retail Furniture Association: membership of, 165n; position *re* loss limitation clause, 194n; request for Code amendment on installment selling, 298, 299n; work in trade relations, 88
- National Retail Hardware Association: attitude towards Retail Federation, 492; membership of, 165n; position of *re* price control, 472, 473; resignation of President of from Code Authority, 473
- National Retail Trade Council: (*see* National Retail Code Authority)
- Other than general merchandise stores (*see* Specialty stores)
- Predatory practices: definition of, 45; implicit in nature of retail competition, 22n (*see also*, Unfair advertising and selling methods, Underselling claims)
- Part-time employment: as evasion of Code clauses, 287; as method of economizing Code cost, 407; Code definition of, App. Art. ii, Sec. 5k; Code wages for, App. Art. iv, Sec. 4; use of, in department stores, 109n
- Price: changes in, 433n, 435, 440; Code provision *re* price increases, App. Art. vii, Sec. 1; control of, in loss limitation provision, 191, 193, in manufacturers' Codes, 468, 469, 471, 472, in state legislation, 74, 91-94, 479; cooperative attempts to insure adequate mark-up, 68-70, 72, 73, 77, 433-441; government attempts to curb price increases, 76, 463, 474, 476; government attitude to-

- ward price clauses in manufacturers' codes, 474-476; theory of in NIRA, 144n, 145 (*see also*, Loss leader, Loss limitation clause of Code)
- President's Reemployment Agreement: retail schedule, 162, 174, 175
- Price, unfair reference to: BBB position *re*, 40, 41; court case *re*, 445n; customer belief in comparative prices, 59n; in 1st NRDGA code, 159; in Code, 187; subject of Code violations, 258 (*see also*, Underselling claims, 'Free' goods, Premiums)
- Premiums: decisions concerning unfair use of, 269-271; prohibition of, under loss limitation provision, 271, 273; subject of complaints of Code violation, 258; suggested amendment *re*, 275 (*see also*, 'free' goods)
- Printers Ink Model Statute: history of, 36; relation of, to Code clauses, 186, 187, 204; use of, in enforcement of fair practice standards, 47-49
- 'Professional person': Code definition of, 279, 281; Code provision *re*, App. Art. v, Sec. 4a; interpretation of Code clause, 279-284; opinions of administrators *re*, 282; NRDGA definition of, 280; necessary ambiguity in definition of, 303n
- Profiteering: Code clause *re*, App. Art. vii, Sec. 1; government action *re*, 76, 463, 464
- Profits in retail stores: changes in the ratio of profits to sales, 26, 70, 422-424, 441; relation of size of transaction to, 70, 422; stores having profits, 423
- Propaganda: cooperatively undertaken by retailers, 119, 120, 121, 122
- Public interest: *see* Consumer interest, Employee interest, Retailer interest, Small store, interests of, Public opinion: as a tool in enforcing fair practice standard, 52, 234, 445, 511-514; influence on retailer interest in Code, 152
- Quality: Consumer interest in accurate description of, 57, 460, 462; false claims *re*, 48n; NRDGA 'quality' movement, 70; standards of, 50-52, 453; unfair reference to, 43-44
- Retail Clerks Protective Association, *see* Unions in retail field
- Retail Trade: composition of, 19, 20; character of competition in, 21-25; proportion of Trade subject to General Retail Code, 19, 153n, App. Art. ii, Sec. 1; size of stores in, 20 (*see also*, Expenses, Gross margins, Transactions, Profits, Expenses and Sales volume of retail stores)
- Retail Trade Authority: and the loss limitation provision, 198, 296; functions of, *re* Code administration, 199, 212, 309; members of, 212
- Retailer interest: in fair practice standards, 55-60, 103, 106; in labor legislation, 119, in presenting NRA code, 150-155; in price maintenance, 91; in sales taxes, 101; in services cooperatively supplied, 127; in unemployment relief, 488; relation to public interest of, 509, 510
- Retailer-advertising medium market contest: 104-106, 129
- Retailer-consumer market contest: 62-79, 454-464; in Code amendment *re* installment selling, 299, 300 (*see also*, Consumer, Consumer interest, Price, Loss leaders, Uneconomic practices)
- Retailer-employee market contest: effect of NRA on, 487; effect of unionization on, 482n; retailer cooperation *re*, 107-113, 118, 121, 129, 485-487 (*see also*, Employee interest)
- Retailer-resource market contest: *re* clauses in manufacturers' codes, 142, 465-468, 470-480; *re* code jurisdiction, 219, 223; cooperative attempts to reform, 83-90, 466, 480; *re* premium advertising, 276, 277, 279; *re* price maintenance legislation, 90-94

- 479; practices considered unfair, 82, 83, 464n, 465, 466, 468-470; success of efforts to control, 95, 96, 478, 479; trends and fluctuations in, 80-82; voluntary chains and, 84, 85 (*see also*, Retailer interest, Manufacturers' NRA Codes, Price)
- Retailers' National Council: and Code drafting, 155n; origin and membership of, 99; position *re* loss limitation clause, 188
- Retailers' Protective Committee: appointment of, 467; work of, 470, 471, 477
- Sales, advertising of: Code complaints *re*, 258; customer belief in, 60n; problem of determining when unfair, 259 (*see also*, Unfair advertising and selling methods)
- Sales volume of retail stores: changes in amount of, 413-417, 441; relation to number of transactions, 417, 418; relation to expense ratios, 411, 412
- Section of the country: Code wage provisions by, 323, 326; cost of living by, 329-336; employment changes by, 379, 381; sales changes by, 415-417; states in 'South', 338n; wage changes by, 379, 386, 387
- Services supplied cooperatively, 119-124
- Shoe stores: Average wages in, 337, 338, 341; cost of complying with Code hour provisions in, 217n; number of hours open, 368; trade association of, *see* National Council of Shoe Retailers, National Shoe Retailers Association; wage changes in, 399, 400 (*see also*, Specialty stores)
- Small stores: competitive problems in, 21-25; distribution of, in Trade, 20; "executives" in, 356-358, 359n; methods of economizing payroll increases in, 407; number of hours open, 368; position *re* loss limitation clause, 197, 452; relation of size of store to size of city, 340; technique of achieving compliance with Code labor provisions in, 236, 237 ff.; use of voluntary chains by, 123; wages in, 341-345, 390, 391; work of associations of, 123 (*see also*, Hardware stores, National Retail Hardware Association)
- Small stores, interests of: in Code compliance, 236, 237; conflict with large store *re* resources, 81, 86, 313, 472, 473; in fair practice standards, 55n; *re* Code hour provisions, 174, 175n, 176, 177n, 178, 179n, 405; *re* loss limitation clause, 189, 194n, 261n, 448-450; in price maintenance, 74, 91, 472, 473, 479; representation of in Code administration, 312, in Code drafting, 166, 167, 202
- Specialty stores: changes in expenses of, 428; changes in sales of, 413-414; employment changes in, 380-382; number of employees affected by Code labor clauses in, 366; number of stores in group, 360n; wage changes in, 363, 364, 399-402 (*see also*, Clothing, Hardware, Furniture and Shoe stores)
- Shopping news sheets, 104, 105
- Straus, Percy S.: Attitude *re* 1st NRDGA code; defense of Macy position by, 192-193; position *re* Code with labor provisions only, 157n, 184; position *re* local autonomy in Code administration, 198, 199; position *re* loss limitation clause, 191
- Strikes: *see* Unions in retail field
- Statistics: in retailing, 319, 374n
- Taxation of retail stores, 97-100
- Trade Associations: codes of ethics of, 38; enforcement of fair practice standards by, 50; function *re* NRA, 146, 210n; group solidarity in, 508; legislative activity of, 100; membership of, 28, 165n; nature of growth of, 27, 28; number of in Trade, 27, 28; part in Code administration, 190n, 310-316; part in Code drafting, 156, 157; part in Code interpretation, 268, 269; percent of stores mem-

- bers of, 166; services supplied by, 120, 124; signatory to 1st NRDGA code, 159n, to PRA schedule, 175n, to Retail Code, 164n (see also, Limited Price Variety Stores Association, National Council of Shoe Retailers, National Retail Furniture Association, National Retail Hardware Association, National Retail Dry Goods Association, National Shoe Retailers Association)
- Trade journals: functions of, 124; NRDGA *Industrial Outlook*, 120; *Printers' Ink*, 36n
- Trade practice clauses of Code: administration of, 257-261; clauses *re* advertising and selling methods, App. Art. ix, Sec. 1; drafting of, 168-188; clause *re* underselling claims, App. Art. ix, Sec. 1c; drafting of, 168-198; field of local definition of, 159, 185, 200; question of inclusion in Code, 183-185, 188n; relation to pre-Code fair practice movement, 186, 187, 204, 205, 443, 445; technique in drafting of, 186, 192 (see Unfair advertising and selling methods, Trade practice clauses, enforcement of)
- Trade practice clauses, enforcement of: contribution of Code to pre-Code situation, 445-454; judgments *re* existence of violations, 260, 265, 266, 272; nature of problem of, 257, 258; obtaining the facts, 258, 259; source of trade practice complaints, 257; subjects of trade practice complaints, 257, 258; techniques for obtaining correction of violations, 260, 261
- Trade relations: see Retailer-resource market contest
- Transactions in retail stores: change in number and average value of, 70, 417-421; relation to sales volume and price change, 417-421, 436, 437
- Uneconomic practices: agreements to limit, 63-67; consumer interest in, 75-79; excessive returns, 64-66, 455; inadequate mark-up, 68-70, 454-456; incomplete charge for alteration, 66, 455; price cutting, see Loss leader and Loss limitation clause of Code; relation to unfair selling methods, 62, 63; success of attempts to limit, 70, 74, 130, 454
- Underselling claims: claims *re* validity of, 194, 195, 259; Code clauses *re*, 187, App. Art. ix, Sec. 1c; court attitudes toward, 48; legitimate use of, 41; Macy policy *re*, 191n; controversy with Gimbels, 41n; relation to loss leader, 78; use of, 48n, 54, 446
- Unfair advertising and selling methods: character of fair practice movement, 35-39, 130; definition by BBB codes, 39-44, 443n, 453, by law, 33-35; by *Printers' Ink* statute, 30; by Retail Code, see Trade practice clauses of Code; enforcement of standards, 46-53, 453, 454; relation of, to uneconomic practices, 62; relation of voluntary to Code control of, 223, 224; results of attempts to limit, 53-55, 129, 443-447, 451-454 (see also, 'Bait' advertising, Loss leader, Loss limitation clause of Code, Trade practice clause of Code, Premiums, Sales, advertising of, Underselling claims, 'Free' goods, Price, unfair reference to)
- Unfair competition: definition of, 31; development of concept, 31-33; legal definition of in Trade, 33-35; in the retail trade, see Uneconomic practices, Predatory practices, Unfair advertising and selling methods, Retailer-resource market contest
- Unemployment insurance: retailer position on, 489-490
- Unions: as an enforcement tool, 512; general function in NRA, see NIRA Section 7a
- Unions in retail field: assistance of, by consumers, 482n, 483, by store service employees, 482; demands of, *re* Code clauses, 172, 173n; effect of NRA on, 482;

- membership of, 111, 481; retailer fear of, 107, 151; retailer defense against, 107, 108, 483n, 484, 485; strikes by, 101n, 483 (*see also*, Company unions)
- United States Department of Commerce: Bureau of Home Economics, 51; Bureau of Standards, 51; Division of Domestic Commerce of, 126
- Variety stores: average wages in, 337, 338n, 341; changes in sales of, 416, 417; employment changes in, 380, 381; expenses as percent of sales, 425, 427; gross margins in, 429; position *re* Code clauses, 160n; profits of, 422; proportion of employees subject to Code minimums, 355, 356; trade associations of, *see* Limited Price Variety Stores Association; wage changes in, 396-398 (*see also*, General merchandise stores)
- Voluntary chains, 29, 84-86, 124
- Wage and hour provisions of Code, administration of: compliance procedure, 227-233, 242, 305, 306; deficiencies in enforcement machinery, 255, 256, 310, 314-315; illustrative labor cases, 250-255; labor representation in compliance machinery, 227-231, 310; net result of 405, 406; number of complaints *re* violations, 238, 240, 241; problem of achieving compliance, 233-237, 240, 243-245, 249-252, 255; requirements for adequate enforcement, 256, 515n; source of complaints of violations, 237-239; subjects of complaints, 240 (for Code provisions, *see* Hours of work, limitation of, Wage minimums in Code, Wage reduction prohibition in Code; for effect of Code clauses, *see* Employment changes, Wage changes)
- Wage changes: in department stores, 389-395; in Dry Goods Stores, 390, 391; in furniture stores, 399-401; in general merchandise stores and others, 364, 368, 389; in hardware stores, 401, 402; in Ohio, 361; in retail trade, 364, 374n, 384, 386, 402, 403, 410; in shoe stores, 399, 400; in variety stores, 396-398; methods of economizing, 406, 407; reduction of wages, 383, 402, 403, 407-409; variation in, by states, 386, 387, 379
- Wage legislation: effect on retailer cooperation, 107; employee interest in, 118; enforcement of, 115; in the U. S. prior to 1923, 113; new Consumers' League bill, 114, 115; retailer interest in, 117 (*see* Wage minimums in Code, Wage reduction prohibition in Code)
- Wage minimums in Code: Code clauses, App. Art. vi; different minimums, 181, 182, 322-324, 347, 404, 405; in various drafts, 182n, 347; relation to state laws, 205
- Wage reduction prohibition in Code: Code clause *re* App. Art. vi, Sec. 5, 285, 286; clause in PRA, 284, 285; complaints *re*, 289, 290; discussion of by Code Committee, 290-292; interpretation of, 292, 301-303; petitions for exceptions from, 294, 295; status of commission payments *re*, 286; status of part-time payments *re*, 287; store practice *re*, 289-290, 407-409 (*see also* Wage changes)
- Wages in retail trade: differentials in by city size and location, 336-346; differentials by type of store, 337-339, 341-344; in department stores in 1913, 108n; of part-time workers, 109n; proportion of employees in minimum wage groups, 349-357, 360, 361, 364-366, 409; relation to wages of domestic servants, 106

VITA

RUTH PRINCE MACK was born in New York City, November 6, 1903. She received the degree of Bachelor of Arts from Barnard College in 1923. Between 1930 and 1933 she did graduate work in the Department of Political Science at Columbia University and held various positions relating to her current academic work. In January, 1932 she received the degree of Master of Arts. In the course of the following two years she acted as Research Assistant to Dr. James W. Angell and was employed at the Retail Code Authority, City of New York. After completing her dissertation she taught Economics at Hunter College of the City of New York.