

IF YOU HAVE PROBLEMS READING THIS DOCUMENT, PLEASE CONTACT
THE USCIS HISTORY LIBRARY AT CISHISTORY.LIBRARY@DHS.GOV.

TWENTY-SEVENTH ANNUAL REPORT
OF THE
SECRETARY OF LABOR

FOR THE FISCAL YEAR
ENDED JUNE 30

1939



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1939

OFFICIALS OF THE DEPARTMENT OF LABOR, 1939

201211416

FRANCES PERKINS, Secretary of Labor.
CHARLES V. MCLAUGHLIN, The Assistant Secretary.
MARSHALL E. DIMOCK, Second Assistant Secretary.
TURNER W. BATTLE, Executive Assistant to the Secretary.
RICHARDSON SAUNDERS, Assistant to the Secretary.
MARY LA DAME, Special Assistant to the Secretary.
FRANCES JURKOWITZ, Administrative Assistant to the Secretary.
JAMES V. FITZGERALD, Director of Information.
GERARD D. REILLY, Solicitor.
L. METCALFE WALLING, Director, Division of Public Contracts.
VERNE A. ZIMMER, Director, Division of Labor Standards.
ELMER F. ANDREWS, Administrator, Wage and Hour Division.
SAMUEL J. GOMPERS, Chief Clerk and Superintendent.
ROBERT C. SMITH, Director of Personnel.
JOHN R. STEELMAN, Director of Conciliation.
ISADOR LUBIN, Commissioner of Labor Statistics.
JAMES L. HOUGHTELING, Commissioner of Immigration and Naturalization.
KATHARINE F. LENROOT, Chief, Children's Bureau.
MARY ANDERSON, Director, Women's Bureau.
W. FRANK PERSONS, Director, United States Employment Service.
LAURA A. THOMPSON, Librarian.

JV
644
A2
1939

CONTENTS

	Page
Report of the Secretary of Labor.....	1
Program for reducing unemployment.....	1
Fair Labor Standards Act.....	4
Walsh-Healey Act.....	6
Industrial Relations.....	6
Other services.....	8
Employment Service.....	8
Child welfare.....	8
Apprenticeship.....	8
State labor laws.....	9
New programs to promote welfare of wage earners.....	9
The labor movement.....	10
Dismissal of impeachment proceedings.....	12
Improved administration.....	13
Emergence of two types of functions.....	13
Statement of the Secretary of Labor before the House Judiciary Committee, Wednesday, February 8, 1939.....	213

APPENDIX

United States Conciliation Service.....	17
United States Employment Service.....	25
Standards and methods.....	25
The merit system.....	26
The Veterans' Placement Service.....	27
Farm Placement Service.....	27
The handicapped.....	28
Junior placement.....	28
The Negro applicant.....	28
The Division of Business Administration.....	28
The District of Columbia Employment Center.....	29
Office of the Solicitor.....	30
Division of Public Contracts.....	35
Office of the Chief Clerk.....	45
Division of Budgets and Accounts.....	45
Division of Publications and Supplies.....	49
Division of Labor Standards.....	51
Conferences and committees.....	52
Fifth National Conference.....	52
Secretary's Committee on the Extension of Labor Law Protection to All Workers.....	52
Secretary's Committee on Older Workers.....	53
Conference of national organizations.....	53
Secretary's Advisory Committee on Safety and Health.....	53
Committee on a State Wage and Hour Draft Bill.....	53
Consultation and recommendations on labor legislation.....	53

	Page
Division of Labor Standards—Continued.	
Compilation of labor laws.....	54
Cooperation with the Wage and Hour Division.....	55
Safety and health.....	55
Inspection standards and the training of inspectors.....	56
Cooperation with State and National safety organization.....	58
Service to Government agencies.....	58
Exhibits.....	59
Apprenticeship unit.....	59
Publications.....	61
Labor Standards.....	61
Bulletins.....	61
Pamphlets.....	61
Office of the Director of Personnel.....	62
Classification services.....	62
Recruiting services.....	62
Training activities.....	63
Service ratings.....	63
General administrative services.....	64
Conclusions.....	65
Department Library.....	67
Bureau of Labor Statistics.....	69
Employment and pay rolls.....	70
Private employment.....	70
Public employment.....	71
Estimates of total employment.....	71
Building construction.....	73
Labor requirements in building material industries.....	74
Wages, hours, and working conditions.....	74
Annual earnings.....	75
Union wages.....	75
Federal wage-and-hour laws.....	75
Wages in foreign countries.....	76
Vacations with pay.....	76
Labor turn-over.....	76
Labor productivity surveys.....	76
Industrial accident statistics.....	77
Cost of living.....	77
Changes in cost of living.....	77
Intercity differences in living costs.....	77
Expenditures of wage earners and lower-salaried workers.....	78
General survey of consumers' purchases.....	78
Retail prices.....	79
Wholesale prices.....	79
Industrial disputes.....	80
Union agreements.....	80
Labor legislation and court decisions affecting the worker.....	81
Workmen's compensation survey.....	81
Labor conditions in Latin America.....	81
Consumers' cooperation.....	82
Prison labor.....	82
Social insurance in foreign countries.....	83
Family allowances.....	83
Migratory labor and farm labor.....	83

CONTENTS

v

	Page
Bureau of Labor Statistics—Continued.	
International Labor Organization.....	83
Inquiries and correspondence.....	83
Monthly Labor Review.....	84
Labor Information Bulletin.....	84
Bulletins.....	84
Looking to the future.....	84
Comparative living costs in different cities and regions.....	86
Interregional differences in wage rates.....	87
Occupational outlook.....	87
A study of employer-worker relations.....	87
Labor productivity and displacement.....	87
Migratory labor.....	87
Annual earnings.....	87
Salaried and professional workers.....	88
Causes and remedies for labor turn-over.....	88
Monthly cost-of-living index.....	88
Index of cost of living for single women.....	88
The older worker in industry.....	88
Immigration and Naturalization Service.....	89
I. Admission and departure.....	89
Aliens debarred.....	94
Repatriations.....	95
Deportations.....	95
Criminal aliens deported.....	97
Prevention of white-slave traffic.....	97
Forced departures without a deportation warrant.....	97
Deportations not effected.....	98
II. The Border Patrol.....	98
III. Minor Immigration problems and duties.....	100
Chinese.....	100
Alien seamen.....	101
Nonquota students.....	102
Contract laborers.....	102
Reentry permits.....	102
Extensions of temporary stay.....	102
Filipino repatriation.....	102
Applications for permission to reapply after deportation or exclusion.....	102
IV. Naturalization.....	103
Naturalization applications and certificates.....	103
Countries of former allegiance.....	104
Preliminary applications.....	104
Work of naturalization examiners.....	104
Naturalization Certification Division.....	104
Registry of aliens.....	105
Petitions for immigration visas.....	106
V. Education for citizenship.....	106
VI. New legislation on naturalization.....	107
VII. Steady decrease in number of unnaturalized aliens in the United States.....	108
Decrease in alien population based upon 1930 census.....	108
Unexpired declarations of intentions.....	109
VIII. Financial statement.....	109

	Page
Children's Bureau	111
Administration of maternal and child-welfare services under the Social Security Act	112
Plans approved	112
Appropriations	113
Allotments and payments	114
Financial review, reports, and audits	119
Reports of activities and services	119
Advisory committees	119
Maternal and child-health services	120
Services for crippled children	128
Child-welfare services	136
Administration of the child-labor provisions of the Fair Labor Stand- ards Act of 1938	142
Certificates of age	143
Employment of children between 14 and 16 years of age	146
Determination of hazardous occupations	147
Inspections of places of employment	150
Court review and enforcement	153
Industrial home work	154
Federal staff	155
Research and advisory work	155
Industrial Division	155
Division of Research in Child Development	159
Social Service Division	162
Delinquency Division	165
Juvenile courts	167
Institutional treatment	167
Division of Statistical Research	169
Legal research	173
General-cooperative activities	174
May Day—Child Health Day	174
Other activities	174
International cooperation	174
White House conference on children in a democracy	175
National health program	176
Information services	177
Publications issued and distributed	177
Correspondence	178
Radio talks	178
Exhibits and films	178
Recommendations	179
Women's Bureau	181
Minimum-wage activities	182
Completed studies	183
Conditions in the millinery industry	183
Women's, children's, and infants' apparel	184
Economic status of university women in the United States	186
Employed women and family support	186
Men's-wear industries	187
Job histories of women at summer schools	188
General information on working women	188
Studies in progress	189
Canning and dried-fruit packing	189

Women's Bureau—Continued.

	Page
Studies in progress—Continued.	
Canneries and the service industries in Hawaii.....	189
Women's employment and family responsibility.....	190
Industrial injuries and occupational diseases affecting women.....	190
Trends in women's employment and wages.....	190
The Woman Worker.....	191
Labor laws affecting women.....	191
Public information.....	192
Exhibits.....	193
Services to organized labor.....	193
Negro women workers.....	193
Household employment.....	194
Conferences.....	194
Publications.....	194
Recommendations.....	195
Wage and Hour Division.....	197
Introduction.....	197
Objectives of the act.....	197
Coverage of the act.....	198
Organizing the Wage and Hour Division.....	198
Functions of the Division.....	198
The organization established to discharge these functions.....	199
Some early problems in organization.....	200
Assistance from other agencies.....	201
Progress in organization.....	201
Progress in administration.....	201
General information.....	201
Interpretations of the act.....	202
Enforcement.....	203
1. Inspection activity.....	203
2. Litigation.....	205
Establishment of cooperative relationship with other agencies.....	206
Regulations and exemptions.....	207
Industry committee program.....	207
Problems and plans.....	211
Organization.....	211
Enforcement.....	211
Regulations and exemptions.....	212

**TWENTY-SEVENTH ANNUAL REPORT OF THE
SECRETARY OF LABOR**

LETTER OF TRANSMITTAL

DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, D. C., November 15, 1939.

To the Congress of the United States:

In accordance with section 9 of the act of Congress approved March 4, 1913, I have the honor to submit a report of the business of the Department of Labor for the fiscal year ended June 30, 1939.

Respectfully submitted.

FRANCES PERKINS,
Secretary of Labor.

TWENTY-SEVENTH ANNUAL REPORT OF THE SECRETARY OF LABOR

For the wage earners of the United States the fiscal year ended June 30, 1939, spelled substantial improvement. Opportunities for employment were more numerous, wages increased, maximum hours of labor decreased, physical conditions of work became safer and more healthful. These and other benefits are the cumulative result of the comprehensive economic and social program which was launched in 1933. They are corollaries of the general expansion in business production and distribution contingent upon the 6 years' operation of this program.

Total nonagricultural private employment, as of June 1939, was 33,500,000 compared to 26,100,000 in March 1933. In other words, 7,400,000 more persons were employed in this class of jobs in June 1939 than 6 years ago and 1,253,000 more than were employed during this same month in the fiscal year of 1938. Weekly factory pay rolls increased from \$72,697,000 as of March 1933 to \$164,089,000 as of June 1939, a rise of \$91,392,000, with the increase for June of this fiscal year over the corresponding month last year amounting to \$29,138,000 weekly. The trend also indicated that employment and pay rolls will continue to rise through the fall months. Building construction of all kinds, which stimulates employment in many other lines, jumped from value of \$3,000,000,000 in the calendar year 1933 to \$6,500,000,000 in 1938, and from figures available it is estimated it will rise \$500,000,000 to \$1,000,000,000 more in the 1939 calendar year.

These concrete figures show direct economic gains made since 1933. They have been accompanied by social advances made through legislation designed primarily to benefit the wage earner but also in the public interest, and the combination has operated to promote the general well-being of this generation and those to come.

PROGRAM FOR REDUCING UNEMPLOYMENT

Despite these significant gains, unemployment has not been eliminated. Rather, it has been reduced, mitigated, and modified. Among the programs designed to overcome unemployment which have emanated out of the Department of Labor's continuous study of this problem are the following:

First. An immediate recommendation early in 1933 that there be some quick relief in the way of Federal appropriations to assist the States and localities in meeting the primary relief needs of the people who were then unemployed and had been unemployed for a long time in the emergency of general depression.

Second. A program of straight public works. The recommendation for it and the justification for it, and the basic figures and information came out of the Labor Department. The conception of finding special work for those who could not be absorbed on straight public works also sprang from a meeting of labor leaders, government officers, and others in the Department of Labor early in 1933.

Third. The Wagner-Peyser Act, which established well-equipped, free public employment offices, also came from recommendations of this Department as a method of taking care of the effective placement of persons looking for work where there was work to be had, so reducing the loss and waste of poor placement of the job hunting.

Fourth. The labor sections of the N. I. R. A. were contributed by this Department and its advisors in an effort to offer employment opportunities and labor protection in private industry.

Fifth. The Public Contracts Act, which required not over 40 hours and a fair minimum pay on Government contracts in manufacturing. This act sprang out of the recommendations of the Department, advised by a conference committee of State labor department officials and labor leaders.

Sixth. The Wage and Hour Act, which was the first effort to establish on a Federal basis a floor to wages and a ceiling to hours. This grew directly out of the recommendations of this Department, advised again by a conference of State labor department officials and labor representatives following the abandonment of N. I. R. A.

Seventh. Unemployment compensation, which is an adjustment for the loss of wages due to the accident of unemployment. Again this had its origin in the studies and recommendations of the Labor Department and its advisory committees.

Eighth. Contributory old-age insurance for the future and Federal assistance to the States for providing old-age assistance to aged needy persons. These programs were adopted partly to enable the elderly to leave the labor market and so offer more employment to persons at the peak load of their responsibilities.

Ninth. Limitation on the employment of young persons under 16 years in the N. I. R. A. Act and later in the Public Contracts Act and Wage and Hour Act. These provisions were aimed partly at keeping the immature workers out of the labor market and so offering more jobs to those in middle life.

Tenth. The basic information and recommendations for the development of the C. C. C. as a form of constructive educational em-

ployment for young persons. This, too, had its inception in the Department of Labor.

The various programs to shorten hours have been aimed at providing more job opportunities in industry and programs for lifting the wage minimums have been aimed at creating a new purchasing power, which would in turn by its demand for goods and services create new employment opportunities.

All these programs are in operation and have greatly improved the total picture of unemployment both quantitatively and qualitatively. The purchasing power developed by some of these programs and the reemployment, both public and private, brought about by others have notably improved the situation and relieved the strain. The effects will be noted increasingly.

The new frontiers which always have been looked to in our system to develop opportunities for new industry are not closed. They are not necessarily geographical frontiers. The new frontiers today rest on improvement in the standard of living, not only of the people of the United States but the whole world. Gradual improvement and increase in the standard of living, and therefore the opportunity to buy the products of manufacture and of farms, is one of the things to which we must look in the future for the expansion of opportunity for industries and for employment.

It was 10 years ago, in 1929, when the curve of employment began to go downward. Since the summer of 1933, when these measures began to be applied by government, there has been great increase of employment, intermittent but always toward higher levels.

The index of manufacturing employment in July 1929 was 107.3.

The index of manufacturing employment in July 1930 was 90.4.

The index of manufacturing employment in July 1932 was 61.0.

The index of manufacturing employment in July 1933 was 76.2.

The index of manufacturing employment in July 1937 was 110.9.

The index of manufacturing employment in July 1939 was 93.5.

There is a steady building up of employment and increase of pay rolls, which also show that more people are working full time and therefore having more money to spend, actually putting more money out into the population.

The fact that the index of employment is up does not mean that everybody who wants to work is working. It does not take account of all of the additional population of working age who want to crowd into industry. Part of this additional population of working age has now acquired the habit of going to school and college. Unemployment, however, is spotty and variable, not static.

Some industries now employ many more people than they ever employed in their history, and other industries are employing fewer.

Technological changes are taking place in some industries at a very rapid rate, and in other industries those technological changes seem to have reached their peak, or not yet to have arrived.

Many wage-earning people have never been unemployed all through this depression. Of the 3,000,000 people who have been on work relief, less than 150,000 have been unemployed for more than a year consecutively during the whole course of this period. There has been a considerable turn-over within that group.

No evidence is available upon which any conclusion can be based that millions of people are going to be permanently unemployed in the United States. It is now probably true that between 4 and 5 million people on any given date represent the normal turn-over of industrial unemployment; that is the number of persons who are likely not to be working on the particular day of any particular week due to seasonal and other variations in the system. Those individuals, however, would not be available for any unselected employment on their intermittent days of idleness. They are not unemployed in the real and long time sense. The number of persons who will be available and pressing for work in the labor market after the full effects of reduced hours and better wage levels are felt in the economic pattern is still problematical, as the monthly adsorption of this group is steadily increasing. These facts do not justify conclusions that there is an ever-increasing body of unemployed or that there will be no enterprises capable of absorbing young people coming out of school each year.

FAIR LABOR STANDARDS ACT

The major development of this fiscal year within the structure of the Labor Department designed to reduce unemployment and improve the condition of American workers was the establishment of the Wage and Hour Division. This Division enforces the Fair Labor Standards Act, which became effective October 24, 1938. Planning for its administration had begun during the summer months.

The act places a floor under wages, a ceiling over hours, and outlaws oppressive child labor in interstate commerce or in the production of goods for interstate commerce. Enforcement of the child-labor provisions is assigned to the Children's Bureau of this Department.

Statutory provision was made in the act for a rising floor under wages and for a descending ceiling over hours. The statutory minimum wage for the first year, which will end October 24, 1939, was 25 cents an hour. The statutory minimum for the year ending October 24, 1940, will be 30 cents an hour. There will be no further change in the statutory minimum until October 24, 1945, when it rises to 40 cents an hour.

The hours "ceiling" this fiscal year was 44 hours. After October 24, 1939, it will be 42 hours a week. On October 24, 1940, the "ceiling" is to be lowered again to 40 hours a week. There will be under this act no further change in the statutory work week. Thus, it is seen that the ultimate goal of Congress (a minimum wage of 40 cents—a maximum week of 40 hours) will be reached within 6 years.

It is estimated that about 12,300,000 persons in the United States of America are engaged in industries and occupations classified as interstate commerce and subject to the act. A large proportion of these persons received more than 25 and 30 cents an hour, but the competition in terms of low wages offered by the minority who pay the extremely low-wage levels has been sufficient to operate against the development of the industries where this practice is common and to keep them in the low-wage-paying groups, though a considerable percentage of employers tried to and often do pay higher wages at a considerable loss to themselves.

Preliminary surveys showed that about 300,000 persons in the United States received less than 25 cents an hour at the time the wage went into effect and were therefore immediately affected by it.

A recent survey showed that 600,000 to 700,000 were receiving less than 30 cents an hour in April 1939. A larger number, 2,380,000, were reported as working more than 42 hours a week. Of the latter, about one-third, or 718,000, were already receiving overtime rates for time worked in excess of 42 hours. Further break-down of these figures indicates that three-fourths of those working more than 42 hours without overtime or earning less than 30 cents an hour are to be found in 20 States and 12 industries. The other 25 percent are scattered through a variety of industries. This concentration makes possible the planning of an organization for administration realistically and with the knowledge that the task of enforcement, though large, is by no means superhuman.

We can review the first year's experience of the Fair Labor Standards Act with some satisfaction. The past year justifies us in believing that the act is legally sound, and that its constitutionality will be upheld by the highest court as it has been by the lower courts in the States up to date. Ninety-two cases have been taken to court and only favorable constitutional decisions and opinions have been handed down. Moreover, during the first 9 months in which the Fair Labor Standards Act was in force there has been a continual increase of employment throughout the United States, both in durable-goods industries and in consumers' goods industries.

This increase cannot be attributed solely to the Fair Labor Standards Act, but certainly it has not held back the increasing employment as was predicted by some of its opponents. Rather has it

been responsible for a considerable increase in employment in certain industries.

The act directs that minimum wages above the statutory minimum of 25 and 30 cents shall be set in particular industries where practicable and on advice of an advisor's committee composed of employers and workers in the industry. Within the fiscal year (October 1938-June 30, 1939) seven such committees have been formed and are preparing recommendations for minimum wages above the 25- and 30-cent levels that will be promulgated shortly.

WALSH-HEALEY ACT

Another Federal statute has been administered through the Public Contracts Division of the Department of Labor to reduce unemployment and better working conditions for the wage earners of the United States. It is known as the Walsh-Healey Act. This requires that goods and services bought by the Government in quantities of over \$10,000 valuation shall be manufactured under labor conditions which conform with certain well-recognized standards. It has been in effect approximately 35 months. The statute requires the observance of an 8-hour day, and a 40-hour week, prohibits the use of child or convict labor, insists on the observance of safety and health standards and, finally, requires manufacturing establishments to pay prevailing minimum wages as announced by the Secretary of Labor.

Since the act went into effect, September 28, 1936, to the end of this fiscal year, 14,877 contracts valued at \$1,001,134,142 have been awarded to firms throughout the United States and its territories which have agreed to comply with these stipulations. During the fiscal year, 29 Government agencies reported 6,396 contracts valued at \$528,392,755. Compliance with the act is general, and the method of fixing the minimum wage after consultation with a representative panel of the industry and after ample study and hearings has met with cooperation by employers and workers.

INDUSTRIAL RELATIONS

Of all factors involved in the stabilization of employment and bettering the terms under which it is carried on, none is more important than the relationship between employer and employees.

During the past fiscal year there has been a continued improvement in orderly, effective industrial relations between these two groups throughout the United States. This is reflected in the character of the work performed by the Conciliation Service, which reports that the emphasis and time-charge is shifting from the adjusting of strikes to the prevention of strikes and lock-outs. Ninety percent of all the controversies brought to our attention before an actual strike had

taken place resulted in a settlement which prevented any strike or lock-out. Moreover, there has been a great increase in the number of cases where either employers or workers called these situations to our attention in ample time to make adjustments without the necessity of stoppage of work, and the adjustments, of course, were made by the simple process of conciliation. There also has been an increase in the number of arbitrations voluntarily agreed to and requested by both parties, and a great increase in the number of informal conferences participated in by conciliators, which solved problems that might otherwise have led to industrial disputes.

The only large and long strike in the course of the year was the bituminous coal strike, which involved 440,000 employees and lasted for about 5 weeks. This is fully reported in another section of the report. A truck strike in New England, involving 15,000 employees and lasting roughly for 3 to 4 weeks, was next in seriousness.

Total strikes in the United States in the last calendar year numbered 2,772, involving 688,376 workers and causing 9,148,273 man-days of idleness as compared with 4,740 strikes the previous calendar year, involving 1,860,621 workers and causing 28,424,857 man-days of idleness.

In every year from 1916 through 1923 more workers were involved in strikes than the 688,376 of last year. The number was well in excess of 1,000,000 in 7 of these 8 years with the peak reached in 1919 when there were 3,630 strikes involving 4,160,348. The number of workers involved in 1938 strikes was lower than in any year since 1932.

The improvement in industrial relations is due to the increasing skill and intelligence with which both employer and labor groups are conducting their negotiations and approaches to one another. The existence throughout the country of branches of the National Labor Relations Board has contributed in many instances to a stabilization of these situations, and the work of mediation carried on not only by the Federal Government but by an increasing number of state officials and city officials with understanding of the labor problem and with patience is contributing also.

In spite of much exasperation, which has sometimes been vigorously expressed, it constantly becomes clearer that the men and women, both on the labor side and on the employer side, are becoming self-disciplined and self-educated with regard to the problem of orderly industrial relations. Patience and faith in the capacity of men to govern themselves in their mutual relations by good will and intelligence will result in a continually more effective, more democratic, and successful relationship between these two groups, a relationship necessary both for increasing production and distribution and for protecting the basic human rights and necessities involved in the industrial enterprise.

OTHER SERVICES

Through many other activities the Department of Labor operated during the year to fulfill its purpose.

Employment service.

Conspicuous among these has been the work of the United States Employment Service, fully reported in another section. This agency was transferred to the Social Security Board from the Department of Labor at the end of the fiscal year. In the several years during which the United States Employment Service operated in the Department of Labor under the Wagner-Peyser Act, approved June 6, 1933, it made over 26,000,000 placements and performed efficiently the far-reaching and useful service of bringing together workers in search of jobs and employers in search of workers. This function is one of the most important services to workers in complex modern industrial society.

Child welfare.

The Department also rendered service during the year to needy mothers and ailing and crippled children. The Children's Bureau, under the Social Security Act, approves plans for the child-welfare services, and during the fiscal year the Secretary of Labor authorized payments to the States for these services in the amount of more than \$8,000,000.

Apprenticeship.

The Department concentrated during the year, through the Federal Committee on Apprentice Training, on developing proper standards and suitable opportunities for true apprentice training of younger people. The first objective is to provide proper training for those young people now employed in skilled occupations and to establish the necessary standards and organizations to provide full training for other young men and women as they are needed.

The plan is taking hold and gives every promise of proving of high value to many young people and to employers as well. A year ago our apprenticeship staff had a difficult time convincing people that apprenticeship standards should be set up. It was necessary to point out that skilled workers could not be trained in most cases in not less than 4 years. It was emphasized that employers and labor groups should get together so that young employed workers might be given thorough training both through their work and through supplemental instruction in subjects related to their trades. There was no need for training more workers than there would be jobs. This is still true, but there is a need for the highest possible quality training job that can be done, and it is toward this end the Department is striving.

State labor laws.

Annual meetings of representatives of the governors of the different States have been held for 5 years now under the auspices of the United States Department of Labor, and they have been productive of many gains for the wage earners of the Nation through bringing about cooperation for a desirable program of State labor legislation.

This has brought about the following specific gains: Child labor—the 16-year basic minimum age has been established in 9 States, Alaska, and Hawaii. Hours—21 States have shortened hours of labor by law. Minimum wage—7 States and Alaska have passed minimum-wage laws, and the Fair Labor Standards Act has regulated hours, wages, and child labor on an interstate scale. State Departments of Labor—9 States have created new labor departments or greatly expanded and strengthened existing bureaus. Wage collection—9 States have given their labor commissioners power to take the assignment of wage claims and to collect valid claims for wage earners. Workmen's compensation for accidents and industrial diseases—all but 2 States now have workmen's compensation laws, and 12 States have adopted laws compensating for occupational diseases.

New programs to promote welfare of wage earners.

Since 1933, when the present Administration was inaugurated, out of the activities of the Department of Labor have come many new services within the Department and a considerable number of enterprises necessarily carried on outside the Department.

The programs designed to prevent unemployment, stabilize relations between employer and employee, and improve working conditions generally are among the foremost achievements of the Department.

Its activities and studies, however, have resulted also in the practice of the principle of labor representation on boards and committees dealing with all matters that affect labor. Labor advisory committees were appointed at the suggestion of the Secretary for the public-works program, for the Employment Service, for the W. P. A., and other Federal agencies, thereby utilizing the experience of wage earners in those matters where government rulings would directly affect their interests.

The studies and investigations and recommendations of the Department developed the whole program of social security.

The experience and activities of the Department led to some recommendations out of which section 7-A of the N. R. A. and later the National Labor Relations Act grew.

The promotion of State labor legislation, through cooperation with the National Conference on Labor Legislation, meeting under the auspices of the Federal Department, has proved

securing uniform and desirable legislation in the labor and social fields in all of the States.

Laws varying from elaborate systems of workmen's compensation to simple but necessary statutes providing for the collection of unpaid wages by a State officer on behalf of workmen who have been cheated have been enacted all over the country under the impetus of this conference and the technical services which are rendered to it by the Department of Labor, operating principally through the Division of Labor Standards.

Adult education directed and modified to be of particular use to wage earners in meeting their needs has been fostered and promoted by the Department regularly. The funds available in W. P. A. and the unemployed teachers and other technicians who were available for service there have been utilized with the cooperation of the Department for the establishment of special services in the educational field.

The necessity of providing technical services to assist the States in the actual prevention of occupational and industrial diseases and to assist the labor unions and employers in a knowledge of the technical methods for controlling silicosis, carbon-dioxide poisoning, chrome poisoning, and other industrial diseases has been recognized by the Department, and has been met by its making available pamphlets, special consultations, and direct technical assistance looking to prevention by mechanical and other means. These services are greatly appreciated in those industries where these hazards exist. Industrial accident prevention and the promotion of better physical working conditions for safety and health are the direct responsibility of the Division of Labor Standards and on the enforcement side of the Division of Public Contracts. The intelligent response to these efforts to improve working conditions is encouraging. The saving of life and health to the wage-earning population is immeasurable.

THE LABOR MOVEMENT

Administration of the programs for promoting the welfare of the wage earners of the United States has been complicated by the split in the labor movement between the older American Federation of Labor and the new group, known first as the Committee on Industrial Organization and later as the Congress of Industrial Organizations, which was crystallized with the expulsion of 10 unions from the A. F. of L. on September 5, 1936. This split has continued to affect the labor movement and the general development of the status of labor in the United States.

During the early part of the year, in addition to the Secretary of Labor, the President and other officers of government received a very large number of communications from labor groups all over the United States, regretting the split in the labor movement and re-

questing that the Secretary of Labor or some other well-disposed officer of government undertake to assist in healing the breach.

Resolutions and communications of organized bodies, representing not less than 3,000,000 people, organized into trade-unions, were presented. The arguments in favor of unity within the labor movement were well presented and commonly known.

Following these suggestions and requests the Secretary of Labor, in the autumn of 1938, began a series of informal conversations with leaders in both groups looking toward the establishment of some machinery for negotiating peace between the separated groups. The Secretary and those assisting her in these conversations discovered that on both sides there was an appreciation by high officials of the hazards to the labor movement of a prolonged separation of the two groups, particularly if it was accompanied by rivalry and bitterness. Preliminary general understandings were arrived at. The passage of time had complicated the problem. When the split came in the fall of 1936, 10 unions were expelled from the A. F. of L. These had all previously held charters from the A. F. of L. which defined their jurisdiction and provided for a method of settling jurisdictional claims with other unions. Since the separation the 10 original unions had greatly increased their membership and in a number of cases had extended their jurisdiction into new fields. In addition, the C. I. O. had organized and chartered a large number of new unions never before in existence and, of course, never chartered by the A. F. of L. Some of these new unions were in fields in which unions in the A. F. of L. previously had charters and members or in which there were at least partly overlapping jurisdictions. The A. F. of L. had also organized and chartered new unions in fields where the C. I. O. also has unions.

On February 23, 1939, the President issued an invitation to both groups to appoint members to a joint negotiating committee. The joint committee was designated: For the A. F. of L.—Harry Bates, president, International Union of Bricklayers, Masons and Plasterers; Matthew Woll, president, Union Label Trades Department, A. F. of L.; Tom Rickard, president, United Garment Workers; and Daniel Tobin, president, International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers of North America; for the C. I. O.—John L. Lewis, president, United Mine Workers of America; Sidney Hillman, president, Amalgamated Clothing Workers of America; and Philip Murray, chairman of the Steel Workers Organizing Committee. This committee met with the President on March 7, 1939, and at that time he expressed his hope of effective action by this committee and asked them to continue to negotiate even if they disagreed on certain points. He also asked them to return to discuss this problem with him before breaking off negotiations.

The committee met in its first session on the same day and thereafter continued to meet from time to time, analyzing the problem before them and breaking it up into various parts for discussion and tentative agreement. Both groups had previously concurred in the proposition that peace was desirable and that the industrial form of organization was not disapproved of and was in practice by both A. F. of L. and C. I. O.

This split in the labor movement is hazardous to trade-unionism in America and is troublesome to some employers and to those branches in the government which deal with labor problems and labor legislation.

The wage earners of America have an important contribution to make to the further development of our democratic processes of living in the American way and to various improvements in our social and economic life. It has long been understood that they can make this contribution more effectively when organized and united than when unorganized or mutually antagonistic. It would seem that their contribution would be more effective if they were organized into one affiliation rather than two.

It is noteworthy that throughout the country among the various local unions affiliated with the A. F. of L. and the C. I. O. there is an increasing spirit of cooperation with regard to local matters. In actual practice there is an unwritten but developing respect for each other's jurisdictions and joint action to protect certain rights and opportunities to prevent adverse legislation and to promote desired legislation.

It is undoubtedly true that both groups of organizations have greatly increased their membership. The A. F. of L. claims 4 million members affiliated with the Federation, and the C. I. O. claims also 4 million members affiliated with the Congress. At the close of the World War it was claimed that there were 3½ million trade-union members.

DISMISSAL OF IMPEACHMENT PROCEEDINGS

The fiscal year 1938-39 was marked by the unusual episode of a resolution introduced by Representative Thomas of New Jersey, accusing the Secretary of Labor of engaging in conspiracy to defeat the operation of the immigration laws with respect to deportation proceedings pending against one Joseph Strecker, of Arkansas, and Harry Bridges, of California. The resolution proposed that Congress authorize an investigation with a view to presenting articles of impeachment against the Secretary of Labor and two other officers of the Department, the Solicitor and the Commissioner of Immigration and Naturalization.

The matter was referred to the Judiciary Committee, which conducted an exhaustive investigation and heard a number of witnesses, including the sponsor of the resolution, several officials of the Department, and the Secretary. In answer to the resolution, the Secretary presented a statement¹ which is included here as an appendix and merely for future record.

The Judiciary Committee filed a lengthy report, which summed up the evidence on every accusation contained in the resolution and concluded that on each point there had been no breach of duty by the Secretary nor any of her subordinates. The committee recommended that the resolution be tabled. This report was unanimously accepted by the House of Representatives.

IMPROVED ADMINISTRATION

The Department itself, as an operating enterprise, has been considerably overhauled with the view to making it more effective for carrying out the underlying purpose as expressed in the basic act—to foster, promote, and develop the welfare of the wage earners of the United States. Procedures have been simplified, duplication of effort and responsibilities has been eliminated, bureaus having different functions but utilizing the same material for their information have learned the art of having one common pool for statistical and economic information. Inspection and investigation services also have been pooled so that no duplication of effort or waste of motion takes place. Business management has been centralized, and all this has been planned for the purpose of getting the best and most complete results on the small amount of money spent, but functional organization and approaches have been maintained.

Even the close relationship of the Department with the activities of the Social Security Board in the field of unemployment compensation and old-age insurance and with the Labor Relations Board have been developed on a cooperative basis, so that it is pretty general testimony that there is no conflict in these fields but rather cooperation. Basic experience and information upon which these two great enterprises are founded springs, of course, directly from the Labor Department, and the Department's interest and concern in these fields which affect wage earners exclusively will continue to grow and develop.

EMERGENCE OF TWO TYPES OF FUNCTIONS

Two types of activity are appearing clearly in the work of the Department; one, the investigation of situations that appear unfavorable to working people, reporting upon these findings and de-

¹ See p. 213.

vising a program with consultation and advice to overcome the disadvantages found under the investigation. For these services the Department's personnel should be sympathetic, alert, and imaginative to find and foresee those conditions which are adverse to the life of wage earners and can be corrected. The other type of activity lies in the field of the enforcement of statute—the Public Contracts Act, the Davis-Bacon Act, the Wage and Hour Act, the Immigration Law. In all of these the spirit and purpose of the law must be fairly and justly interpreted and applied, with every opportunity to all parties to have their grievance or their objection fairly and judicially considered.

Thus one type of activity in the Department of Labor strengthens the other. The realistic necessities of enforcement and administrative work serve to make the research and investigation more realistic and more practical. While the unfavorable conditions found during investigation serve to illuminate and humanize the administration and enforcement of statutes, the effort throughout is to build gradually a democratic system of order based on truth, cooperation, and justice, out of which peace and freedom in this important sector of human affairs will establish themselves.

FRANCES PERKINS,

Secretary.

APPENDIX

APPENDIX

CONDENSED REPORTS OF THE ACTIVITIES OF THE BUREAUS AND SERVICES OF THE DEPARTMENT OF LABOR FOR THE FISCAL YEAR ENDED JUNE 30, 1939

UNITED STATES CONCILIATION SERVICE

J. R. STEELMAN, *Director*

To the SECRETARY OF LABOR:

The Congress in creating the Department of Labor, under section 8 of the act, gave the Secretary of Labor the power to act as mediator and to appoint commissioners of conciliation in labor disputes whenever in the Secretary's judgment the interest of industrial peace required that it be done. The Secretary delegated this function to the United States Conciliation Service in the Department of Labor.

The activities of the Service for the year embraced work in all of the States, the District of Columbia, Alaska, and Hawaii. It rendered service in 3,541 situations involving directly 1,636,543 workers. Of the total number of situations, 1,678 were classified as labor disputes which included strikes, threatened strikes, lock-outs, and controversies. These accounted for 1,455,675 workers. The remaining 1,863 situations involving 180,868 workers were classified as other services rendered, and included arbitrations, conducting consent elections, technical services, supplying information, conferences with employees or employers, and complaints. There were 214 situations pending at the close of the year.

There is a definite trend in the work of the Conciliation Service—shifting from that of adjusting strikes and other controversies which result in a stoppage of work to the prevention of such occurrences. This is reflected in our records for the year.

The number of strikes brought to our attention and in which we participated decreased from the previous year. However, controversies, which are defined as situations in which there has been no stoppage of work or no strike vote has been taken, increased. Arbitrations likewise increased. Another major increase was in conferences, which indicates both employee and employer are aware that the Conciliation Service is in a position to offer guidance and advice with regard to their labor problems.

The most significant work of the Service was in the prevention of threatened strikes, these being defined as situations in which an actual

strike vote had been taken and the employees prepared to strike at a designated time. By being able to make commissioners of conciliation available in 358 of these situations, we prevented 324 of them from developing into actual strikes. These involved over 215,000 workers; and if computed on the basis of Bureau of Labor Statistics man-days lost by strikes, would reveal a potential saving of over 4,300,000 man-days of work and wages.

We have revised our policy of classifying situations handled, both as to type and disposition, and during the year we disposed of problems brought to our attention in 26 different ways. It is interesting to note that of the total situations handled, over 600 were terminated on the basis of signed agreements. This indicates clearly the establishment of better relationship between labor and management and further that they are finding it more advantageous to reduce their agreements in collective bargaining to written instruments. In these signed agreements were included over 19 major provisions, the most important having reference to hours of labor, wages, overtime, grievance procedure, and union recognition. Under the grievance procedure, it is revealed in numerous instances that either an arbiter is to be designated by the Conciliation Service or that a conciliator shall be called in before there is an actual stoppage of work.

Many of the problems referred to the Service have been of a technical nature. Our work in this connection has increased and is proving very valuable in bringing about the satisfactory adjustment of problems pertaining to work loads, especially in the textile field. The work in this field has broadened to include not only the handling of situations that may be strictly termed technical, but to make available to our commissioners of conciliation certain technical and industrial data that have proved very helpful in the handling of numerous problems.

It has been gratifying to note that there is an increasing interest on the part of the various State labor departments and a definite desire to work and cooperate with this Service is indicated. We have established a very workable liaison with numerous States, and their respective staffs are cooperating in the prevention of industrial strife.

There has been a marked interest on the part of both labor and management in the work of the Conciliation Service. In numerous instances we have been called upon to explain to labor, as well as to managerial groups, the functions of this Service, and all seem especially interested in the fact that we have no substantive law to enforce. Our conciliators, acting as interpreters of principles, clarifying issues, and making suggestions for short-cuts based on practical experience as to methods, practices, and procedure, have aided materially in establishing more satisfactory relationship between employee and employer.

The demands for our services have overtaxed our staff, and in order to cope with the situation and in an effort to make our limited force as effective and as mobile as possible, we have organized the Service on a regional basis, thus developing a closer control over our work and making it possible to render a more prompt and efficient service.

The Service is handicapped in its work, due to inadequate field staff. We are hoping that this situation may be corrected, as our records reveal the delay in entering a situation makes it all the more difficult to adjust. If it were possible to have a commissioner of conciliation available to enter a situation prior to its having reached a critical stage, our preventive work would be materially increased and the result would be a greater saving of man-days and wages, as well as material savings to industry.

Because people in all walks of life are expressing an interest in the work of the Conciliation Service, it is anticipated that requests for our assistance will increase, not only to make commissioners of conciliation available in the settlement of disputes but to offer advice to both labor and management in their labor relations problems. This is manifested by the large number of calls and letters that we are receiving, requesting an opportunity to discuss labor problems with us.

The most outstanding accomplishment of the Service during the year was its participation in the bituminous-coal dispute. This problem was brought to a satisfactory termination in a short period of time after we entered the situation.

The work of the Service during the year has embraced activities in 26 industrial fields, as shown in appendix D. Typical cases disposed of are shown in appendix E.

The activities of the Service have been classified as to major issues involved, on the basis of their disposition; labor disputes, and other situations by industries; labor disputes and other situations by States. These are shown in the attached appendices.

APPENDIX A.—Situations disposed of classified as to type of dispute involved
July 1, 1938, to June 30, 1939

Type of dispute	Number	Workers involved
Labor disputes:		
Strikes.....	740	458,794
Sit-down strikes.....	12	16,202
Sympathy strikes.....	9	3,246
Threatened strikes.....	358	215,873
Lock-outs.....	54	22,468
Controversies.....	505	730,092
Subtotal.....	1,678	1,455,675
Other situations:		
Investigations.....	29	32,248
Technical investigations.....	95	37,285
Arbitrations.....	99	50,911
Request to conduct consent elections.....	10	1,567
Request for verification of union membership.....	1	114
Request for technical service.....	19	12,809
Request for information.....	730	1,811
Conferences.....	329	3,460
Request for special services of commissioners.....	95	39,423
Complaints.....	456	1,240
Subtotal.....	1,863	180,868
Total.....	3,541	1,636,543

APPENDIX B.—Situations classified as to disposition, July 1, 1938, to June 30, 1939

Disposition	Number	Workers involved
Signed agreements.....	604	960,144
Verbal agreements.....	473	271,929
Written statement terminating situation.....	103	60,854
Unable to adjust.....	146	23,744
Plant closed indefinitely.....	12	3,701
Investigation completed.....	54	44,465
Conditions corrected.....	121	92,286
No action required.....	83	7,078
No jurisdiction.....	9	534
Conciliation declined.....	1	5
Agree to reinstate employee.....	41	6,389
Referred to National Labor Relations Board during negotiations.....	91	24,685
Referred to other Federal agencies (National Labor Relations Board, National Mediation Board, and others).....	236	2,786
Referred to nongovernmental agencies.....	20	1,851
Complaint withdrawn.....	1	1
Special services rendered.....	23	26,895
Outside party appointed as arbiter.....	1	26
Decision rendered in arbitration.....	91	48,568
Technical investigations.....	70	25,068
Technical service rendered.....	19	12,809
Consent election held.....	10	1,567
Union membership verified.....	1	14
Information furnished.....	1,331	20,954
Total.....	3,541	1,636,543

APPENDIX C.—Situations disposed of, classified as to labor disputes and other situations, by States, July 1, 1938, to June 30, 1939

States	Disputes		Other situations		Total	
	Number	Workers involved	Number	Workers involved	Number	Workers involved
Alabama.....	42	11,354	44	2,856	86	14,210
Alaska.....	3	2,170	3	81	6	2,251
Arizona.....	12	4,690	6	6	18	4,696
Arkansas.....	8	879	5	7	13	886
California.....	92	147,882	152	49,262	244	197,144
Colorado.....	6	11,589	8	763	14	12,352
Connecticut.....	11	23,031	24	4,441	35	27,472
Delaware.....	4	400	2	36	2	36
District of Columbia.....	101	14,041	222	1,626	323	15,007
Florida.....	27	16,191	24	8,965	51	25,156
Georgia.....	25	7,229	23	1,737	48	8,966
Hawaii.....	1	400	.....	.....	1	400
Idaho.....	4	264	2	2	6	266
Illinois.....	92	15,883	102	2,376	194	18,259
Indiana.....	68	12,714	68	5,975	136	18,689
Iowa.....	31	7,978	15	7,557	46	15,535
Kansas.....	8	414	8	207	16	621
Kentucky.....	28	10,775	18	943	46	11,718
Louisiana.....	20	14,409	14	3,251	34	17,660
Maine.....	7	832	4	287	11	1,119
Maryland.....	21	16,835	17	1,093	38	17,928
Massachusetts.....	52	17,683	53	12,222	105	29,905
Michigan.....	53	132,422	47	2,704	100	135,126
Minnesota.....	38	24,154	31	181	69	24,335
Mississippi.....	1	67	7	1,299	8	1,366
Missouri.....	67	24,560	46	918	113	25,478
Montana.....	7	11,805	5	5	12	11,811
Nebraska.....	3	2,551	1	2	4	2,552
Nevada.....	2	110	.....	.....	2	110
New Hampshire.....	3	629	8	589	11	1,218
New Jersey.....	76	33,017	69	293	145	33,310
New Mexico.....	8	4,185	2	2	10	4,187
New York ¹	120	581,494	255	6,233	375	587,727
North Carolina.....	16	8,316	65	11,439	81	19,755
North Dakota.....	1	100	3	3	4	103
Ohio.....	141	49,999	130	1,461	271	51,460
Oklahoma.....	13	10,220	11	531	24	10,751
Oregon.....	7	8,385	28	2,830	35	11,215
Pennsylvania.....	225	85,035	87	12,514	312	97,549
Rhode Island.....	24	11,344	16	9,388	40	20,732

¹ Coal situation carried in New York for record purposes only.

APPENDIX C.—Situations disposed of, classified as to labor disputes and other situations, by States, July 1, 1938, to June 30, 1939—Continued

States	Disputes		Other situations		Total	
	Number	Workers involved	Number	Workers involved	Number	Workers involved
South Carolina.....	16	12,156	29	7,738	45	19,894
South Dakota.....	1	1	1	1	1	1
Tennessee.....	39	13,055	34	2,730	73	15,785
Texas.....	38	7,576	41	2,590	79	10,166
Utah.....	6	2,979	2	401	8	3,380
Vermont.....	1	5	1	1	2	6
Virginia.....	31	20,766	15	41	46	20,807
Washington.....	39	59,296	63	12,733	102	72,029
West Virginia.....	16	2,341	28	882	44	2,923
Wisconsin.....	26	11,663	18	284	44	11,947
Wyoming.....	2	201	6	283	8	484
Total.....	1,678	1,455,675	1,863	180,868	3,541	1,636,543

APPENDIX D.—Situations disposed of, classified as to labor disputes and other situations, by major industries, July 1, 1938, to June 30, 1939

Industries	Labor disputes		Other situations		Total	
	Number	Workers involved	Number	Workers involved	Number	Workers involved
Agriculture.....	24	46,172	21	1,022	45	47,194
Automobile.....	97	129,438	26	531	123	129,969
Building trades.....	161	82,356	191	9,082	352	91,438
Chemicals.....	30	7,036	19	485	49	7,521
Communications.....	11	35,664	17	275	28	35,939
Foods.....	190	99,878	106	9,909	296	109,787
Hotel, restaurant, and other services.....	103	17,499	45	847	148	18,346
Iron and steel.....	116	49,302	76	1,588	192	50,890
Lumber-furniture.....	111	43,008	55	5,391	166	48,399
Leather.....	30	10,309	28	105	58	10,414
Machinery.....	88	37,346	66	5,382	154	42,728
Maritime.....	38	102,244	78	35,201	116	137,445
Mining.....	32	455,062	31	52	63	455,114
Motion picture.....	8	3,383	14	12,021	22	15,404
Nonferrous metals.....	40	26,900	9	283	49	27,183
Paper and printing.....	59	18,030	43	1,428	102	19,458
Petroleum.....	11	1,311	46	6,981	57	8,292
Professional service.....	10	7,610	14	117	24	7,727
Rubber.....	28	9,851	12	13	40	9,864
Stone, clay, and glass.....	68	9,234	36	744	104	9,978
Tobacco.....	10	18,627	5	8,702	15	27,329
Textile.....	173	86,630	295	51,804	468	138,434
Trade.....	79	18,504	92	1,285	171	19,789
Transportation.....	111	119,564	137	369	248	119,933
Transportation equipment.....	4	1,204	-----	-----	4	1,204
Utilities.....	9	13,602	10	10	19	13,612
Unclassified.....	37	5,911	391	27,241	428	33,152
Total.....	1,678	1,455,675	1,863	180,868	3,541	1,636,543

APPENDIX E.—Typical situations handled by the Conciliation Service, July 1, 1938, to June 30, 1939

1. Furniture manufacturers—Oregon:

Strike involving 1,550 employees and two companies.

Cause: Both companies gave notice of 10 cents per hour reduction in wages for all employees.

Settlement and Results: An agreement was reached after negotiations for 2 months. In one company, the union accepted a decrease of 3½ cents per hour, and gained a 40-hour week, closed shop, use of union label, and all employees to return to work without discrimination. In the other company, the wage reduction was 2½ cents per hour, with adjustments upward later to be made following a classification study with the remaining items the same as in the first company.

2. *Metal mines—Montana:*

Controversy involving 11,000 employees.

Cause: The reduction of hours from 48 to 40 under the Wage Hour Law resulted in a decided reduction in earnings.

Settlement and Results: There were six A. F. L. unions, one C. I. O. union, and one unaffiliated group involved in this common problem. Weeks of negotiations resulted in a verbal agreement to continue working under existing contracts until expiration, and in negotiations for renewal, take up the question of reduction of hours and earnings.

3. *Hotels—Washington, D. C.:*

Strike involving 3,500 employees.

Cause: In the fall of 1938 the union proposed to the hotels that negotiations be undertaken for an agreement covering employees represented by the three unions, which was agreed to by the hotels, the agreement to become effective when the union proved through an election it represented a majority of employees in any hotel.

Settlement and Results: Negotiations became deadlocked on question of closed shop; strike called at 13 hotels. Engineers, firemen, musicians, and maintenance help threatened to go on strike, but after conferring with officials of this Service, agreed to take no immediate action. The milk-wagon drivers and bakery salesmen unions refused to make any deliveries to any of the hotels involved. Agreement drawn up by officials of this Service and submitted to joint conference, was signed by both parties. Agreement provides that union shall have opportunity to fill all vacancies; but if unable to do so, employer shall hire employee, who must become member of union within 2 weeks. Employer has sole rights of lay-offs, promotions, transfers, and discharges, except for union-membership activities. Arbitration board is to be established for handling grievances.

4. *Truck drivers—New England:*

Strike involving approximately 15,000 employees.

Cause: Union demanded contract furnishing uniform wage rate of 74 cents per hour for whole New England area.

Settlement and Results: Negotiations were carried on for about 4 months when deadlocked over wages. Union threatened to strike March 15, but negotiations continued with public officials joining in the conferences. On March 19, 3,000 Rhode Island truckmen struck for wage increases; March 22, 700 to 800 drivers in Connecticut struck. Thirty-one companies in Massachusetts, not previously involved in strike, ordered their trucks off highways in a retaliatory move against strikers. Conference held by Governor of Rhode Island on March 24, ending in a compromise wage settlement being reached to be voted on by operators and union members. Operators rejected the compromise. By April 3, sixty companies had signed the compromise proposal and were operating. Three of the largest companies in the New England States sued the union for \$997,000 because of discrimination against the three companies by singling them out for strike, and alleged violation of the Sherman Anti-Trust and Interstate Commerce Acts. Conferences were continued and agreement was reached and provided for the following condition (April 11): (1) wages, terms, and conditions for 4 years, terminating on April 1, 1942; (2) escalator clause in wage scale providing for 72½ cents being reached on trucks of five tons and under, 75 cents over five tons; (3) over-the-road rates are 85 cents per hour for the first 3 years and 90 cents for the fourth year; (4) Fair Trade Practice Board of seven from each side to police the industry as to rates, overloading charges, wages, and working conditions; (5) deadheading is to be paid for at full rate and all staggering is to be eliminated; (6) schedule of trip rates are provided with special classification for shuttle-runs.

5. *Toy company—Pennsylvania:*

Strike involving 450 employees.

Cause: Union demanded closed-shop agreement, 2 weeks' vacation with pay, revision of rates, 12-percent increase in all wages, restoration of piece-work rate reductions made during August 1938, method for handling grievances, and seniority for female workers. Strike was called April 25, following a break-down of negotiations between the parties, after the expiration of the old agreement on March 1.

Settlement and Results: Joint conferences resulted in compromise proposal being worked out, which provided for increase for various groups ranging from 3 to 5 cents hourly; method for handling all grievances with no strikes, lock-outs, or stoppages of work during periods of negotiation; the establishment of seniority for all employees; and arbitration. Union was named sole bargaining agency. The agreement was signed for 1 year with the privilege of renewal.

6. Tire and rubber company—Ohio:

Threatened strike involving 1,250 employees.

Cause: Workers protested wage reductions.

Settlement and Results: There was no written contract between union and company, but a verbal understanding that when new wage rates were put into effect they were only temporary until completion of time studies. Mass meeting of the union on May 28 authorized the union executive board to call a strike. Plant was closed, to open June 1. Union had been negotiating for written contract since September 1938, and stated if they did not receive one by June 9, a walk-out would be authorized. Contract was signed providing for a workweek of 36 hours, no strike for 10 days after notice is served, exclusive bargaining clause, and factory-wide seniority for the purpose of lay-offs.

7. Building trade—Illinois:

Strike involving 350 employees.

Cause: Demand by laborers' union for a wage increase from 65 cents to 75 cents per hour on P. W. A. projects and private buildings.

Settlement and Results: The prevailing rate on Government contracts was 65 cents and the union desired to establish the 75-cent rate on all private building so Government contracts let in the future would have to pay the higher rate. The laborers returned to their jobs pending negotiations carried on by commissioner, resulting in signed agreement granting closed shop and the wage question was left to commissioner for final determination. Decision was rendered granting 5 cents per hour increase.

8. Food industry—New York:

Strike involving 2,200 employees:

Cause: Unions involved and companies were unable to arrive at terms of agreement to cover the industry in western New York for a period of 1 year. Unions demanded closed shop and the same wages for 44 hours work that they received for 48 hours.

Settlement and Results: The Wholesale and Retail Food Stuff employees and the Warehouses and Cold Storage employees signed an agreement with the companies providing for a closed shop, same wages for 44 hours as received for 48 hours, arbitration of all disputes, agreement effective to April 1, 1940. The Retail Stores Food and Meat employees signed an agreement with the companies providing for negotiations to take place after January 1, 1939, and signed assurance that employers would enter into a closed-shop agreement. Trucking employees signed an agreement with the companies, effective to April 1, 1940, providing for closed shop, increase in wages of 4½ cents hourly, arbitration of all disputes with a commissioner of conciliation to act as impartial chairman in the trucking industry, also providing seniority.

9. Iron and steel—New Jersey:

Strike involving 300 employees.

Cause: Union demanded an understanding with the company as to the amount of work a welder was able to do over a workday period, claiming an "inhuman speed-up system" was in operation. Company contended union was violating agreement by slowing up production.

Settlement and Results: Company reinstated all men involved in dispute without prejudice and agreed to select with the union an umpire within 3 days after return to work to take up the question of welding production under arbitration. All matters involved in the dispute were subject to review, adjudication, and decision in accordance with the terms of working contract. Union agreed to submit promptly in writing to company detailed information of all grievances to be given to impartial umpire after grievance procedure has failed. The amount of production to be done by welders, as well as the question of being paid for time lost during the strike, will be arbitrated.

10. *Fish packing—Massachusetts:*

Controversy involving 850 employees.

Cause: Demand for new contract with closed shop, wage increase, overtime rates, etc.

Settlement and Results: After conferences, an agreement was worked out providing for time and one-half for overtime above 44 hours; double time on Sundays and holidays, except work on mackerel on Sundays, which will be time and one-third; salary increases totaling \$24,000, giving all at least 1½-cent increase per hour. Company recommends that all join the union and remain members in good standing; company agrees to furnish aprons to girls, and to sell replacements at 25 percent below wholesale cost. The Conciliation Service is to furnish the chairman of the arbitration board.

11. *Steamship strike—Florida:*

Strike involving 300 employees.

Cause: Company hired 12 crew members without first having them approved by the union. Also company said to have flouted authority of a port committee of six members, three representing the firm, and three the labor group, by appealing to Washington for a mediator instead of first permitting the committee to attempt to obtain a mediator in the vicinity.

Settlement and Results: Strike called among seamen of the *S. S. Cuba* and the *S. S. Florida*. The crews on the ferrys *Parrott* and the *Estrada Palma* threatened to strike if the 12 men in question were dismissed. Written statement was signed providing for overtime at the rate of 70 cents per hour; company will in future employ all men through hiring hall of the union; certain members of the crew who failed to respond to strike call will be disciplined by union, but permitted to return to their jobs; the U. S. Conciliation Service to be jointly requested to conduct an election to determine collective bargaining agency.

12. *Bituminous-coal situation:*

Stoppage of work involving 440,000 employees.

Cause: Renewal of agreement. Negotiations for the renewal of the Appalachian soft-coal agreement, due to expire March 31, 1939, began in the early part of that month in New York City. A commissioner of conciliation was detailed to watch the progress of the negotiations. When an agreement had not been reached by the end of the month on a new contract, the suggestion was offered that the old agreement be continued in effect until a new one was arrived at. This suggestion was not accepted, however, and on April 1 an estimated 320,000 miners in the Appalachian fields stopped work. They were later joined, May 4, 1939, by 120,000 miners in other fields outside the Appalachian area.

Settlement and Results: By the middle of April, with negotiations still deadlocked over a "union shop" clause, a very serious and paralyzing coal shortage was threatening the country. On April 18, therefore, the Secretary of Labor instructed the Director of the U. S. Conciliation Service to enter the negotiations and attempt to bring about a settlement. After several weeks of arduous negotiations, both in separate and joint conferences, the Director announced on May 10, 1939, that the deadlock had been broken and the threatening coal shortage averted. The Appalachian agreement was renewed with two sentences added, making the United Mine Workers the exclusive bargaining agency for the employees and establishing a union shop. Peace in the bituminous-coal area was thus assured for the next 2 years.

Respectfully submitted.

J. R. STEELMAN,
Director.

UNITED STATES EMPLOYMENT SERVICE

W. FRANK PERSONS, *Director*

To the SECRETARY OF LABOR:

During the past 6 years the United States Employment Service has been administered under the jurisdiction of the Department of Labor. The Employment Service and its affiliated State agencies have developed during this period into a Nation-wide system of public employment offices which has justified the belief of the Congress that effective results could be accomplished through the type of Federal-State relationship established by the Wagner-Peyser Act.

On June 30, 1939, the Department of Labor's administration of the United States Employment Service will be concluded. The Service will be transferred to the Social Security Board on July 1, 1939, and thus will become a part of the Federal Security Agency established by the President's Reorganization Order No. I.

It therefore seems fitting that the following report should be in the nature of a summary of the activities of the United States Employment Service, in order that its accomplishments may be available for review.

The United States Employment Service.

The United States Employment Service as now constituted was established under the provisions of the Wagner-Peyser Act (48 Stat. 113) on June 6, 1933. The act stipulates that the United States Employment Service shall have the responsibility to establish and maintain a Nation-wide system of State-controlled public employment offices. Public employment offices now exist in every State and in the Territories of Alaska and Hawaii. As of May 30, 1939, there are 1,665 offices and 2,750 itinerant points operating employment services throughout the country.

From the beginning, all who have been engaged in the administration and operation of public employment offices have had the common objective to render a service to workers and employers which would be recognized by them as the best medium available in any community for their use in the search for a job or in the search for a man to fill a job. The development of continually higher standards and uniformity in practice among the State Employment Services, fostered by mutual exchange of experiences and by the general adoption of policies, procedures, and standards, through instrumentalities of the Federal Service, such as the Standards and Methods Division, Field Representatives, and the Employment Service News, have contributed effectively to the realization of that purpose.

Standards and methods.

It is of primary importance that the personnel in all the local offices of the Employment Services be supplied with information,

techniques, procedures, and other working implements pertaining to workers and their occupations in order that placement work may be accomplished as effectively as possible. To this end the occupational research program has undertaken a systematic study of workers and occupations.

Field research centers staffed by trained analysts have prepared job schedules providing occupational information secured from observing jobs in actual operation. As of May 1, 1939, 54,599 job analysis schedules had been prepared.

To date 19 volumes of job descriptions covering 9 major industries have been published; and volumes for 8 additional industries are in various stages of completion.

The Dictionary of Occupations contains definitions for 17,452 separate occupations and lists an additional 12,292 alternate titles by which these occupations are also known. In conjunction with the dictionary there will be published an occupational classification and coding system which has been developed and coordinated with a standard occupational classification compiled by a Federal interdepartmental committee for use by several Government agencies.

Standardized oral trade questions have been developed for 130 occupations in various skilled trades. These trade questions have been introduced for use in 187 local offices in 23 States, the District of Columbia, and Hawaii.

During the past year the American Youth Commission of the American Council on Education has cooperated with the United States Employment Service in developing occupational information and techniques for research centers. These research centers have developed and tested employment office practices and procedures; and they have subsequently turned to the analyses of procedures which have presented special problems. The records of the results of experimental application of procedures have been completed, and reports will shortly be made generally available.

A statistical program has been maintained with the continuance of individual entry reporting and the development of methods of securing detailed information concerning all job seekers. In addition, the decentralization of statistical activities in Washington to various States is now in process.

The magnitude of the activities incorporated in statistical reports is indicated by the fact that at the end of May 1939 the statistical record covered over 75,650,000 applications for work and 25,900,000 complete placements.

The merit system.

The merit system of the United States Employment Service, administered by the Division of Personnel, is a method of public personnel administration whereby employees of the State Employment Services are selected impartially on the basis of certain criteria designed to measure each individual's qualifications for a job in the Employment Service. The system is based on the fundamental principle that appraisal and evaluation of such elements as experience, education, personality traits, and familiarity with the requirements of the job itself afford the most equitable and sound basis for selecting personnel. The merit system does not inflict upon a State any

mandate to appoint a particular individual to a particular job, but merely prescribes the limits of choice.

Having fostered greatly increased interest in the State administered merit systems, the United States Employment Service has encouraged the replacement of federally administered examinations, in those States which had merit systems approved by the Federal Service, by State administered examinations. Thus the present period is one of transition during which the States are progressing through their own merit plans toward State civil-service systems.

The Veterans' Placement Service.

The Wagner-Peyser Act is specific in charging the Employment Service with the responsibility of maintaining a Veterans' Placement Service. That the Employment Service has been successful in this endeavor is demonstrated by the high regard in which it is held by the national veterans' organizations. The closest possible cooperation exists both at national headquarters and throughout the States. There has likewise been close liaison between the Veterans' Placement Service and the Federal headquarters of the Veterans' Administration.

In each State there is a Federal Veterans' Placement Representative responsible directly to the Federal agency in Washington and working in close cooperation with State administrative officials. In turn, the policy has been that each director of a State Employment Service appoints, in consultation with the Veterans' Placement Representative for that State, a local veterans' placement representative for every local employment office—a veteran himself whenever possible—to look out for the employment needs of veterans in the area served by that office.

There is an annual conference of Veterans' Placement Representatives; and, throughout the year various regional conferences are held. During these meetings there is a wholesome interchange of ideas, and officials of various State and Federal agencies give out advance information concerning new programs for which veterans may receive consideration for jobs. This year's conference was held March 27 to 30, 1939.

In the 11-month period ended May 31, 1939, the Veterans' Placement Service took 534,523 applications and made 133,290 placements of veterans. Of these, 72,614 were private placements. The active file as of May 31 stood at 333,838.

Farm Placement Service.

Placement of farm workers is recognized as needing particular attention in the great agricultural areas of the West, where highly seasonal crops and migratory labor create pressing problems during certain times of the year. In 17 of the States there are Federal farm placement supervisors who are administratively responsible to the Washington headquarters, but who work in close cooperation with State authorities. It is their duty to study growers' needs and trends in crops and to be able to predict, with a fair degree of accuracy, the time of the year during which great numbers of temporary help will be needed. Their principal responsibility is that of attempting, as far as is possible, to equalize the supply and demand of agricultural labor, particularly migratory labor.

Agricultural placements made in those States having farm placement supervisors totaled 649,601 in the first 11 months of the fiscal year 1938-39.

The handicapped.

The United States Employment Service is specifically charged with the responsibility to work out, in every State, a cooperative relationship with the State rehabilitation agency for the placement of handicapped persons in suitable work. Each affiliated State Employment Service has therefore entered into an agreement of cooperation with its State vocational rehabilitation agency for the placement of handicapped persons. There is also close cooperation between the Federal Service in Washington and the Vocational Rehabilitation Service of the Office of Education.

Junior placement.

The deeply disturbed economic conditions of the past 10 years have made it extremely difficult for young people in search of their first employment to find the positions for which they are best qualified.

That the United States Employment Service is aware of its responsibilities in this connection is demonstrated by the fact that in 167 cities of 45 States there are special junior divisions in local employment offices. When local employment offices do not have special junior divisions, the young worker in search of his first job naturally receives due consideration along with all other applicants coming to the office.

There has been for some time past a cooperative relationship with the American Youth Commission to study particularly the junior placement problem in a number of different sections of the country. In other localities the closest cooperation has been effected between the National Youth Administration and the Employment Service.

The Negro applicant.

The United States Employment Service recognizes that one of the employment problems of this country is to increase the scope of occupational opportunities available to Negroes. During the recent depression years, because of economic pressure, fields which have long been their own have been invaded by applicants of other races. It is therefore necessary to recognize that Negro applicants registered in public employment offices should be given due consideration, not only for jobs which customarily have been theirs but for an increasing range of occupations for which they may also be qualified. The staffs of many local employment offices include Negro interviewers, who deal with members of their race.

The Division of Business Administration.

Because of the specific provisions of the Wagner-Peyser Act, the United States Employment Service has an obligation to assume an effective interest in the operations of State Employment Services as they relate to fiscal problems and procedures. Accordingly, the Division of Business Administration reviews the State Employment Service budgets and financial reports; promulgates fiscal standards and procedures, and audits State Employment Service expenditures. Every effort has been made to coordinate the fiscal requirements of both the United States Employment Service and the State Employ-

ment Services and to reduce to a minimum the records necessary to meet these requirements.

Cooperation between the Social Security Board and the Division of Business Administration of the United States Employment Service consists in approval of budgets, review of financial reports submitted by the States, and auditing of State accounts.

The magnitude of fiscal operations occasioned by the expanding program of the United States Employment Service is indicated by the fact that total expenditures for the Nation-wide system of public employment offices have increased steadily from 2½ million dollars for the fiscal year 1933-34 to 35 million (estimated) for 1938-39.

The District of Columbia Employment Center.

The District of Columbia Employment Center is the only public employment office operated directly by the United States Employment Service.

Operating a public employment service in the District of Columbia means coping with problems which are considerably different from those faced by any other urban public employment office. The major industry within the District of Columbia is the Federal Government, and few placements are made in Government agencies. This is the function of the Civil Service Commission, in the main. Industry is not encouraged to locate within the District of Columbia. Thus there is a rather limited range of occupational opportunities in private employment; but, despite these limitations, during the first 11 months of the fiscal year 1938-39, the District Center made 29,271 private placements. In May 1939 over 4,000 placements were made, a figure which is also in excess of that made by many State Employment Services operating through numerous local employment offices over a large territory.

Respectfully submitted.

W. FRANK PERSONS,
Director.

OFFICE OF THE SOLICITOR

GERARD D. REILLY, *Solicitor*

To the SECRETARY OF LABOR:

For the first time in some years the preparation of legislation has been only a minor part of the work of the office of the Solicitor. Very little social legislation concerning this Department was on the agenda of the first session of the Seventy-sixth Congress, and for that reason this office was not called upon to assist in the draft of any new legislation of a major character.

The volume of litigation, however, not only under such new statutes as the Public Contracts (Walsh-Healey) Act and the Fair Labor Standards Act but also under the Immigration and Naturalization Acts, was unusually heavy. For the purpose of convenience the report this year is divided into a description of the more important legal developments arising from relationship to particular bureaus or divisions of the Department.

1. *Naturalization*.—The codification of the nationality laws, a project which this office has been working on in conjunction with the Department of Justice and the Department of State for several years, was resubmitted to Congress this year, and the code and draft reports were ordered printed by the House Committee on Immigration. Several minor amendments incorporating new legislation which has been enacted since the beginning of this project have been prepared in the expectation that hearings will begin before a subcommittee at the coming session. The sections dealing with dual nationality and loss of citizenship will probably have to be revised in the light of the Supreme Court's decision in the case of *Elg v. Perkins* (59 Sup. Ct. 884), in the briefing of which this office participated. The holding of the Court that a native-born citizen cannot be deprived of citizenship by the acts of his parent during his minority substantially restores the law on expatriation to conform with the administrative practice of the Department which existed prior to the overruling of this office by the Attorney General's opinion in the *Tobiasen* case (36 Op. Atty. Gen. 535) in 1932. On the authority of this decision, this office was able to dispose of a number of controversial exclusion cases which had come to the Secretary of Labor on appeal, and prepared a circular for the guidance of the field.

2. *Immigration*.—The issues implicit in the *Bridges* and *Strecker* cases brought immigration law and procedure to the forefront in the recent session of Congress. The controversy about these cases is too recent to require summary here, except to note that exhaustive investigation of the House Judiciary Committee completely vindicated the legal position of the Department.

One bill which should relieve a number of the hardship cases, however, did pass at the end of the session (Public, No. 315, August 7,

1939). This extended the benefits of the Registry Act of March 2, 1929 (45 Stat. 1512; U. S. C., ti. 8, sec. 106a), to persons of good moral character who had resided in this country since 1924 for whom no records of entry could be found. This office prepared draft regulations making this act effective.

Two members of the staff were assigned to assist the Solicitor General in the preparation of the brief in the case of *Kessler v. Strecker* (6 L. W. 1163 (1939)) involving the important question of whether the Immigration Act of 1918, as amended by the act of 1920 (8 U. S. C. 137 (a) to (e)), applied to members of the Communist party. The Court in its decision did not reach this point, however; but reversed a long-standing administrative rule of the Department by holding that former membership in a proscribed organization was not a ground for deportation.

The Department suggested the Supreme Court's review in another case, the *Malesevic* decision (99 F. (2d) 255, C. C. A. 3rd (1938)), in which the Circuit Court of Appeals for the Third Circuit held that a person convicted and sentenced to a term of imprisonment for a year or more under the Pennsylvania statutes was not deportable, provided he had served his full sentence. This ruling was based upon a general provision in the Pennsylvania statutes which restores to convicts all civil rights and privileges at the expiration of a full term. Prior to this decision the Department had always maintained the view that only an executive pardon could relieve a criminal from deportation. The Department of Justice felt that the question was not of sufficient importance to be considered by the court on a writ of certiorari.

A noteworthy beginning towards improving the administrative law in deportation and exclusion cases was made by a special commission assigned to the Solicitor's office after a study lasting for several months.

A general summary of the results of habeas corpus cases in the courts follows:

	Exclu- sion	Deporta- tion
Pending at beginning of fiscal year-----	33	56
New cases arising in fiscal year-----	103	185
Total -----	136	241
Cases disposed of in fiscal year-----	103	193
Pending at close of fiscal year-----	33	48

<i>Exclusion cases</i>
6 writs sustained.
74 writs dismissed.
23 cases withdrawn.
103

<i>Deportation cases</i>
26 writs sustained.
137 writs dismissed.
30 cases withdrawn.
193

(Approximately 234 cases were referred to the Attorney General with recommendation that the naturalization certificates granted by the courts be canceled.)

Pursuant to the new act for extending technical assistance to foreign governments in Latin America, the Assistant Solicitor devoted many weeks to preparing draft legislation for the governments of the Philippines and the Dominican Republic. In connection with the last assignment, he and an officer of the State Department were members of an official mission to that Republic which studied conditions there.

3. *Public Contracts Division.*—The first important litigation over a minimum-wage determination under section 1 (b) of the Public Contracts Act (act of June 30, 1936, c. 881, 49 Stat. 2036; U. S. C., tit. 41, secs. 35-45) began last spring, just after the order setting prevailing wages in six different steel-producing regions went into effect. (*Lukens Steel Co. v. Perkins, et al.*, Civil Action No. 1839, D. Ct.). A group of steel corporations, claiming to be prospective bidders, sought to enjoin the decision from becoming effective on the ground that the word "locality" had been improperly construed. The District Court for the District of Columbia upheld a motion of the Government to dismiss, and the matter is now pending in the United States Court of Appeals.

Meanwhile remedial legislation extending the scope of the act in other respects was again submitted by this office to Congress. The bill passed the Senate and is pending before the House Judiciary Committee.

4. *International Labor Office.*—The office was instrumental in preparing implemental legislation for the International Labor Office conventions, ratified by the Senate as treaties, in 1938. The conventions ratified all deal with maritime labor conditions. Convention No. 53 pertains to professional standards for officers, Convention No. 54 to annual vacations with pay, Convention No. 55 to shipowners' liability for sickness and injury, Convention No. 57 to hours of work and manning schedules, Convention No. 58 to minimum age at sea.

As treaties, these conventions have the force of law, but most of them require more specific legislation to give effect to their general terms. With respect to Convention No. 53 on the professional capacity of officers, there were enacted two laws, one limiting the treaty to boats over 200 tons and the other applying to all sea-going ships over 200 tons, the standards for competence formerly required on a more limited number of vessels (53 Stat. 554; 53 Stat. 1049). With respect to Convention No. 55 on shipowners' liability for sickness and injury and Convention No. 58 on minimum age at sea, the Solicitor's Office prepared a bill, which was discussed and revised by an interdepartmental committee. The bill submitted by the committee on shipowners' liability for sickness and injury (H. R. 6881) was amended by the House Merchant Marine and Fisheries Committee, passed by the House of Representatives, and is now pending in the original and amended form before the Senate Committee on Commerce. The bill proposed by the interdepartmental committee on child labor at sea (H. R. 7527) is now on the calendars of the House Merchant Marine and Fisheries Committee and the Senate Committee on Foreign Relations. The remaining treaties await the ratification of additional countries before they become effective, hence the plans for their implementation have been confined to preliminary considerations.

In addition to the work on the maritime conventions, the Solicitor's Office has aided in the presentation of the remaining International Labor Office conventions to the competent governmental authorities for legislative action. Of those submitted to the Senate or both Houses of Congress, Convention No. 61 on hours of work in the textile industry and Convention No. 63 on wage-and-hour statistics are likely to be given further consideration in the next session of Congress.

5. *Conciliation Service.*—The members of the staff who participate in arbitration proceedings report a number of novel questions among the matters under which rulings were made. Among these cases were:

A coastwise contract covering the employment of certain water-front workers on the West coast contains a provision for local or port arbitrators, and another provision for coastwise arbitrators. A port arbitrator ruled that a certain group of longshoremen should be penalized the loss of work for a given period because of their refusal to go through a picket line, and load scrap iron; this was held by the coastwise arbitrator to be properly reviewable by him, and upon review held that the port arbitrator, under the terms of the contract, was without authority to invoke such a penalty.

A dispute arose between the Federated Fishing Fleet of New England and New York, Inc., employer; and the Fishermen's Union, representing the employees, over which party actually employed substitutes, known as lumpers who are engaged in the unloading of fish at the wharf upon the boat's return from a catch. The contract provided for arbitration. The question had to be resolved so as to ascertain who was liable for insurance premiums for the coverage of this particular class of employees. The arbitrator held that substitute workers were employees of the company and not employees of the individual fishermen.

Question of whether or not individual contracts of employment entered into in good faith previous to a collective agreement were valid. The arbitrator held that the individual contracts were valid in that they appeared to be bona fide, and did not interfere with collective bargaining on behalf of the remainder of the employees who represented a majority of all employees.

In an arbitration involving water-front employees on the West coast, the port arbitrator ruled that where workmen were hired through local hiring halls and it became necessary to perform their duties at a nearby port where the union did not maintain hiring halls there was no obligation on the union to establish a new hiring hall, that the employer must pay transportation costs and wages for the time spent going to and from the site of the work.

The Department was requested to appoint an arbiter to rule on whether or not as a matter of law the action of the employer amounted to a lock-out in violation of the terms of the collective-bargaining agreement between the employer and its employees. Hearings have been held but the arbitrator has not yet rendered his decision.

6. *Prevailing Wage Division.*—The volume of wage determination cases under the Davis-Bacon Act (Act of Aug. 30, 1935, 49 Stat. 1011; U. S. C., title 40, sec. 276 (a)) increased considerably last year. There were 3,247 decisions rendered as compared to 2,482 in the fiscal year 1938.

Several additions will have to be made to the staff of this Division next year in view of the adoption of an amendment to the National Housing Act, which requires wage predeterminations on multiple housing projects approved for mortgage insurance by the Federal Housing Administration. A deficiency appropriation bill has made a supplementary budget available for this work.

A summary of the activities of this unit follows:

Requests received, fiscal year 1938 to 1939.....	3,241
Estimated amounts of contracts.....	\$421,280,710
Number of decisions rendered.....	3,247
Requests for review of prior decisions.....	320
Confirming, modifying, and superseding decisions....	309
Advisory opinions to other agencies not subject to Davis-Bacon Act.....	4
Cases cancelled.....	37

7. *Children's Bureau.*—Arrangements were made with the Department of Justice for representation by this office for the Children's Bureau in proceedings instituted to restrain violations of the child-

labor provisions of the Fair Labor Standards Act (52 Stat. 1060). One such action was instituted shortly before the close of the fiscal year, resulting in the entry of a decree with consent of the defendant enjoining it from such violations of the act in the future.

Another suit (*Myers, etc., v. State Journal Co.* (Mich. 1938) Cir. Ct. Gratiot County, Dec. 31, 1938), involving the employment of a newsboy below the age of 14 years was commenced in the Michigan State Courts during the winter and the bill of complaint was drafted with the intention of raising the question of the constitutionality of the Fair Labor Standards Act. The suit was between private parties however, and at the advice of this office no appearance was entered by the United States, although a memorandum of law was furnished the trial court. The case was decided upon a point of statutory construction, namely, that the newsboy is an independent contractor and not an employee within the meaning of the act. Consequently, the constitutional issue was never reached.

Members of the office have been engaged in research activities for the purpose of assembling economic data in support of the constitutionality of the child-labor provisions of the act in the event such a challenge is presented to the courts.

The office also drafted a number of orders and regulations for the Chief of the Children's Bureau in connection with the act. A review of the legality of State plans has continued to occupy considerable time of one lawyer. These are State plans for maternal and child-welfare services submitted in conformity with title V. of the Social Security Act as a condition to grants-in-aid to the States. This office participated in the consideration of amendments of this title that were incorporated among the Social Security Act amendments of 1939.

Representatives of this office also participated in conferences relating to the national health bill and assisted in the drafting of this bill, which was introduced by Senator Wagner in the first session of the Seventy-sixth Congress.

Respectfully submitted.

GERARD D. REILLY,
Solicitor of Labor.

DIVISION OF PUBLIC CONTRACTS

L. METCALFE WALLING, *Administrator*

To the SECRETARY OF LABOR:

The increased purchasing program of the Federal Government is reflected in the rather sizable increase in contracts subject to the provisions of the Walsh-Healey Public Contracts Act that were reported to the Division during the fiscal year ended June 30, 1939. For the year ended June 30, 1938, we reported a total of 5,306 contracts, valued at \$302,023,343.90, whereas for the last fiscal year 6,396 contracts, valued at \$528,392,755.87, were reported.

The impetus which the national-defense program has given to Government buying is shown by the increase in War and Navy contracts, which this year accounted for 17.03 percent and 59.50 percent, respectively, of the total contracts subject to the jurisdiction of the act; that is, 76.53 percent of the total Government purchases subject to the act was made by the defense arm of the Government. A large part of the increase for the Navy is doubtless due to the fact that during the last fiscal year, for the first time, all construction, alteration, and repair of naval vessels have been subject to the provisions of the Walsh-Healey Act.

The Division has expended during the last fiscal year \$337,979 in handling over a half billion dollars' worth of Government business, representing the modest administrative cost of 0.06 percent of the value of these contracts. There has been no basic change in the procedural organization of the Division or the conduct of its work; and since this was discussed fully in last year's report, no mention is made of it at this time.

The practice which was justified in last year's report of consulting freely with both management and labor, not only in connection with the making of wage determinations which will be binding in the performance of Government contracts but also in connection with rulings and interpretations made under the act, has been continued and utilized more and more. The full measure of cooperation that has been given by both industry and labor I hope has been justified in more sound and helpful decisions and rulings than would have otherwise been possible. The Division is deeply grateful for this manifold cooperation and for the support which has been freely given to all its activities.

There has been a definite attempt to keep rulings simple and, of course, uniform, so that there will be a minimum of confusion and misunderstanding on the part not only of the Government itself but also workers and employers who are cooperating with the Government in its program of fair labor conditions in the performance of its contracts. The policy of uniform treatment of all, which, although natu-

rally required by the law itself, has been a cornerstone of our administrative policy, is even more important where there is competition among bidders for Government business than in the general field of industrial regulation, where specialized treatment in individual cases of hardship may not have the immediate competitive repercussions it would have in the field of Government contracts.

There has been even closer collaboration with the other departments of the Government in their purchasing program, and constant consultation with them before decisions affecting them, particularly wage determinations, are made to insure the minimum of confusion and upset in their purchase programs. It is a source of gratification to this Division, as I am sure it is also to the Army and Navy, that there has been extraordinary smoothness in the acceleration of purchasing involved in the national-defense program, with no necessity for utilization of the power of exemption from the provisions of the act in accordance with the terms of section 6.

Up to the end of this fiscal year there have been 49 public hearings in connection with the determination of wages, the following 19 of which have been held during the year: Aerial photographic surveying; aeroplanes; bobbinets (fabricated textiles); cereal preparations; drug and medicine; fertilizer; furniture (metal and wood furniture and public seating); iron and steel; knitted outerwear; men's clothing; milk condenseries (two hearings); paper and pulp; photographic supplies; soap; tobacco; and wool carpets and rugs.

Ten more wage determinations were made, ranging from 25 cents an hour in certain Southern States to 62½ cents an hour for other sections of the country. These cover approximately 775,000 workers, and the number of workers employed in industries covered by wage determinations to date has been estimated at something over 1,100,000. Wage determinations to be issued within the next few months in industries where hearings have been held or are soon to be held will bring that total to more than 2,000,000 workers, or approximately 25 percent of the employees in manufacturing industries. The wage determination in the iron and steel industry affected more employees than any other issued this year, but it has not yet become effective because of the pendency of injunctive proceedings in the courts.

The research unit of the Division, which is constantly looking ahead and planning for advisory panels of management and labor and hearings in industries not yet covered by wage determinations, has been giving special study to over 40 industries and groups of related industries employing about 2,500,000 wage earners.

The Administrator has held up to date 64 of these joint advisory panel meetings in different industries; and hearings have been held before the Public Contracts Board in 42 industries. There have been hundreds of conferences with special committees and individuals representing management, labor, or different Government departments. It has been estimated that the employment in factories having contracts subject to the act has amounted to about 5,500,000 workers, although probably not more than half of these have been directly employed on Government work.

About one in three inspections made has involved some kind of monetary adjustment, either in the field or through the Washington

office; and it has been necessary to issue 26 formal complaints for administrative hearings under section 5 of the act during the year. The great majority of companies have made restitution immediately of any underpayment of wages when it has been called to their attention by the Division, and nearly \$200,000 has been collected by the Government in this way and turned over to workers who were entitled to it under the terms of the act. Only four companies have so far been put on the ineligible list for further dealings with the Government.

In order that there will not be duplication of activity in that part of the jurisdiction of the Wage and Hour Division and the Division of Public Contracts which is common, there has been initiated a policy of consultation before either Division gives consideration to requiring minimum wages in an industry which has not been considered before. As was indicated in last year's report, the field of minimum-wage activities for this Division in the future will be largely with industries paying over 40 cents an hour as a minimum wage.

In connection with the inspection for enforcement purposes of factories subject both to the jurisdiction of the Wage and Hour Division and this Division, an arrangement has been made to notify the Wage and Hour Division of companies having Government contracts of which inspection is exclusively made by the Division of Public Contracts, including a check of any complaints which have been filed with the Wage and Hour Division for violation of the Fair Labor Standards Act.

The question has occasionally arisen as to whether the stricter hour limitations of the Public Contracts Act, providing for an 8-hour day and a 40-hour week, have been modified in any way by the provisions of the Fair Labor Standards Act, which have permitted a 44-hour week before overtime is required to be paid. There has been general understanding, however, of the respective application of the two acts and recognition that the Fair Labor Standards Act in no way modified the higher standards of the Public Contracts Act as far as the performance of Government contracts is concerned. On October 24 of this year the workweek will drop to 42 hours under the Fair Labor Standards Act, and on October 24, 1940, the workweek will be 40 hours as in the Walsh-Healy Act, although there will still be the 8-hour day requirement in the latter act which does not appear in the Fair Labor Standards Act.

It is very much to be hoped that the amendments to the act, which unanimously passed the Senate at its recent session, clearing up some administrative difficulties and increasing the act's effectiveness will be given favorable consideration by the House in order that the maximum benefits to American workmen and industries as well as to the Government itself, only partially achieved at present, may be realized under the provisions of the Public Contracts Act.

Summary of minimum wage determinations of the Secretary of Labor made through June 30, 1939

Industry	Estimated number of employees	Determination	Effective date
1. Aeroplane.....	35,000	50 cents an hour..... \$20 a week (40 hours). Wages may be arrived at on either a time or piece-work basis.	Dec. 29, 1938
2. Bobbinet.....	500	No differentials. 37½ cents an hour..... \$15 a week (40 hours). Wages may be arrived at on either a time or piece-work basis.	Feb. 13, 1939
3. Cotton garments and allied industries.	202,661	No differentials. 37½ cents an hour..... \$15 a week (40 hours). Wages may be arrived at on either a time or piece-work basis.	Aug. 2, 1937
Amendment 1: (Barrack bags).		No differentials. Same as for cotton garments.....	Feb. 14, 1938
Amendment 2: (Wool and wool-lined jackets).		do.....	May 13, 1938
4. Dimension granite	10,818	(1) Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York: 57½ cents an hour. \$23 a week (40 hours). (2) Pennsylvania, Maryland, Wisconsin, Minnesota, South Dakota, all other States not included in (1) and (3): 42½ cents an hour. \$17 a week (40 hours). (3) North Carolina, Virginia, South Carolina, Georgia, Florida, Alabama, Tennessee, Kentucky, Mississippi, Louisiana, Arkansas, Texas: 32½ cents an hour. \$13 a week (40 hours).	Jan. 15, 1938
5. Envelope.....	8,749	42½ cents an hour..... \$17 a week (40 hours). Wages may be arrived at on either a time- or piece-work basis.	May 12, 1938
6. Fireworks.....	1,587	(1) Commercial fireworks division..... 31¼ cents an hour. \$12.50 a week (40 hours). (2) Fusee Division: 37½ cents an hour. \$15 a week (40 hours). Wages may be arrived at on either a time- or piece-work basis.	Oct. 15, 1938
7. Flint glass.....	23,815	No differentials. 42½ cents an hour..... \$17 a week (40 hours). Wages may be arrived at on either a time- or piece-work basis.	July 12, 1938
8. Furniture.....	144,184	(1) Wood Furniture Branch..... (a) Virginia, Kentucky, North Carolina, Georgia, South Carolina, Florida, Alabama, Tennessee, Arkansas, Louisiana, Oklahoma, Texas, and Mississippi: 30 cents an hour. \$12 a week (40 hours). (b) California, Washington, and Oregon: 50 cents an hour. \$20 a week (40 hours). (c) All other States and the District of Columbia: 35 cents an hour. \$14 a week (40 hours). (2) Public Seating Branch: 37.5 cents an hour. \$15 a week (40 hours). No differentials. (3) Metal Furniture Branch: 45 cents an hour. \$18 a week (40 hours). No differentials. Wages may be arrived at on either a time- or piece-work basis.	May 13, 1939

¹ Cotton garments determination, effective Aug. 2, 1937, shall continue in effect as to such wool and wool lined jackets as were designated in that determination.

Summary of minimum wage determinations of the Secretary of Labor made through June 30, 1939—Continued

Industry	Estimated number of employees	Determination	Effective date
9. Handkerchief.....	4,889	35 cents an hour..... \$14 a week (40 hours). Wages may be arrived at on either a time- or piece-work basis. No differentials.	Jan. 26, 1938
10. Iron and steel.....	500,000	(1) Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia (except the counties of Brooke, Hancock, Harrison, Marshall, Monongalia, and Ohio): 45 cents an hour. \$18 a week (40 hours). (2) Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming: 60 cents an hour. \$24 a week (40 hours) (3) Iowa, Kansas, Minnesota, Missouri, Ne- braska, North Dakota, South Dakota, and the area in and about East St. Louis, Ill.: 58½ cents an hour. \$23.40 a week (40 hours). (4) Connecticut, Delaware, District of Colum- bia, Illinois (except the area in and about East St. Louis, Ill.), Indiana, Kentucky, Maine, Maryland, Massachusetts, Michi- gan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Vermont, Wisconsin, and that portion of the State of West Virginia comprised within the counties of Brooke, Hancock, Harrison, Mar- shall, Monongalia, and Ohio: 62½ cents an hour. \$25 a week (40 hours).	Mar. 1, 1939
11. Leather and sheep-lined jackets.	3,217	42½ cents an hour..... \$17 a week (40 hours). Wages may be arrived at on either a time- or piece-work basis. No differentials.	May 13, 1938
12. Luggage and saddlery.....	6,650	(1) Northeast and Far West; Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, Pennsyl- vania, New Jersey, Maryland, Delaware, Washington, Oregon, California, Idaho, Ne- vada, Arizona, Montana, Wyoming, Utah, Colorado, New Mexico. 40 cents an hour.. \$16 a week (40 hours). (2) The remaining 26 States and the District of Columbia: 37½ cents an hour. \$15 a week (40 hours). Wages may be arrived at on either a time- or piece-work basis.	July 27, 1938
13. Men's hats and caps.....	16,593	67½ cents an hour..... \$27 a week (40 hours). Wages may be arrived at on either a time- or piece-work basis. No differentials.	Aug. 2, 1937
14. Men's neckwear.....	4,357	50 cents an hour..... \$20 a week (40 hours). Wages may be arrived at on either a time- or piece-work basis. No differentials.	Do.
15. Men's raincoats.....	2,581	40 cents an hour..... \$16 a week (40 hours). Wages may be arrived at on either a time- or piece-work basis. No differentials.	Do.
16. Men's underwear.....	33,109	North: (All States, including D. C., except those listed below for South). 35 cents an hour. \$14 a week (40 hours). South: Virginia, Tennessee, Georgia, North Carolina, Florida, South Carolina, Alabama, Mississippi, Arkansas, Louisiana, Texas, Oklahoma. 32½ cents an hour. \$13 a week (40 hours). Wages may be arrived at on either a time- or piece-work basis.	Do.

Summary of minimum wage determinations of the Secretary of Labor made through June 30, 1939—Continued

Industry	Estimated number of employees	Determination	Effective date
17. Men's welt shoes.....	33, 719	40 cents an hour..... \$16 a week (40 hours). Wages may be arrived at on either a time- or piece-work basis. No differentials.	Jan. 5, 1938
18. Seamless hosiery.....	60, 000	35 cents an hour..... \$14 a week (40 hours). Wages may be arrived at on either a time- or piece-work basis. No differentials.	Aug. 2, 1937
19. Tag.....	2, 084	35 cents an hour..... \$13.20 a week (40 hours). Wages may be arrived at on either a time- or piece-work basis. No differentials.	Oct. 31, 1938
20. Tobacco.....	34, 524	32½ cents an hour..... \$13 a week (40 hours). Wages may be arrived at on either a time- or piece-work basis. No differentials.	May 2, 1939
21. Vitreous or vitrified china.....	4, 400	42¾ cents an hour..... \$17.10 a week (40 hours). Wages may be arrived at on either a time- or piece-work basis. No differentials.	May 19, 1938
22. Wool carpet and rug.....	27, 633	40 cents an hour..... \$16 a week (40 hours). Wages may be arrived at on either a time- or piece-work basis. No differentials.	Oct. 15, 1938
23. Work gloves.....	5, 428	35 cents an hour..... \$14 a week (40 hours). Wages may be arrived at on either a time- or piece-work basis. No differentials.	Aug. 2, 1937

Contracts reported by the Government agencies as awarded within the scope of the Walsh-Healey Act for the fiscal year 1939

	Number of contracts	Value	Percent of grand total
Grand total.....	6, 396	\$528, 392, 755.87	100.00
Executive departments.....	4, 449	453, 021, 858.73	85.73
Navy: (totals).....	1, 726	314, 400, 175.97	59.50
Marine Corps.....	37	1, 383, 054.77	.27
Naval Academy.....	0	0	0
Naval ordnance.....	40	225, 176, 692.09	42.61
Navy yards.....	188	4, 733, 380.01	.89
Purchasing offices.....	168	4, 770, 437.19	.90
Supplies and Accounts.....	1, 254	74, 275, 350.67	14.06
Yards and Docks.....	39	4, 061, 261.24	.77
War: (totals).....	1, 328	89, 951, 738.13	17.03
Air Corps.....	276	31, 341, 844.69	5.93
Chemical Warfare Service.....	14	455, 627.63	.09
Coast Artillery.....	0	0	0
Engineers.....	184	11, 094, 160.09	2.10
Medical Section.....	43	733, 704.28	.14
U. S. Military Academy.....	1	Indefinite	.....
Ordnance.....	311	25, 293, 436.26	4.79
Quartermaster Corps.....	426	17, 064, 824.66	3.23
Signal Corps.....	73	3, 968, 040.52	.75
Treasury Procurement Division.....	812	22, 095, 313.43	4.18
Interior.....	163	10, 848, 652.46	2.05
Agriculture.....	239	6, 489, 580.82	1.23
Treasury (not Procurement Division).....	65	4, 293, 561.68	.81
Post Office.....	62	3, 710, 171.44	.70
Commerce.....	38	911, 908.17	.17
Justice.....	8	193, 531.17	.04
State.....	4	50, 310.18	.01
Labor.....	4	76, 905.28	.01

Contracts reported by the Government agencies as awarded within the scope of the Walsh-Healey Act for the fiscal year 1939—Continued

	Number of contracts	Value	Percent of grand total
Independent establishments.....	645	22,762,882.75	4.31
Tennessee Valley Authority.....	165	9,898,814.37	1.88
Government Printing Office.....	29	2,942,792.28	.57
Veterans Administration.....	308	4,388,010.72	.83
Panama Canal.....	48	1,553,701.76	.29
Social Security Board.....	6	1,784,734.00	.34
Federal Prisons Industries, Inc.....	24	436,118.52	.08
District of Columbia Government.....	29	795,174.33	.15
Maritime Commission.....	20	177,365.50	.03

Contracts reported by the Government agencies as awarded within the scope of the Walsh-Healey Act for the fiscal year 1939, by major industries

	Number of contracts	Value	Percent of grand total
Grand total.....	6,396	\$528,392,755.87	100.00
Food and kindred products.....	339	8,219,414.35	1.55
Tobacco manufactures.....	18	391,073.01	.07
Textiles and their products.....	516	29,219,305.35	5.53
Forest products.....	188	5,316,218.04	1.00
Chemicals and allied products.....	300	14,828,492.26	2.81
Asphalt, coal, and petroleum products.....	766	42,100,655.54	7.97
Paper and allied products.....	132	7,162,646.22	1.36
Printing and publishing.....	12	280,280.39	.05
Leather and its manufactures.....	18	1,574,917.49	.30
Stone, clay, and glass products.....	820	28,320,306.39	5.36
Rubber products.....	80	994,139.52	.19
Iron and steel products.....	676	29,791,729.84	5.64
Nonferrous metals and alloys.....	164	9,169,233.95	1.74
Other machinery.....	747	33,664,457.69	6.37
Electrical apparatus.....	501	24,280,536.25	4.60
Transportation equipment.....	551	274,342,844.08	51.92
Miscellaneous.....	568	18,736,505.50	3.54
Civil Aeronautics Authority.....	9	640,139.53	0.13
Library of Congress.....	3	54,923.42	.01
National Advisory Committee—Aeronautics.....	1	49,949.00	.01
Federal Surplus Commodities Corporation.....	0	0	0
Inland Waterway Corporation.....	0	0	0
Federal Housing Administration.....	1	10,000.00	(¹)
National Railroad Adjustment Board.....	1	20,000.00	(¹)
Interstate Commerce Commission.....	1	12,559.27	(¹)
Emergency organizations.....	1,302	52,608,014.39	9.96
C. C. C. (total).....	151	7,650,792.78	1.45
Agriculture.....	15	497,009.77	.09
Interior.....	7	841,004.42	.16
War.....	129	6,312,778.59	1.20
Farm Security Administration.....	132	3,633,717.48	.69
Puerto Rico Reconstruction Administration.....	19	370,411.54	.07
Works Progress Administration.....	1,000	40,953,092.59	7.75

¹ Less than 0.01 percent.

Contracts reported by the Government agencies as awarded within the scope of the Walsh-Healey Act for the fiscal year 1939, by commodity groupings

	Number of contracts	Value	Percent of grand total
Food and kindred products.....	339	\$8,219,414.35	1.55
Canned fruits and vegetables.....	67	1,446,982.56	.28
Canned sea food.....	5	122,490.07	.02
Cereal preparations.....	5	63,043.55	.01
Coffee and tea.....	33	1,239,153.97	.23
Condensed and evaporated milk.....	31	826,738.49	.16
Feed for animals.....	48	759,585.40	.14
Flour.....	27	490,773.91	.09
Meat-packing products.....	11	699,026.88	.13
Shortening, etc.....	2	136,490.70	.03
Sugar, syrup, and sorghum.....	47	1,045,698.37	.20
Miscellaneous.....	63	1,389,430.45	.26
Tobacco manufactures.....	18	391,073.01	.07
Textiles and their products.....	516	29,219,305.35	5.53
Canvas bags and covers.....	6	115,815.00	.02
Clothing.....	31	1,463,707.93	.28
Cordage and twine.....	22	417,163.00	.08
Cotton goods.....	196	8,037,712.16	1.52
Cotton products, miscellaneous.....	33	622,084.11	.12
Furnishing goods.....	15	164,357.14	.03
Gloves.....	5	84,558.25	.02
Hats and caps.....	12	526,945.22	.10
Housefurnishing goods.....	47	1,756,990.92	.33
Knit goods.....	35	1,450,760.65	.27
Shirts and nightwear.....	6	265,631.20	.05
Woolen goods.....	49	8,867,867.09	1.68
Work clothing.....	16	632,252.45	.12
Miscellaneous textile products.....	43	4,813,460.23	.91
Forest products.....	188	5,316,218.04	1.00
Cork and cork products.....	1	49,000.00	.01
Furniture.....	83	1,933,204.74	.36
Lumber and timber products.....	12	206,400.88	.04
Planing-mill products.....	30	1,818,757.97	.34
Rough lumber.....	50	987,683.73	.19
Treated lumber and timber.....	11	321,170.72	.06
Miscellaneous.....	1	Indefinite	.....
Chemicals and allied products.....	300	14,828,492.26	2.81
Ammunition, etc.....	21	1,866,160.75	.35
Compressed and liquefied gases.....	37	305,827.64	.06
Explosives.....	27	4,891,495.28	.92
Linseed and related oils.....	16	377,977.20	.08
Paints and varnish.....	44	855,515.74	.16
Soap, etc.....	35	632,567.94	.12
Miscellaneous.....	120	5,898,947.71	1.12
Asphalt, coal, and petroleum products.....	766	42,100,655.54	7.97
Asphalt, oil, and tar, etc.....	149	4,940,443.77	.93
Coal and coke.....	87	2,401,895.04	.45
Fuel oil.....	174	13,902,303.46	2.64
Gasoline.....	310	17,554,913.93	3.33
Lubricating oils and grease.....	15	2,292,014.50	.43
Miscellaneous.....	81	1,009,084.54	.19
Paper and allied products.....	132	7,162,646.22	1.36
Paper.....	39	3,232,852.13	.62
Envelopes.....	11	1,161,715.40	.22
Cardboard.....	5	58,983.15	.01
Miscellaneous.....	77	2,709,095.54	.51
Printing and publishing.....	12	280,280.39	.05
Periodicals and journals.....	3	173,207.97	.03
Books.....	4	23,232.42	(1)
Miscellaneous.....	5	83,840.00	.02
Leather and its manufactures.....	18	1,574,917.49	.30
Boots and shoes.....	6	1,276,313.38	.24
Boot and shoe cut stock.....	4	0	0
Miscellaneous.....	12	298,604.11	.06

¹ Less than 0.01 percent.

Contracts reported by the Government agencies as awarded within the scope of the Walsh-Healey Act for the fiscal year 1939, by commodity groupings—Con.

	Number of contracts	Value	Percent of grand total
Stone, clay, and glass products.....	820	\$28,320,306.39	5.36
Cement and products.....	218	10,307,255.04	1.96
Concrete products.....	66	1,382,344.78	.26
Concrete, ready-mixed.....	57	2,073,418.04	.39
Crushed and broken stone.....	175	3,129,247.11	.59
Glass.....	12	116,347.13	.02
Granite and marble.....	15	491,500.72	.09
Riprap stone.....	5	376,205.00	.07
Sand and gravel.....	101	4,626,734.32	.88
Soil and black earth.....	21	367,356.35	.07
Terra cotta products.....	8	106,015.17	.02
Tile and clay products.....	55	1,016,421.97	.19
Miscellaneous.....	87	4,327,460.76	.82
Rubber products.....	80	994,139.52	.19
Clothing.....	14	533,699.00	.10
Tires and tubes.....	37	67,537.49	.01
Miscellaneous.....	29	392,903.03	.08
Iron and steel products.....	676	29,791,729.84	5.64
Bolts, nuts, rivets, etc.....	14	143,299.74	.03
Fencing materials.....	8	89,931.62	.02
Forgings and castings.....	86	9,970,376.56	1.89
Hardware, miscellaneous.....	21	323,641.44	.06
Metal doors, sash, and frames.....	17	704,555.73	.13
Metal shingles and roofing.....	4	58,867.35	.01
Pipe and fittings.....	66	2,203,031.85	.42
Plumbing supplies.....	2	64,338.90	.01
Rails, bars, posts, etc.....	86	3,169,088.07	.60
Sheets, plates, shapes, etc.....	112	3,654,849.00	.69
Stoves and ranges (exclusive of electric).....	35	1,502,030.23	.28
Structural steel.....	106	5,076,152.95	.96
Tools (exclusive of machine tools).....	25	399,072.06	.08
Wire rope and cable.....	19	369,659.22	.07
Miscellaneous.....	75	2,062,804.82	.39
Nonferrous metals and alloys.....	164	9,169,233.95	1.74
Aluminum.....	44	3,824,720.62	.73
Brass.....	20	628,442.68	.13
Bronze.....	8	210,166.23	.04
Copper.....	2	293,205.57	.06
Lead.....	4	38,531.06	.01
Nickel.....	7	325,825.00	.06
Plated ware.....	4	65,754.57	.01
Tin.....	7	758,017.18	.14
Zinc.....	5	120,455.87	.02
Fire-extinguishing equipment.....	11	350,048.49	.06
Miscellaneous.....	52	2,554,066.68	.48
Other machinery.....	747	33,664,457.69	6.37
Air-conditioning equipment.....	4	134,445.44	.03
Compressors.....	28	695,609.18	.13
Engines, turbines, etc.....	83	10,223,444.16	1.93
Machine tools.....	233	6,849,029.03	1.30
Office equipment.....	51	173,052.36	.03
Dredges and shovels.....	30	527,257.25	.10
Printing and publishing machinery.....	9	508,378.35	.10
Pumps and equipment.....	46	2,680,114.30	.52
Refrigerators.....	19	311,586.64	.06
Road machinery.....	86	1,839,039.99	.35
Windlasses.....	45	2,480,513.37	.47
Miscellaneous.....	113	7,141,087.62	1.35
Electrical apparatus.....	501	24,280,536.25	4.60
Batteries (including aircraft).....	18	582,311.64	.11
Circuit breakers.....	34	1,589,232.36	.30
Electrical conductors.....	171	5,856,413.54	1.11
Generators and parts.....	47	4,244,964.00	.80
Heaters and ranges.....	22	494,850.06	.09
Lamps and lights.....	24	2,404,445.26	.46
Motors.....	6	362,618.50	.07
Radio equipment and supplies.....	53	3,504,372.91	.66
Sparkplugs.....	8	500,930.57	.09
Switchboards.....	31	847,472.43	.16
Telephone and telegraph apparatus.....	17	849,100.96	.16
Transformers.....	33	1,668,846.83	.33
Miscellaneous.....	37	1,376,977.19	.26

Contracts reported by the Government agencies as awarded within the scope of the Walsh-Healey Act for the fiscal year 1939, by commodity groupings—Con.

	Number of contracts	Value	Percent of grand total
Transportation equipment.....	551	\$274,342,844.08	51.92
Aircraft.....	22	31,876,414.57	6.04
Aircraft parts and equipment.....	222	12,170,865.03	2.30
Boats, ships, and equipment.....	30	218,055,917.25	41.27
Automobiles and parts.....	30	652,041.93	.12
Trucks and parts.....	176	8,287,045.40	1.57
Miscellaneous.....	71	3,300,559.90	.62
Miscellaneous.....	568	18,736,505.50	3.54
Brooms, brushes, etc.....	14	290,130.62	.05
Commissary stores.....	42	1,752,352.02	.33
Dental goods and equipment.....	10	146,985.25	.03
Instruments.....	89	7,220,615.43	1.37
Photographic equipment.....	30	544,466.81	.10
Surgical supplies.....	156	199,206.80	.04
Other materials.....	86	3,972,221.00	.75
Rentals, services, etc.....	141	4,610,527.57	.87

Respectfully submitted.

L. METCALFE WALLING,
Administrator.

OFFICE OF THE CHIEF CLERK

SAMUEL J. GOMPERS, *Chief Clerk*

To the SECRETARY OF LABOR:

Division of Budgets and Accounts.

For the fiscal year ended June 30, 1939, the appropriations by Congress to the Department and its services were as follows:

Salaries, Office of the Secretary.....	\$345, 700
Contingent expenses, Department of Labor.....	117, 600
Printing and binding, Department of Labor.....	248, 390
Traveling expenses, Department of Labor.....	720, 000
Salaries and expenses:	
Commissioners of Conciliation.....	283, 480
International Labor Organization, Geneva, Switzerland.....	20, 000
Division of Public Contracts.....	300, 000
Division of Labor Standards.....	220, 860
Bureau of Labor Statistics.....	814, 000
Investigation of labor conditions in Hawaii.....	14, 900
Salaries, office of Commissioner of Immigration and Naturalization.....	577, 500
Salaries, Field Service, Immigration and Naturalization Service.....	7, 805, 520
General expenses, Immigration and Naturalization Service.....	1, 292, 200
Immigration stations.....	85, 000
Transporting Filipinos to the Philippine Islands.....	115, 000
Salaries and expenses:	
Children's Bureau.....	363, 500
Maternal and Child Welfare.....	320, 000
Child-labor provisions, Fair Labor Standards Act.....	79, 000
Women's Bureau.....	143, 320
Grants to States:	
For Maternal and Child Health Service.....	3, 700, 000
For services for crippled children.....	2, 800, 000
For child-welfare services.....	1, 500, 000
United States Employment Service:	
Administrative expenses.....	843, 000
Payments to States.....	1, 950, 000
Administrative expenses, emergency relief.....	3, 000, 000
Wage and Hour Division: Salaries and expenses.....	1, 160, 000
Payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies.....	28, 000
Trust funds:	
Unearned immigration registry fees.....	22, 000
Unearned naturalization fees.....	30, 000
Unearned immigration reentry permit fees.....	4, 000
Disposition of deposits of aliens who become public charges.....	2, 500
Deposits to secure payment of fines and passage money, Immigration and Naturalization Service.....	50, 000
Advances by District Unemployment Compensation Board to United States Employment Service.....	186, 800
Total.....	29, 142, 270

In addition to the above, the following allotments were received from emergency appropriations:

Bureau of Labor Statistics:	
Assistance for educational, professional, and clerical persons	\$848,914.00
Administrative expenses	43,693.58
Public Works Administration: Allotment to Bureau of Labor Statistics	35,000.00
National Industrial Recovery, Federal Emergency Administration of Public Works: Allotment to Bureau of Labor Statistics	61,000.00
Total	988,607.58

The following amounts were received by transfer from appropriations made to other agencies:

Temporary National Economic Committee: (Transfer to Labor)	\$59,000.00
Golden Gate International Exposition: (Transfer to Labor)	2,000.00
Railroad Retirement Board, Railroad Unemployment Insurance Administration Fund: Bureau of Labor Statistics	17,500.00
Administration of Fair Labor Standards Act:	
Bureau of Labor Statistics	70,000.00
Women's Bureau	20,000.00
Emergency Relief, Works Progress Administration: Bureau of Labor Statistics	21,000.00
New York Worlds Fair: Division of Labor Standards	12,600.00
Total	202,100.00

Expenditures.—The expenditures, arranged according to items of appropriation, were as follows:

Office of the Secretary:

Salaries:	
1938	\$11.12
1939	345,100.29
Printing and binding:	
1937	4,965.33
1938	68,180.78
1939	162,448.48
Contingent expenses:	
1937	4.95
1938	16,395.14
1939	89,032.23
Traveling expenses:	
1938	130,284.25
1939	552,722.46
Salaries and expenses, Division of Labor Standards:	
1938	2,955.10
1939	206,322.15
Salaries and expenses, Commissioners of Conciliation:	
1937	.65
1938	2,153.56
1939	280,083.42
Salaries and expenses, Division of Public Contracts:	
1938	15,459.67
1939	284,181.22
Administration of Fair Labor Standards Act, 1938-39	375,437.22
Salaries and expenses, International Labor Organization, Geneva, Switzerland:	
1938	6,299.06
1939	17,967.66

Office of the Secretary:—Continued.

Payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies:		
1938-----	\$4, 379. 48	
1939-----	18, 651. 40	
		\$2, 583, 035. 62
Bureau of Labor Statistics:		
Salaries and expenses:		
1937-----	10. 35	
1938-----	4, 516. 81	
1939-----	805, 756. 97	
Investigation of labor conditions in Hawaii-----	5, 045. 22	
		815, 329. 35
Immigration and Naturalization Service:		
Salaries, Office of Commissioner of Immigration and Naturalization:		
1939-----	556, 626. 35	
1939-40-----	5, 517. 50	
Salaries, Field Service, Immigration and Naturalization:		
1939-----	7, 774, 308. 78	
1939-40-----	5, 574. 50	
General expenses, Immigration and Naturalization, 1939-----		
	975, 148. 66	
Salaries and expenses, Immigration and Naturalization Service:		
1937-----	379. 68	
1938-----	352, 443. 59	
Immigration stations:		
1937-----	216. 00	
1938-----	21, 989. 64	
1939-----	81, 916. 65	
Transporting Filipinos to the Philippine Islands:		
1937-38-----	33. 00	
1937-39-----	53, 172. 40	
		9, 827, 326. 75
Children's Bureau:		
Salaries and expenses:		
1938-----	3, 256. 46	
1939-----	357, 857. 05	
Salaries and expenses, maternal and child welfare:		
1938-----	7, 476. 18	
1939-----	309, 302. 05	
Grants to States:		
For maternal and child-health service:		
1937-38-----	784, 706. 91	
1939-----	935, 915. 20	
For services for crippled children:		
1937-38-----	963, 669. 09	
1939-----	2, 047, 137. 93	
For child-welfare services:		
1937-----	455. 76	
1937-38-----	683, 467. 97	
1939-----	836, 970. 01	
Salaries and expenses, child-labor provisions, Fair Labor Standards Act: 1939-----		
	34, 712. 77	
		8, 964, 927. 38
Women's Bureau:		
Salaries and expenses:		
1937-----	1. 60	
1938-----	2, 181. 61	
1939-----	142, 509. 77	
		144, 692. 98

Employment Service:		
Payments to States.....	\$3,525,735.27	
Salaries and expenses, 1939.....	790,312.59	
U. S. Employment Service:		
1937.....	33,560.82	
1938.....	44,362.68	
		\$4,393,971.36
Trust funds:		
Passage moneys collected from steamship companies for return of deported aliens.....	311.71	
Deposits to secure payment of fines and passage money, Immigration and Naturalization Service.....	35,150.00	
Unearned immigration registry fees.....	20,730.00	
Unearned naturalization fees.....	24,964.94	
Unearned immigration reentry permit fees.....	1,948.76	
Deposits of funds of aliens who become public charges.....	2,907.43	
Advances by District Unemployment Compensation Board to United States Employment Service, Department of Labor.....	170,778.23	
		256,791.07
Grand total.....		26,986,074.51

The following expenditures were made from emergency appropriations:

Public Works Administration allotment to Labor, Bureau of Labor Statistics.....	\$34,926.32
National Industrial Recovery Federal Emergency Administration of Public Works Administration allotment to Labor Statistics.....	58,738.65
Public Works Administration allotment to Labor, Textile Labor Relations Board.....	78.53

Emergency Relief, Labor:

U. S. Employment Service:		
Administrative expenses, 1935-37.....	\$119.97	
Administrative expenses, 1936-38.....	214.78	
Administrative expenses, 1938.....	71,477.53	
Administrative expenses, 1939.....	1,159,069.23	
Bureau of Labor Statistics:		
Administrative expenses, 1936-38.....	9,865.22	
Administrative expenses, 1938-39.....	42,862.34	
Assistance for educational, professional, and clerical persons, 1936-37.....	87,083.53	
Assistance for educational, professional, and clerical persons, 1938.....	27,041.43	
Assistance for educational, professional, and clerical persons, 1938-39 (Transfer from Works Progress Administration).....	646,341.67	
Total.....		2,137,819.20

Disbursements from funds transferred to Labor:

Great Lakes Exposition, 1937-38.....	\$6.00
Golden Gate International Exposition.....	708.95
New York World's Fair.....	11,478.19
Working fund, Labor, Labor Statistics, administrative expenses, Federal Emergency Administration of Public Works.....	2,462.49
Working fund, Labor, Labor Statistics, Railroad Retirement Board, Railroad Unemployment Insurance Administration.....	9,540.48
Temporary National Economic Committee:	
1939-41.....	46,429.03
No year.....	2,239.68

Bureau of Labor Statistics:—Continued.

Working fund, administration of Fair Labor Standards Act, Labor Statistics	\$64,491.07
Working fund, administration of Fair Labor Standards Act, Women's Bureau	16,793.25
Working fund, administrative expenses (emergency relief, Works Progress Administration), 1938 and 1939	19,080.75
Total	173,229.89

In addition to the disbursements by the disbursing clerks, the following expenditures on behalf of the Department were specifically made:

By special disbursing agents	\$103,659.86
Claims settled by the office of the Comptroller General	3,308.50
Total	106,968.36

Miscellaneous receipts.—The following receipts from miscellaneous sources have been received during the year:

Immigration and Naturalization Service:

Naturalization fees	\$1,514,609.25
Head tax	1,131,796.50
Fines	98,834.97
Reentry permits and extensions	144,121.16
Immigration fees (registry)	104,270.10
Immigration overtime	132,576.76
Forfeiture of bonds	30,500.00
Sale of exclusive privileges	356.00
Sales of Government property	3,413.52
Miscellaneous collections	548.81
Coin-box collections	774.06
Collections on account of hospital expenses of persons de- tained in hospitals of the Public Health Service under the immigration laws and regulations	74,737.00
Overnight maintenance of aliens	13,716.00
Reimbursement of immigration judgment costs	2,420.63
Total receipts	3,252,674.76

Division of Publications and Supplies.

The appropriation available for printing and binding for the fiscal year 1939 amounted to \$248,390. At the close of the year bills totaling \$213,203, had been paid, and printing requisitions covering \$33,831 had been authorized and encumbered, leaving an unencumbered balance sufficient to take care of any variations between actual bills and unliquidated encumbrances.

From all appropriations the total amount for printing and binding amounted to \$415,790, which was covered by 2,188 requisitions. Of these, 737, amounting to \$167,757, were chargeable to funds other than that of the Department's appropriation for printing and binding.

Over 11½ million envelopes on 456 orders were purchased during the year, at a total cost of \$21,151, which necessitated issuing 281 Government bills of lading. Fifty-two of these orders, totaling \$1,686, were paid from the contingent appropriation of the Department. In addition, the Division received a total of 301 requests for stationery, of which 83 were for the Department in Washington and 218 for the field service.

The editorial and proofreading section forwarded to the Government Printing Office 36,505 folios of copy, exclusive of reprints and forms canceled. Galley proofs numbering 7,452 were received and 5,437 returned. Page proofs received numbered 13,899, of which 13,761 were returned, and proofs of forms numbering 521 were received and 506 returned.

The Division distributed 8,814,473 publications during the year, 7,538,171 of which were forwarded on franks and 1,276,302 on mailing lists.

The work of the duplicating section of the Division shows an increase of over 100 percent, due to the multiplied activities of the Department. A total of 20,000,000 copies were produced, with a corresponding increase in related work such as photostatic, sealing, and addressing.

The appropriation for contingent expenses of the Department for the year 1939 was \$119,400. A sufficient sum remained at the close of the year to meet unliquidated encumbrances amounting to \$14,374, leaving an unobligated balance of \$309.

Supply requisitions numbering 7,859 were received during the year, and 9,141 orders, amounting to \$471,595, covering 15,312 items, were written. In addition, 491 requests for services were made on the National Park Service, totaling \$10,589.

To meet the immediate needs of the Department, the Division of Publications and Supplies maintains a stock and shipping section. Purchases, sufficient to meet the immediate needs of both the Department in Washington and the field offices, are made as required. The total amount of the orders placed for stock during the year was \$83,957. Shipments numbering 4,601, weighing 372,439 pounds, were made to the field offices, necessitating the preparation of 4,984 bills-of-lading. Wherever possible, orders placed with contractors are for direct shipment to the field offices, effecting a material saving in handling costs, besides expediting deliveries.

Respectfully submitted.

S. J. GOMPERS,
Chief Clerk.

DIVISION OF LABOR STANDARDS

VERNE A. ZIMMER, *Director*

To the SECRETARY OF LABOR:

The Division of Labor Standards has continued to carry out its assignment as a service agency to groups and organizations instrumental in promoting better and more uniform standards of working conditions through improvement in legislation and administration. Because all but four of the State legislatures were in session during the year, the Division was constantly called upon for consultative service on labor legislation by governors of States, members of State legislatures, labor and other organizations, and individuals. These requests showed a marked increase over similar ones for the preceding legislative year 1936-37. The urgent need for presenting factual data in support of legislative programs resulted in the preparation, by the Division, of useful information on the need for various types of labor legislation; on existing laws, codes, and regulations and State experience in their administration, and on court action upon certain phases of labor laws. The Fifth National Conference on Labor Legislation devoted its discussions to reappraisals of labor standards in anticipation of an important legislative year and to the problems attendant upon the Fair Labor Standards Act.

An important task was presented to the Division by the growing interest in wage-and-hour legislation for all workers. The immediate reaction to the passage of the Fair Labor Standards Act was a movement to extend the same type of protection to the thousands of workers in intrastate employments who are not sharing in the benefits of the Federal act. As a result of a number of requests presented to the Division for suggested language for a State bill to regulate both minimum wages and maximum hours for all workers, a draft bill was developed by a committee appointed by the Secretary of Labor. Legislation in substantially this form, was introduced in 30 States, and the Division was called upon in the case of a large number of States for consultative service on these measures. While the bill was not adopted by any State, there is every evidence that those States which have shown a desire to enact a wage-and-hour law will continue their efforts for such legislation. Three States provided by legislation for the appointment of committees to investigate the need for wage-and-hour laws. Seven States and Hawaii enacted laws providing for cooperation with the Wage and Hour Division and the Children's Bureau in the enforcement of the Fair Labor Standards Act.

This new development in the field of wage-and-hour regulation imposes new duties upon those who realize the need for uniformity in broad policy and procedure in the setting of minimum wages and in regulating hours. To this problem should be brought the opinions

of the various groups that will be involved in legislation of this type and in its administration—State administrators, the public, labor, and industry. The Division of Labor Standards, therefore, is formulating plans for bringing together representatives of these groups to consider standards essential to the establishment and sound administration of State wage and hour laws.

Conferences and committees.

Fifth National Conference.

For the fifth consecutive year the Division of Labor Standards was responsible for making arrangements for the National Conference on Labor Legislation, which met in Washington, November 14, 15, 16, 1938, to plan and formulate standards of legislation for the better protection of the wage earner. The Division, as in previous years, has published the proceedings of the conference. Governors of 41 States, as well as the District of Columbia, Alaska, and Puerto Rico, were officially represented. In view of the approaching legislative session, this group of administrators, representatives of labor, and of others primarily interested in labor problems reexamined earlier agreements on standards and considered new programs. One day of the conference was set aside for the discussion of the recently enacted Fair Labor Standards Act and its administrative aspects, and the possibility of Federal-State cooperation in its enforcement. Closely aligned with this was the consideration of the need for supplementary State legislation to afford protection to workers in intrastate employments who do not come within the coverage of the Federal act. A report of the Secretary's committee on State wage-and-hour legislation, incorporating suggested language for a State bill, was unanimously adopted, and the conference by resolution urged the prompt enactment of State wage-hour acts for all workers. The conference adopted resolutions strongly advocating ratification of the Federal Child Labor Amendment and the passage of supplemental child-labor legislation; elimination of industrial home work; enactment of State apprenticeship laws; insurance of the prompt and regular payment of wages; total and mandatory coverage of all workers by workmen's compensation acts; centralization of administration of all labor laws by a single department of labor within a State; and continued conferences for administrators of specific laws in the interest of sound and uniform methods of administration.

Of particular significance was a resolution in which the delegates urgently requested that the National Conference on Labor Legislation be continued as a permanent agency for bringing together State labor law administrators, representatives of labor organizations, and the United States Department of Labor.

Secretary's Committee on the Extension of Labor Law Protection to All Workers.

At the request of several interested groups, the Secretary of Labor appointed a committee to explore the extension of the coverage of labor laws to include all workers and the improvement of administration so that every worker covered may actually enjoy the benefits of the law. Staff members prepared materials for the use of the committee and drafted the report based on the discussion.

Secretary's Committee on Older Workers.

This committee, created upon request of the convention of the American Federation of Labor and the Fourth National Conference on Labor Legislation, and consisting of public, labor, and employer representatives, was given the task of considering the difficulties of persons over the ages of 40 or 45 in finding jobs. The Director of the Division of Labor Standards served as secretary of this committee and members of the staff as technical assistants. The committee's findings dealt with the factors of productivity of the older worker, accident-compensation costs, group insurance, pension plans, and with Government employment policies. It was the opinion of the committee that "Any policy, private or governmental, which arbitrarily discriminates against employees or applicants on the basis of a fixed age is undesirable from the point of view of employees, employers, and the public as a whole, and is not justified by the findings of this committee." The committee's report has been published by the Division in pamphlet form.

Conference of national organizations.

On December 6, 1938, representatives of 18 national organizations interested in cooperating with State labor commissioners and others active in bringing about better labor standards through legislation met in Washington at the call of the Secretary. This group gave careful consideration to the recommendations of the Fifth National Conference on Labor Legislation and, through discussion, clarified for the benefit of their respective groups the basic principles underlying recommended legislation. It was agreed that, from time to time, subcommittees from this group be called into consultation to advise as to ways and means in which the Department of Labor might be helpful to them in any programs in the interest of labor standards.

Secretary's Advisory Committee on Safety and Health.

During the fiscal year the Secretary's Advisory Committee on Safety and Health rendered continuing service in connection with the formulation of policies and development of detailed programs for the safety and health unit of the Division.

Committee on a State Wage and Hour Draft Bill.

The Division gave technical assistance to this committee, which prepared suggested language for a State wage-and-hour bill. The resulting draft bill was endorsed by the Fifth National Conference on Labor Legislation, and its basic principles were introduced in the legislatures of 30 States.

Consultation and recommendations on labor legislation.

Since sound labor laws are in themselves fundamental to the establishment of fair labor standards, the Division continued to emphasize its legislative service to States, organizations, and individuals.

Included in the service given by the Division, upon request of State labor departments and other State officials, labor organizations, legislators, and others, were appraisals of existing State labor legislation, preparation of language for bills to meet given specifications, and adaptation of the suggested language recommended by the Secretary's various advisory committees. The Division gave technical assistance to the advisory committee appointed by the Secretary to prepare sug-

gested language for a State wage-and-hour bill. Of particular interest were requested drafts of bills setting up labor departments for Maryland, Alaska, Delaware, the District of Columbia, South Carolina, and Hawaii.

Several of the administrative devices suggested by the Division were enacted in the law creating for Hawaii a centralized department of labor and industrial relations. In addition, the law incorporates a number of substantive provisions based on the suggested language submitted; provisions permitting industrial health and safety rules, requiring employers to keep employment records, establishing effective regulation of private employment agencies, regulation of child labor, and granting the department power to mediate in industrial disputes, to take assignments of and collect wage claims, and to enter and inspect places of employment.

Puerto Rico enacted an industrial home-work law based on a draft prepared by the Division at the request of the counsel for Puerto Rico.

The most important labor bills of 44 State legislatures were analyzed, and 25 weekly digests (including, for the first time, a section on Federal bills) were issued. The annual digest of State and Federal labor laws was prepared for fall publication.

The Division's consultative service was in demand in connection with workmen's compensation bills, of which over 600 were introduced. Substantial assistance was given, originally at the request of the State federation of labor, both in drafting and in technical presentation to interested groups in the State, of the Arkansas compensation bill, which was enacted. If the law is approved by a referendum to be held in November 1940, there will remain only one State which does not give protection to its injured workers. At the request of the Delegate of Hawaii in the House, a complete revision of the Hawaiian act, including a State fund, was prepared; a detailed study of the Pennsylvania bill and of the Maryland occupational disease act; a draft bill at the request of a member of Congress to provide grants-in-aid to States that provide for silicosis legislation and establish industrial hygiene units; preparation of a draft bill for Arizona; numerous consultations on administrative problems under various acts; appraisals of specific bills accompanied by recommendations; and special reports compiled at the requests of organizations and individuals. These represent only part of the service given through correspondence and personal contact in the interest of securing better legislation and better administration in the field of workmen's compensation.

Compilation of labor laws.

Among the tools useful in raising labor standards through legislation is the handbook type of labor-law compilation. Frequent requests for information on industrial home-work legislation and its administration came to the Division from interested union groups, administrators, and social agencies in many States. A bulletin entitled "Industrial Home-Work Legislation and Its Administration," was printed to fill this demand.

The Division has, upon request by organized labor, begun the preparation of a Handbook of Federal Labor Legislation, which will make readily available the principal provisions of all Federal labor laws and information as to the procedures of the agencies ad-

ministering them. This publication, like the chart of State and Federal hours limitations previously published by the Division, will be compiled in loose-leaf form to permit revision and expansion. Other similar compilations of labor laws have been requested and are included in the Division's program for the immediate future. The hours chart was revised by substituting new pages incorporating the 1939 changes in the laws.

Cooperation with the Wage and Hour Division.

Beginning immediately upon the passage of the Fair Labor Standards Act, the Division rendered service to the newly created Wage and Hour Division. Because of its knowledge of the policies underlying similar State legislation and of the administrative methods found effective in the enforcement of State wage and hour laws, the Division was in a position to assist informally in the initial stages of the new administrative agency.

The contribution of staff time devoted to this service had necessarily to be at the expense of the regular program of the Division, representing a serious curtailment of its activities, particularly of field service to labor and to State administrators. The Division, however, felt keenly the importance of helping to integrate tested and accepted principles in this Nation-wide task of administration, even though in so doing it minimized certain other phases of its work.

Members of the Division participated in the planning of inspection methods, including the preparation of inspection and complaint forms, posters, and a rate table to facilitate the computation of wages. Upon request, the Division prepared the basic inspection manual for use of the inspection staff, acted in a consultative capacity in the development of new material as new procedures were developed, and participated in discussion of inspection methods before the inspectors' training groups.

The Division participated in the preparation of the Regulation of the Wage and Hour Division and the Children's Bureau for utilization of State labor departments in making inspections under the Fair Labor Standards Act. By arrangement with the Wage and Hour Division and the Children's Bureau, the Division of Labor Standards has agreed to undertake to assist State agencies to meet the requirements specified in the regulations. In this connection, members of the staff have conferred with the labor commissioners of six States—Connecticut, New York, Wisconsin, Illinois, Indiana, North Carolina—and the District of Columbia. In those States where the labor departments meet the required standards and where fiscal laws permit entering into an agreement on a reimbursable basis, staff members have assisted in working out plans by which inspections under the Fair Labor Standards Act can be integrated with inspections for the enforcement of comparable State labor laws. The Division maintains a close cooperative relationship with the Wage and Hour Division and the Children's Bureau in rendering such assistance to State labor departments.

Safety and health.

This phase of the Division's work is directed toward the prevention of industrial accidents and of occupational disease, two closely related activities. In both fields the Division aids legislative committees, industrial boards, State labor commissioners, labor groups, employer

associations, and Federal agencies in drawing up basic laws and codes providing for safety and health, assists in the training of inspectors for the enforcement of safety and health standards, aids in the planning and development of safety conferences, and makes literature in the general safety field widely available.

Inspection standards and the training of inspectors.

The Division has in previous years moved in the field of factory-inspector training and has aided interested States in establishing effective methods for increasing the technical knowledge of the safety inspector. Under this training plan, as carried out in a number of States, factory inspectors are rapidly acquiring the status of genuine experts in the detection, control, or elimination of dangerous hazards to the life and health of workers.

The Division developed a 2-weeks' intensive training course for Michigan and Indiana inspectors, conducted in cooperation with the Michigan Department of Labor and the Michigan State College. A specialized course was given to Pennsylvania State factory inspectors. A second and advanced training course was likewise given to inspectors in Illinois. The Division worked with several groups in Pennsylvania in furthering a merit-rating plan for the appointment and retention of qualified factory inspectors. Preliminary arrangements were completed for the conduct of two additional training courses: one, in cooperation with the Alabama Department of Industrial Relations, for southern State factory inspectors, and another, at the request of the labor commissioner of Virginia, for inspectors of Virginia and neighboring States.

As a further development in the field of efficient administration, the Division has this year made widely available in pamphlet form the specific recommendations, of the Secretary's Advisory Committee on Safety and Health, on desirable qualifications of a factory inspector and on a merit system of selection. Coming from a wholly nonpartisan group, whose members include nationally known experts in the field of safety and health, these suggested standards have excited unusual interest, as evidenced by the number of demands for distribution. One State, Alabama, in preparing to select an inspection staff, adopted the complete recommended standard as its basis for selection, and in Connecticut the recently revised civil-service requirements for this type of work are based upon the suggested standard.

Since these recommendations deal entirely with the qualifications needed for that part of the work of inspection relating to the prevention of occupational disabilities, the Division is preparing to present to a second committee for consideration and recommendation the problem of standards for qualifications for inspectors whose duties are concerned with such other administrative functions as the enforcement of wage, hour, and child-labor regulations.

The Division assisted the State departments of labor of North Dakota and North Carolina in their code-development programs, serving in the same capacity in Florida at the request of the State industrial commission. At the request of the industrial board of Arkansas and of the department of industrial relations of Alabama, the Division prepared a basic safety manual for each State and worked with the respective State administrative agencies in connection with the adoption and issuance. In Virginia assistance was given the

labor commissioner in the development of material for a State boiler-inspection law. Staff members participated in State-sponsored safety conferences in Ohio, Florida, South Carolina, Pennsylvania, Virginia, and Maine. A number of conferences were held with labor organizations for the discussion of safety standards and legislation.

In addition to continued emphasis on the prevention of accidents, the Division has extended its program for the prevention of industrial disease. As part of its service in this field, it gathers medical and engineering data on health hazards in industry; assists in the formulation of standards relating to sanitation, protection from fumes and gases, poisonous or harmful materials or substances; recommends practical means of prevention of occupational diseases; prepares for dissemination nontechnical medical information for use by laymen, employers, employees, and State regulatory bodies; works with industrial-hygiene units in interpreting and correlating the results of medical studies of industrial diseases; and assists in the development of legislation designed to prevent conditions endangering the health of workers. Analysis of the factual data contained in the Silicosis Conference reports has been continued with a view toward translating the committee findings into terms of simple, practical control measures. One bulletin has been issued thus far, *Silicosis Prevention—Dust Control In Foundries*. Additional studies along these lines, covering other silica-hazardous industries, are being carried on, and additional pamphlets will be issued as the material is developed.

During the year the Division completed a detailed field study of radium hazards in New York and in Illinois at the request of the New York and Illinois Departments of Labor. In a number of States staff members gave technical assistance in the drafting of coverage for occupational disease under workmen's compensation acts. The Division analyzed and reported on a large volume of specific health and hygiene problems submitted by worker groups. Many projects have been carried on at the request and with the cooperation of industry, but the products of such research programs are utilized in turn for the benefit of workers wherever they may be subjected to the same working conditions. As a part of the program in connection with the control of industrial disease, the Division has revised 13 pamphlets of an occupational-disease series and issued 5 new pamphlets dealing with specific occupational-disease hazards. During the year continued distribution was made of the Division's motion picture *Stop Silicosis* to a wide variety of audiences, totaling 300,000 persons, in all parts of the country. Preliminary studies have been undertaken in connection with the revision of Labor Statistics Bulletin 582, *Occupation Hazards and Diagnostic Signs*. The proceedings of the National Silicosis Conference of 1938 were published and widely distributed during the fiscal year.

During the year a study of the rayon industry was completed by Dr. Alice Hamilton for the Division, and the findings, presented in a report, are now in the hands of the printer. The study was undertaken after repeated complaints of workers and worker organizations respecting the hazards of carbon bisulphide involved in the industry's processes. Observations in the industry covered plants in the States of Massachusetts, Connecticut, Pennsylvania, Virginia, Ohio, North Carolina, and New York.

The Division, with the Bureau of Labor Statistics, participated in a W. P. A. project of analyzing union contracts, the particular interest of the Division being the inclusion in such contracts of agreements relating to the safety and health of workers.

The Department initiated a study on fatigue in connection with truck driving. This action was taken at the request of union organizations affected by the hours' regulation under the Interstate Commerce Commission.

The Division was represented by Dr. Alice Hamilton at the Eighth International Congress for Industrial Accidents and Occupational Disease, meeting at Frankfort, Germany, and by Dr. Leonard Greenburg, executive director, Division of Industrial Hygiene, New York Department of Labor, at a Conference on Silicosis Control held in Geneva. A bulletin on State funds, prepared for the Division by John B. Andrews, secretary, American Association for Labor Legislation, is in the hands of the printer.

Cooperation with State and National safety organization.

The Division works in close cooperation with the National Safety Council and with the American Standards Association. Staff members participated during the year in the development of 26 National Safety Council industrial data sheets and safe-practice pamphlets and in the work of the Safety Code Correlating Committee and individual safety-code committees of the American Standards Association. The Division cooperated with the American Society of Safety Engineers' committee on the promotion of safety teaching in engineering colleges; made a preliminary compilation of textual material for its use; attended general and committee meetings; and prepared the annual report of the Committee on Safeguarding Machinery at its Source. Staff members attended meetings of and in some cases made addresses to the following safety organizations: The Air Hygiene Foundation, the Illuminating Engineers Society, Philadelphia Safety Council, American Association of Industrial Hygienists, the Western Pennsylvania Safety Council, and the Civil Service Assembly of the United States and Canada. The Director of the Division served as secretary-treasurer of the International Association of Industrial Accident Boards and Commissions.

Service to Government agencies.

The safety and health section during the year played an active part in integrating and facilitating the work of the Federal Interdepartmental Safety Council. This organization, conceived and initiated by the Division, was formally established by Executive order, March 21, 1939, as "an official advisory body in matters pertaining to the safety and health of government employees." Under the terms of this Executive order, the Division of Labor Standards was specifically requested to cooperate in furthering the work of the council. The Division has performed administrative and secretarial service, has done all necessary developmental work, and planned for and supervised the annual meeting. The Division has also served as a clearing house for information for the council, has assisted in the preparation and publication of committee reports, and has been responsible for the collection and correlation of questionnaire data covering the appraisal of safety activities of governmental agencies.

Exhibits.

The exhibits unit has continued its task of interpreting to the public in graphic form the vast amount of statistical and technical data concerning the wage earner. By means of visual presentation exhibits effectively present actual conditions of employment; workers' problems; and proposed remedial action, through legislation and other means. The exhibits are composed of charts, posters, graphs, dioramas, and illustrative models. It is to be noted in connection with the preparation of exhibits this year that a special effort has been made to present exhibit material in small units which can be more easily shipped and therefore made available to more groups.

A major project for the year was a contract to build the exhibits unit in the industrial theme of the New York World's Fair. The exhibits included dioramas on such subjects as apprenticeship, security for the aged, safety, wages, and power; a display exhibit for the W. P. A. and the P. W. A., and a special display of the work of the bureaus of the Department of Labor. Due to the amount of work involved in this single project, only the most urgent requests for other exhibits could be filled. However, 113 exhibits were shipped to international conferences, conferences of labor organizations, chambers of commerce, meetings of public welfare officials, State fairs, study groups, and consumer groups. The exhibits unit collaborated with the Golden Gate International Exposition in making the motion picture "Labor of the Nation" exhibited at the Exposition in San Francisco, and cooperated with the officials of this exposition as well as with those of the Pan-American Exposition at Tampa, Fla., in securing exhibits. Consultant services were furnished to the International Labor Office in connection with its exhibit at the New York World's Fair and to members of the Association of Employment Promotion Specialists. The history of the Department of Labor and a panel display showing the work of the various bureaus of the Department were assembled for circulation at various conferences during the year.

Apprenticeship unit.

During the year increased funds made possible an increase in staff from 10 to 19. In addition, two more States (Indiana and North Carolina) have employed their own directors of apprenticeship, and Minnesota has provided an appropriation for the employment of a director.

During recent legislative sessions, five States (California, Massachusetts, Minnesota, Nevada, and North Carolina) passed apprenticeship laws. Massachusetts, under authority of the State law, established an Apprenticeship Commission. North Carolina and Virginia established State apprenticeship councils in accordance with their respective State apprenticeship laws, and Pennsylvania established a council in its State department of labor and industry.

The number of local joint trade apprenticeship committees now operating under standards similar to those recommended by the Federal Committee on Apprenticeship approximates 300, the majority of which are in the building trades.

The General Committee on Apprenticeship for the Construction Industry, appointed last year by the Secretary of Labor, has met twice during the past year. One of the reports of this committee,

relating to standards of apprenticeship, has been published in several trade journals. The committee is at present engaged in a fact-finding survey of apprenticeship in the industry.

Wage determinations in the steel and the aircraft industries published during the past year by the Secretary of Labor, under authority vested in her by the Walsh-Healey Act, have recognized the Federal Committee on Apprenticeship as the primary Federal approving agency on apprenticeship standards. The apprenticeship regulations of the Administrator of the Fair Labor Standards Act have shown similar recognition. Furthermore, the Public Works Administration cooperates with the Federal committee in matters of apprenticeship. The total effect of these recent developments has been to stimulate greatly the activities and functions of the apprenticeship unit, and to increase considerably the load of the Washington office in the handling of matters concerning the approval of apprenticeship indentures.

As a result of instructions issued by the President of the United States, the staff has been giving special attention to the promotion of apprenticeship in the aircraft industry. The International Association of Machinists and the Lockheed Aircraft Corporation have recently established a joint apprenticeship committee and standards of apprenticeship; the American Airlines and the Airline Mechanics Association have established apprenticeship standards in close conformity with Federal standards. The Interdepartmental Committee on Mechanics Training for the Aircraft Industry appointed by the President, in its initial report, recommended that the field staff of the apprenticeship unit be increased so as to secure wider application of sound apprenticeship standards in this industry.

In addition to the apprenticeship standards in the painting and decorating and the plumbing trades, national standards for the steam-fitting trade have been published.

At the Fifth National Conference on Labor Legislation, resolutions were adopted in favor of the promotion of State apprenticeship laws and the establishment of State apprenticeship councils located in the State department of labor.

Resolutions expressing approval and endorsement of the standards of the Federal Committee on Apprenticeship have been adopted during the past year by the American Federation of Labor and numerous State federations of labor, including Colorado, Indiana, Kentucky, Missouri, Virginia, and Texas. Similar resolutions have been adopted by various employer associations.

As a clearing house for information on apprenticeship, the apprenticeship unit distributed almost 25,000 copies of publications during the year, including bulletins, information circulars, and releases, for the guidance of local and national trade groups throughout the United States. Bulletins published during the year were Building a National Painting and Decorating Apprenticeship System, a manual of procedure for establishing local joint painting apprenticeship standards; National Standards for Steamfitting Apprenticeship, prepared by the Heating, Piping, and Air Conditioning Contractors Association and the United Association of Journeymen Plumbers and Steamfitters, and approved by the Federal Committee on Apprenticeship; The Apprentice and the School, prepared jointly by the Division and the Trade

and Industrial Education Service, Office of Education, for the purpose of clarifying the labor standards of apprenticeship. The preparation of these materials, in addition to considerable research, depends upon the cooperation of the States and intelligent reporting from the field.

The Assistant Director of the Division, who is also the chairman of the Federal Committee on Apprenticeship, represented the United States Government at the Twenty-fifth International Labor Conference, in Geneva, on the special committee considering apprenticeship and vocational education. She was elected reporter by the committee and actively participated in the deliberations.

Publications.

Labor Standards.

During the fiscal year there were 10 issues of **LABOR STANDARDS**, a publication which serves as a clearing house for developments in the field of labor law and its administration. The usefulness of this bulletin is evidenced by requests for copies beyond the limit of distribution as well as by inquiries for further information concerning items which have appeared in it. The Division acknowledges with appreciation the material contributed by labor departments with particular reference to administrative problems, as the experience so reported is thus made available to other State agencies.

Bulletins.

The following bulletins were issued during the fiscal year:

Digest of State and Federal Legislation 1938 (19).

Proceedings of the Southern Regional Conference on Labor Legislation (22); Building a National Painting and Decorating Apprenticeship System (23); Discussion of Industrial Accidents and Diseases (24); Proceedings of the Fifth National Conference on Labor Legislation (25); Reports of Committees and Resolutions Adopted by Fifth National Conference on Labor Legislation (25-A); Industrial Home-Work Legislation and Its Administration (26); The Apprentice and the School (27); National Standards for Steamfitting Apprenticeship (28).

Pamphlets.

In addition the following five pamphlets prepared in popular form have been issued and widely distributed:

Factory Inspection Standards and Qualifications for Factory Inspectors; The Older Worker; Your State Department of Labor; Collecting Back Wages; Workmen's Compensation—The Benefits.

Respectfully submitted.

VERNE A. ZIMMER,
Director.

OFFICE OF THE DIRECTOR OF PERSONNEL

ROBERT C. SMITH, *Director of Personnel*

To the SECRETARY OF LABOR:

On December 23, 1936, an administrative order of the Secretary of Labor established the Office of the Director of Personnel and provided certain regulations, referred to in the Annual Report of 1937, for the operation of the Office. On June 24, 1938, the President issued Executive Order No. 7916, directing heads of all executive departments and independent agencies to establish a position of director of personnel with department- or agency wide jurisdiction. In the main and with certain supplementary provisions, the Executive order affirmed and strengthened the functions established for this Office by the Secretary's previous administrative order. The following functions may be particularly noted as being required of the Director of Personnel by the Executive order: To serve as liaison officer in personnel matters between the Department and the Civil Service Commission; to supervise functions of appointment, assignment, service rating, and training; to provide for hearing of grievances; to serve as member of the Federal Council of Personnel Administration. At the present time the Office, so far as appropriation and staff will permit, is rendering services in accordance with the administrative order and the Executive order, and they may be considered under the headings of classification, recruiting, service ratings, and general administration.

Classification services.

One of the functions of the Office of the Director of Personnel is to investigate the duties, functions, responsibilities, and organization relationships of positions in the regular classified service, as well as those in an exempted or emergency category. When recommendations are made either for new appointments, promotions, or for other status changes, the duties assigned to the positions are investigated and, based upon the findings, the entrance rates of pay are established for the positions. Consequently, the classification of positions must be completed before an individual can be placed on the pay roll or be promoted, transferred, or demoted.

This classification procedure is carried on by the Office of the Director in collaboration with the operating officials responsible for assignment of tasks and duties to employees. One of the final results of this procedure is to provide uniformly for "equal pay for equal work" throughout the Department.

Recruiting services.

After a position to which an appointment is proposed has been properly classified, it is necessary to obtain eligibles from which to make an appointment.

The Office of the Director is giving practical effect to the promotion-from-within policy. Eligible and qualified employees in the several bureaus, divisions, and offices are first given consideration in connection with filling all new or vacant positions. When new or vacant positions cannot be filled by intra- or inter-bureau promotion or transfer of personnel, then former employees, whose services were terminated through no fault of their own and whose names appear on the reemployment list maintained in the office of the Director of Personnel, are given careful consideration. If the positions cannot be filled after these two sources are exhausted, then candidates from other departments making applications and those on the eligible registers of the Civil Service Commission are considered.

All requests for filling new or vacant positions are made known to the Office of the Director of Personnel, and the procedure described above is followed in filling the positions. If it is necessary, in order to secure qualified candidates, to ask the Civil Service Commission to give open competitive examinations, the service rendered by the Office of the Director of Personnel is twofold. First, collaboration with the Civil Service Commission in preparing and holding open competitive examinations for original appointment, and secondly, collaboration with the bureaus, divisions, and offices of the Department in securing qualified eligibles. This entails a study of the positions to be filled; determination of appropriate job qualifications; preparation of announcement and examination material; the actual conduct and scoring of examinations; and the preparation of eligible lists. These lists are then available for use in selecting and appointing candidates.

Training activities.

A considerable fund of information regarding training methods and procedures has been accumulated, analyzed, and filed so as to be available for use by bureaus and divisions having need for training on the job courses.

An experimental training course for secretaries is being prepared, and upon its completion a Department-wide training service for secretaries will be initiated.

As soon as funds and staff are available for this purpose the office of the Director of Personnel will be prepared to give advice, assistance, and coordination to programs of orientation, job, and promotion training that operating officials may desire to inaugurate.

Service ratings.

The Personnel Classification Act of 1923 requires that efficiency ratings for officers and employees in the District of Columbia be obtained; the Brookhart Act amending the Personnel Classification Act requires similar action for officers and employees in the field. The promotion procedures required by the recent Executive orders make it necessary to give more attention to efficiency ratings than has been the case in the past. Just as rapidly as available funds make it possible to assign staff members to this important and technically difficult problem, the necessary steps to secure reliable and valid service ratings will be undertaken. As a minimum the office of the Director of Personnel

will direct the preparation and review of annual efficiency ratings on each employee. This entails preparation of written instructions to each rating and reviewing officer and to the bureau heads; holding conferences with these officers to discuss the administrative details of handling the efficiency rating program; and collaboration with the Department Board of Review in finally reviewing all ratings for conformity to instructions.

General administrative services.

Subsequent to the completion of the classification and recruiting processes, the actual appointment of an individual is in order. This is made by the appropriate administrative official, who notifies the office of the Director of Personnel that it is desired to fill an existing vacancy. Upon receipt of this notification, the office sees that any necessary classification or recruiting procedure is completed, acquaints the appropriate operating officials with the significant facts, and furnishes a list of names of individuals from which a selection may be made to fill the vacancy. The selection is then made by the appropriate operating official.

In all instances the individual selected is checked thoroughly for qualifications and for appointability under laws affecting appointment, civil-service rules and regulations, and decisions of the Comptroller General. Considerable negotiation with the Civil Service Commission may be involved, since a number of questions regarding eligibility under civil-service rules may require settlement. The appointment, to become final, is then referred for approval to the appointing authority specified by law, which is the Secretary of Labor, for all bureaus and offices of the Department. Upon approval of the Secretary of Labor, it then becomes legal to place the appointee upon the pay roll. Accordingly the appointee is notified to report for duty, given the oath of office, and assigned to the appropriate office or bureau.

A procedure similar to the foregoing is followed for promotions, transfers, and other status changes.

There are other general administrative services rendered by the office of the Director of Personnel, such as maintenance of current personnel files, service-record cards, and retirement-record cards; preparation of current personnel statistical reports required by the Civil Service Commission and required for administrative use; preparation of special reports on personnel requested by Members of the Congress and by administrative officials; preparation of personnel and organization charts for all offices and bureaus of the Department; meeting with representatives of organized employee groups to answer questions as to personnel policy and to facilitate adjustment of individual grievance cases; meeting with individual employees on grievances, vocational adjustment matters, and related problems; interviewing persons seeking employment or sponsoring the employment of others, and conducting correspondence with applicants and their sponsors; giving out information over the telephone and at a public information desk to the general public, to Government agencies, and to commercial companies regarding addresses, rates of pay, and titles of employees; conducting correspondence with other Federal departments and agencies, with prospective employers, and others interested

in employing individuals now in the Department or interested in some phase of the Department's personnel administrative system.

It can be seen from an examination of the services the office of the Director of Personnel is rendering that the Secretary of Labor has, in recognition of the fact that personnel administration is an integral part of effective administrative management, moved in the direction of establishing a program of personnel administration covering both the Washington and field services. The program outlined and agreed upon has been only partially completed. In order to provide for the basic services required in the President's Executive order and the Secretary's administrative order, it will be necessary to have additional funds with which to employ a staff trained in the techniques of personnel administration and possessing a high degree of technical competence in such matters as classification, recruitment, service ratings, training, placement, and employee relations.

Conclusions:

The greatest single accomplishment of the office has been the justification, both by the day-to-day handling of current problems and by the gradual and basically sound expansion of the personnel program, of the establishment and operation of the program. The second accomplishment has been establishing and maintaining sound and cooperative working relations with the bureau and division heads and their assistants. The third accomplishment has been the establishment of friendly, cooperative, and understanding relations with the several groups of organized employees. Finally, an important accomplishment is represented by the progress in building up a competent professional and clerical staff capable of dealing with the numerous problems involved in the establishment of a sound personnel program.

Neither the handling of day-to-day administrative matters nor the expansion of the program to meet fully reasonable requirements is all that could be desired. The staff is still inadequate to make the prompt disposition, under existing procedures, of the requests and recommendations put before the Director of Personnel by the bureau heads. If the additional funds, which will be requested in the 1941 budget, are provided, the technical staff will be considerably augmented. Recruiting the additional staff members and giving them the necessary training will be an important undertaking.

Number of officials and employees of the Department of Labor on July 1, 1939,
as compared with July 1, 1938

Bureaus	July 1, 1939			July 1, 1938	Increase (+) or decrease(-)
	In District of Co- lumbia	Field	Total		
Office of the Secretary.....	135	0	135	194	-59
Division of Labor Standards.....	59	28	¹ 87	2 54	+33
Division of Public Contracts.....	153	0	153	184	-31
Conciliation Service.....	42	41	83	81	+2
Bureau of Labor Statistics.....	499	80	³ 579	⁴ 455	+124
Children's Bureau.....	326	188	⁵ 514	⁶ 419	+95
Immigration and Naturalization Service.....	316	3, 831	⁷ 4, 147	⁸ 4, 014	+133
Women's Bureau.....	75	4	79	59	+20
Wage and Hour Division.....	379	172	551	⁽⁹⁾	+551
Emergency Employees.....	162	58	220	161	+59
U. S. Employment Service.....	297	174	¹⁰ 471	¹¹ 455	+16
National Reemployment Service.....	186	96	¹² 282	1, 894	-1, 612
Total.....	2, 629	4, 672	7, 301	7, 970	-669

¹ Includes 3 at \$1 per annum.

² Includes 5 at \$1 per annum.

³ Includes 16 at \$1 per annum.

⁴ Includes 20 at \$1 per annum.

⁵ Includes 169 at \$1 per annum.

⁶ Includes 141 at \$1 per annum.

⁷ Includes 2 at \$1 per annum and 372 without compensation.

⁸ Includes 1 at \$1 per annum and 257 without compensation.

⁹ Not in existence July 1, 1938.

¹⁰ Includes 3 at \$1 per annum.

¹¹ Includes 57 at \$1 per annum.

¹² Includes 50 at \$1 per annum.

Respectfully submitted.

ROBERT C. SMITH,
Director of Personnel.

DEPARTMENT LIBRARY

LAURA A. THOMPSON, *Librarian*

To the SECRETARY OF LABOR:

The addition of the Wage and Hour Division to the Department during the last year and the expansion in the work of all the bureaus brought greatly increased demands for service from the Department Library. As these had to be met without any increase in personnel, the year was a particularly difficult one. All parts of the work increased—the number and complexity of the reference questions, the amount of aid to be given new research workers and writers, telephone inquiries to be answered, the number of books and periodicals circulated, and the material to be acquired and indexed. Nor was the increase confined only to work for the Department. Aid was given in connection with the investigations of the Temporary National Economic Committee and various other special studies. Besides telephone inquiries, 1,070 registrations of readers from other Government departments were made in the reference reading room during the year and 1,671 from labor and employers' organizations, private research bureaus, colleges and universities, and individual investigators. No record was kept of readers using only the periodical reading room.

The cataloged accessions to the library for the year totaled 12,311, of which 4,373 represent monographs, 1,450 volumes of periodicals, and 6,488 other serials. In addition 1,910 publications, consisting mainly of second copies of reports and documents, were given a temporary classification label without adding them to the records. New cards to a total of 23,281 were filed in the main catalog. This catalog of approximately half a million cards is a card bibliography of selected social and economic literature of constantly increasing value.

On June 30, 1939, the library had 200,247 accessioned books and pamphlets. This number does not include several thousand publications on the shelves with temporary classification labels, since these are not entered on the records. Nor does it include the subject files of small pamphlets and mimeographed material. There are still serious arrears of uncatalogued publications, including the collection of labor agreements. The total collection is believed to be considerably over 210,000 volumes.

The list of periodicals currently received was increased by 301 new titles. Fifty-seven periodicals ceased publication or were superseded, making a net gain of 244 and bringing the number of periodicals in the current file to 2,519. Separate issues of periodicals received numbered 63,422. Of these, 22,314 were circulated to the different bureaus. Because of the decreased appropriation for printing and binding and the very greatly increased cost of binding, only 853

volumes were prepared for binding. One hundred and eighty volumes were put in temporary binders and 295 volumes wrapped and sent to the shelves without binding.

The library issued during the year a "Selected List of Recent References on Minimum Wage for Women in the United States." In response to many requests, it revised again its list of American trade-union journals and labor papers currently received, with labor affiliation and street addresses added. This list containing 375 titles has been in great demand as it is the most comprehensive list of current American trade union journals and labor papers available. The list of references on "Seniority in Promotion and Discharge," noted in last year's report, was also revised and expanded. Progress was made on several other bibliographies which, it is hoped, may be ready early in the fall. Many short lists of references were prepared in connection with special problems, or requests received in letters.

In connection with the exhibit of the Special Libraries Association last May the library prepared a typewritten list of its bibliographies by subject. So many requests for copies of the list were recorded that it is here reproduced in order to make it more widely useful.

Printed bibliographies.

Absenteeism in Industry (Monthly Labor Review, July 1927).
 Child Labor and Minors in Industry, 1916-24 (C. B. Pub. No. 147).
 Children in Street Trades (Monthly Labor Review, December 1925).
 Convict Labor (Monthly Labor Review, October 1925 and May 1928).
 Employee Stock Ownership (Monthly Labor Review, June 1927).
 Federal Control of Child Labor (Monthly Labor Review, January 1925).
 Five-Day Week (Monthly Labor Review, January 1927 and February 1931).
 Injunctions in Labor Disputes (Monthly Labor Review, September 1928).
 Kansas Court of Industrial Relations (App. to B. L. S. Bull No. 322).
 Labor Banks (Monthly Labor Review, September 1926).
 Minimum Wage for Women in the U. S. (W. B. Bull. No. 42).
 Mothers' Pensions (App. to C. B. Pub. No. 63) 1919.
 National Economic Councils (Monthly Labor Review, May 1931).
 Older Worker in Industry (Monthly Labor Review, July 1929).
 Profit-Sharing and Labor Copartnership (Monthly Labor Review, April 1923).
 Public Old-Age Pensions in the U. S. (Monthly Labor Review, May 1929 and March, 1932).
 Public Old-Age Pensions in Australia and New Zealand (Monthly Labor Review, March 1929).
 Public Old-Age Pensions in Canada (Monthly Labor Review, February 1929).
 Unemployment Insurance and Reserves in U. S. (B. L. S. Bull. No. 611) 1935.
 Union Management Cooperation (Monthly Labor Review, October 1927).
 Workers' Education (Monthly Labor Review, June 1922 and September 1924).
 Workers' Leisure (Monthly Labor Review, March 1927).

Recent mimeographed bibliographies.

Conciliation and Arbitration in Industrial Disputes. 1938.
 Frances Perkins: A Bibliographical List. 1937.
 Minimum Wage for Women in the United States: 1939.
 Profit Sharing, 1923-39. 1939.
 Seniority in Promotion and Discharge. 1939.
 List of American Trade Union Journals and Labor Papers currently received by Department of Labor Library. 1939.
 Monthly Statistics of Employment, Wages, and Hours, issued currently by State Labor Departments. 1939.

Respectfully submitted.

Laura A. Thompson,
Librarian.

BUREAU OF LABOR STATISTICS

ISADOR LUBIN, *Commissioner*

To the SECRETARY OF LABOR:

During the year just ended the Bureau of Labor Statistics has devoted itself primarily to a continuation of its efforts to improve the day-by-day functioning of its several divisions. The radical changes that had occurred during the preceding year had emphasized the inadequacy of the Bureau's coverage for estimating current employment trends and the necessity of expanding its reporting sample if employment was to be more accurately measured. In like manner, marked changes in wholesale prices during the two preceding years had emphasized the necessity for more detailed information on specific commodities included in the Bureau's wholesale-price index and the need for more information on markets, discounts, and sales practices for a realistic portrayal of price trends. Similarly, the growing public recognition of the significance of residential building to a stable economy had brought to the fore the need for more elaborate information on the housing situation in the various sections of the country and the part that the construction industry was playing in effecting employment not only in the building industry itself, but also in the numerous industries that depend upon building construction for their existence.

The work of the Bureau in these and other fields was more in the nature of refinement and elaboration than of expansion of activities. However, certain developments in Federal labor legislation brought with them during the fiscal year the necessity of expanding the subjects covered by the Bureau. Thus, for example, the Temporary National Economic Committee created by the Congress in 1938 imposed numerous duties upon the Bureau. Additional work in prices, employment, wages and hours, and other fields had to be undertaken in order to meet the committee's requirements. Extensive inquiries were initiated during the fiscal year, at the request of the committee, into the relationship of size of plant and regularity of employment, the effects of wage changes upon production costs, geographical wage and price differentials, the spread between wholesale and retail prices, and geographical price spreads. Most of this additional work was financed by the Temporary National Economic Committee.

In addition the needs of the Wage and Hour Division resulted in the Bureau's expanding its work in the field of wages and hours. During the fiscal year an investigation was started of the probable effects of the 30-cent minimum and the 42-hour workweek limitation which under the Fair Labor Standards Act would become effective on October 24, 1939. At the request of the Wage and Hour Administrator a detailed analysis was made of labor conditions and the impact of wages on costs in the textile industry. Special investigations of

wages and hours were also made for the Wage and Hour Division in the industries manufacturing hats, boots and shoes, men's clothing, robes and allied garments, men's neckwear, and men's cotton garments.

Employment and pay rolls.

The monthly reports issued by the Bureau of Labor Statistics are the only official figures currently available indicating the fluctuation in employment, earnings, and hours worked for any considerable portion of the wage earners of the country. In addition to covering a very large number of manufacturing and nonmanufacturing industries, employing nearly 50 percent of the total wage earners of the country, these reports also cover all forms of Federal employment, including the activities of the Public Works Administration and Works Progress Administration. Each month information is secured by mail from the thousands of establishments covered, and in almost all instances the reporting sample is sufficiently comprehensive to be indicative of the changes occurring within the various industrial groups. As a result, during the intervals between censuses the Bureau's reports furnish a barometer from which reliable approximations of total employment and weekly pay rolls in the industrial groups covered can be arrived at. These estimates, based on the reporting sample, are revised periodically as census data become available.

The results of the monthly studies are made available to the public in mimeographed form during the month following that to which the pay period covered relates. More detailed information on employment and pay rolls, as well as data on hourly and weekly earnings and hours worked per week for each of the industries covered, is presented in pamphlet form each month. Data are also given for States and selected cities.

In addition to their primary use in informing the Congress, business and labor organizations, and the general public of changes in the current employment situation and in the volume of weekly wage disbursements, the reports referred to are extensively used by various governmental and nongovernmental agencies as a basis for current estimates of unemployment and national income.

Private employment.

Reports were received in June 1939 from approximately 146,000 establishments, employing nearly 7,750,000 workers. The number of establishments reporting in June 1939 was slightly greater than in June 1938. The number of employees covered, however, increased sharply, as a result of improved business conditions during the year. Ninety separate manufacturing industries and 16 nonmanufacturing industries are covered in the regular monthly survey, the 14 major groups into which the manufacturing industries are classified being divided into two larger divisions, "durable goods" and "non-durable goods." The 16 nonmanufacturing industries are: Anthracite mining, bituminous-coal mining, metalliferous mining, quarrying and nonmetallic mining, crude petroleum producing, telephone and telegraph, electric light and power and manufactured gas, electric railroad and motorbus operation and maintenance, wholesale trade, retail trade, hotels, laundries, dyeing and cleaning, brokerage, insurance, and private building construction. The reporting sample in a number of industries is recognized as not being as complete as desirable,

and additional contacts are made from time to time to enlarge the coverage, particularly in the various lines of wholesale and retail trade and in private building construction.

In keeping with an established policy of revising its indexes from census totals as such data become available, the indexes of employment and pay rolls for manufacturing industries were adjusted during the past year to the levels of the 1937 manufacturing census.

The reports on average hours and earnings were further improved during the year by the construction of weighted averages for specific industries and by the reclassification of certain firms. A bulletin presenting average weekly and hourly earnings and average hours per week by years from 1932 to 1938 and by months from January 1932 to the latest month available is now in course of preparation. A companion bulletin containing the revised indexes of employment and pay rolls is also now being prepared for publication. This latter bulletin will furnish a continuation of the data contained in Bulletin 610, entitled "Revised Indexes of Factory Employment and Pay Rolls, 1919-1933."

In addition to a continuation of the Bureau's regular studies on changes in clerical employment, weighted indexes of employment and pay rolls for retail trade were constructed during the past year and will be released in the near future. Work is also under way on the compilation of a similar index for wholesale trade.

The Bureau continued its cooperative arrangements with 16 State agencies, which collect employment and pay-roll data as agents of the Bureau of Labor Statistics for joint use by the Bureau and the cooperating State agencies. The semiannual collection of data on hourly earnings by sex made by the Bureau of Labor Statistics in cooperation with the Women's Bureau was continued during the past year. To secure the necessary data the Bureau obtains from a large number of firms special reports on hours worked and total pay rolls for men and women separately. Similar studies will be made in March and September of each year.

Public employment.

The Federal agencies with which the Bureau has arrangements for the collection of employment and pay-roll data for the program of public works continued to give their full cooperation during the year. The Bureau, therefore, was able to maintain its complete monthly compilation of employment and pay-roll statistics on Federal and non-Federal projects of the Public Works Administration, Federal projects under the Works Program, projects operated by the Works Progress Administration, work projects of the National Youth Administration and Student Aid, the Reconstruction Finance Corporation, United States Housing Authority, and for all construction done out of regular Federal appropriations. In addition, employment and pay-roll figures were collected and tabulated for the Civilian Conservation Corps, and the usual compilation of monthly employment figures for the executive, legislative, military, and judicial services of the Federal Government was continued.

Estimates of total employment.

In addition to its regular employment and pay-roll statistics, the Bureau prepares monthly estimates of total nonagricultural employment. These figures are based on the Bureau's regular employment

indexes, supplemented by estimates for those industries for which no direct employment data are collected. These estimates are at present undergoing major revision.

The following table gives the averages of the monthly figures for the calendar year 1929, the predepression high; for the fiscal year ending June 1933, the low 12-month period of the depression; for the calendar years 1937 and 1938, and for the first 6 months of 1939.

Total nonagricultural employment

[Averages of monthly estimates, in thousands]

	1929	July 1932- June 1933	1937	1938	January- June 1939
Total.....	36,159	27,014	35,066	32,747	32,924
Employees.....	31,875	23,000	30,552	28,222	28,400
Manufacturing and mining.....	10,715	6,653	10,692	9,044	9,265
Construction.....	1,784	919	1,155	1,016	994
Transportation and public utilities.....	3,000	2,699	3,182	2,966	2,950
Trade and finance.....	6,044	5,173	6,633	6,398	6,337
Service establishments and miscellaneous industries.....	2,102	1,547	2,072	1,980	1,980
Government, education, and professional services.....	3,196	3,212	3,554	3,574	3,620
Domestic service and related employment.....	3,225	2,797	3,264	3,244	3,253
Officials, proprietors and self-employed persons..	4,284	4,014	4,514	4,525	4,525

During the spring of 1939 work was started on the preparation of similar estimates for a somewhat more limited group of employees for each of the 48 States and the District of Columbia.

State, county, and municipal employment survey.—The fields of private nonagricultural employment and pay rolls are quite well covered by the current reports published by the Bureau of Labor Statistics and other Federal agencies, and complete reports are available concerning employment and pay rolls of the Federal Government itself. There is, however, no satisfactory current information concerning either direct or indirect employment and pay rolls of State, county, and city governments, minor civil divisions, such as school districts and irrigation districts, and other non-Federal governmental units.

The State, county, and municipal survey was organized by the Bureau of Labor Statistics in December 1938—

1. To obtain data on the number of employees and the amount of pay rolls for all State governments and for the governments of selected counties, cities, school districts, and other civil divisions, by months for the period from 1929 through 1938.

2. To obtain data on construction contracts let by the same governmental agencies during the same period, exclusive of contracts involving Federal funds.

Estimates and indexes of total employment and pay rolls for all non-Federal governmental agencies over the 10-year period will then be built up from the material collected, thus laying the foundation for continuing reports by mail. In addition, information is being scheduled concerning the following three points: (1) Hours of work; (2) the number of employees on full time and part time; (3) the number of employees receiving maintenance of some kind in addition to salary and wages.

The survey is being conducted on a Nation-wide basis, with the assistance of the Work Projects Administration. Techniques have been developed with the cooperation of a technical advisory committee representing the Central Statistical Board, the Bureau of the Census, the Bureau of Foreign and Domestic Commerce, the Division of Tax Research of the Treasury Department, the National Resources Committee, and the Works Progress Administration.

Building construction.

Information concerning the number of buildings, the number of families provided for, the total permit valuation, class of construction, and type of dwelling is now compiled and published by the Bureau for cities and towns having a population of 1,000 or over. The information is collected directly from the local building officials except in the States of Illinois, Massachusetts, New Jersey, New York, North Carolina, and Pennsylvania, where the respective State departments of labor collect and forward the information to the Bureau.

During the year the Bureau continued its quarterly estimates of the number of dwelling units provided in the entire urban area of the United States and inaugurated quarterly estimates of the total valuation of building construction. The method of estimating was developed in collaboration with the National Bureau of Economic Research.

A special study of building-permit data for the years 1929 to 1935 was completed during the year. This study makes available for the first time information on the number of dwelling units provided in the cost groups within the reach of families in the lower-income levels in 813 cities. These cities constitute approximately 83 percent of all cities in the United States with a population of 10,000 or more. Information was obtained for each of the 7 years, 1929 to 1935, on the number of family-dwelling units provided by new residential construction by cost-groups, the type of material used in the construction of the building, and the cost per dwelling unit. Similar information was obtained on structures for which demolition permits were issued.

A second special study of building-permit data, still under way, has for its objectives the obtaining of information on: (1) Building cycles previous to the World War; (2) residential construction, by cost groups and type of material for the years 1936, 1937, and 1938; (3) the number of dwellings erected in the rural nonfarm areas of the United States in 1936, 1937, and 1938; (4) the relationship between permit valuations and selling prices and contract prices of dwellings, ratios between permit valuations and contract prices of other housekeeping buildings, industrial buildings, commercial and other new buildings, additions, alterations, and repairs to buildings, and the development of a technique for obtaining current real-estate price indexes; and (5) the ratios of the volume of building construction outside of city limits to the volume of building inside of cities.

In the field of housing a considerable volume of material was summarized for publication in the Monthly Labor Review dealing with operations under the several housing laws enacted in the United States during the past few years. As the program had advanced to

the point where public housing projects were being occupied by tenants, information became available on costs, tenant selection, rentals, and management. An effort was likewise made to make information available in the Monthly Labor Review on the volume of mortgages insured under the Federal Housing Administration plan, the allocation of funds by the United States Housing Authority, and the results of surveys of overcrowded and substandard housing. In addition, a number of important housing acts adopted in foreign countries during 1938 were summarized, notably those of Canada, France, and Great Britain.

Labor requirements in building material industries.

The series of studies of labor involved in the production and distribution of basic construction materials was continued during the year and completed reports on this subject were published for the production and distribution of sand and gravel and the manufacture and distribution of electrical products. Studies covering the steel, petroleum, and foundry and machine-shop industries are planned for the near future.

A study of the labor and material involved in the construction of schools was published, and a study of the relative cost of labor and material on 47 completed low-rent housing projects financed from Public Works Administration funds is nearing completion. In the latter, information will be given on the average cost per dwelling unit, the average cost per room, and the cost per cubic foot, type of material used, and employment provided in construction.

For the purpose of estimating the amount of off-site labor involved in P. W. A. construction projects, the Bureau, in May 1939, started a study of the amount of overhead labor in contractors' offices, and the amount of employment involved in surveys, consultations, and other professional services provided on a fee or contract basis.

Wages, hours, and working conditions.

The work of the Bureau of Labor Statistics in the field of wages and hours of labor falls into three main groups:

1. Annual surveys of union scales of wages and hours. This group is discussed in a later section of the report.

2. Monthly reports on hourly earnings, weekly earnings, and weekly hours. These are derived from the data secured from monthly reports on employment and pay rolls, described above. They deal solely with industry averages. They offer an up-to-date current measure of wage-and-hour trends but do not give a picture of the wage structure or wage and working characteristics of the various industries. These latter objectives are secured through—

3. Comprehensive, detailed wage surveys of particular industries, made from time to time as resources permit. These industry surveys are made by field agents of the Bureau, who personally secure the necessary data from the various establishments concerned. This is necessarily a slow and rather laborious task, and, as a result, the Bureau can cover the more important industries only once in every 3 or 4 years. In recent months the activities of the Bureau in this field have been greatly increased by the requirements of the Wage and Hour Division of the Department of Labor, and the requirements of the Public Contracts Division, for summary wage-and-hour data necessary to the formulation of minimum wages by these two agencies.

During the past year field work was completed in connection with surveys of wages, hours, and working conditions in the following industries: Iron and steel; hosiery, including both seamless and full-fashioned; knit goods, including knitted underwear, outerwear, cloth, and gloves and mittens; radio transmitters; foundries and machine shops; men's apparel, including cotton garments, robes and allied garments, men's neckwear, single dress pants, and men's clothing in the South; boots and shoes, cut stock and findings, and shoe patterns; and men's hats, including fur-felt, wool-felt, and straw hats as well as hat materials. The total number of wage earners covered in these surveys was approximately 450,000. In addition, field work was started in a survey of the lumber industry, which will cover approximately 100,000 employees, and preliminary work was done in connection with a survey of labor and industry in Hawaii.

The completed reports published during the fiscal year included radio transmitters, electrical manufacturing, fertilizers, furniture, hosiery, cotton goods, boots and shoes, cut stock and findings, and shoe patterns. Reports were also published on paid vacations and the entrance rates of common laborers.

In addition, two special studies relating to summary wage rates in the shipbuilding industry, covering the months of November and May, were made for the United States Maritime Commission, which requires the data to prepare estimates of labor cost in connection with ship subsidies.

Annual earnings.

The interest in the subject of annual earnings continued to increase during the year, and in an effort to meet the demand for information on this subject, the Bureau sought to obtain data on annual earnings in connection with its field surveys of wages. This was not possible in all cases, but during the year reports on annual earnings were completed and published for shipyards, radio, furniture, and electrical manufacturing. Reports for certain other industries are almost completed.

Union wages.

The results of the regular annual survey of union wages and hours of labor for 1938 were assembled and made public during the year under review, and the new survey for 1939 was inaugurated in June. The 1938 survey covered 72 cities and 69 trades and subdivisions of trades in the baking, building construction, transportation, and printing industries, and in barber shops. The reports on these various industries appeared in the Monthly Labor Review. Mimeographed listings were issued covering rates for individual trades by cities for the building and printing trades.

Barbers were included for the first time in the 1938 union-wage survey. The report for this trade appeared in the June 1939 Monthly Labor Review, and gave a brief review of unionization and collective bargaining in the industry, together with rates and hours, by cities, and requirements for licensing or registration of barbers.

Federal wage-and-hour laws.

The Bureau has cooperated with the divisions of the Department administering the Public Contracts (Walsh-Healey) Act, 1936, and the Fair Labor Standards Act, 1938, by carrying on research upon

request on working conditions in individual industries for which working standards are to be established under these laws. General articles have been published on the work of the agencies administering these laws and on rulings that might be of general interest to labor.

Wages in foreign countries.

It has been the practice of the Bureau to make surveys of wages in foreign countries every few years. Such a survey was made during the past year, and comprehensive articles were published for most of the industrial countries of Europe and of Latin America, showing wages in the major industries. As an aid in interpreting the wage data, information was included on hours of work, social charges, overtime provisions, and related factors. The surveys were based on detailed reports furnished by members of the United States Foreign Service, supplemented from studies by the International Labor Organization and other official sources.

Vacations with pay.

Because of the rapid growth in provisions for granting industrial wage earners vacations with pay, the Bureau gave increasing attention to the extent to which this policy was being adopted, the duration of the paid holidays, and the terms under which employees benefited under the systems established. Not only was a comprehensive study made covering conditions in this country, but material was collected and analyzed on voluntary arrangements entered into in foreign countries and legislation enacted dealing with paid vacations.

Labor turn-over.

In its monthly survey of labor turn-over in manufacturing industries, the Bureau received reports each month from approximately 5,500 representative manufacturing establishments that employed nearly 2,500,000 workers. During the year paper and pulp, paint and varnish, silk and rayon goods, steam and hot-water heating apparatus, glass, machine tools, and rubber boots and shoes were added to the industries for which separate rates are published, increasing to 30 the total number of industries for which rates are shown separately. In each of these 30 industries reports were received from representative plants employing approximately 25 percent of the labor force. In addition, special studies of labor turn-over were made in automobile parts and equipment and in the iron and steel industries. These special studies compare labor turn-over experience by rate groups and show turn-over rates by size of establishment.

Labor productivity surveys.

All of the surveys of labor productivity conducted by the Bureau in cooperation with the National Research Project of the Works Progress Administration have been completed. During the fiscal year, the findings in the boot and shoe study were reported in an article in the *Monthly Labor Review*. Complete bulletins as well as summary articles in the *Review* were published on cigar manufacturing and cotton-garment industries. In cooperation with the W. P. A. national research project and the United States Bureau of Mines a report was prepared on the "Man-hour output and employ-

ment in petroleum and natural-gas production." The Bureau expects to carry on further researches in the important field of labor productivity, in which it was a pioneer.

Industrial accident statistics.

For several years the Bureau has been making a general annual survey of industrial injuries in the United States. It has also been making a detailed survey of injuries in the iron and steel industry. These were continued during the past year, and, in addition, a special study of the causes and methods of prevention of accidents in the fertilizer industry was completed and the summarized results were published in the Monthly Labor Review.

A "Manual on Industrial Injury Statistics" was completed. This manual contains suggested statistical compilations for administrators of workmen's compensation laws, and discusses the practical uses of the recommended data. It should prove a helpful tool to statisticians in the field of industrial injuries because it contains a complete set of codes to be used for statistical purposes, in addition to suggested tabulations.

A survey of the statistical activities of the agencies of the Federal Government was completed, as a basis for the development of uniform procedures and terminology in the Federal Government in reports and statistics dealing with industrial injuries. The Works Progress Administration has continued to clear through the Bureau of Labor Statistics proposed statistical studies dealing with industrial injuries and workmen's compensation.

Members of the Bureau of Labor Statistics took an active part in the reexamination and restatement of the accident cause analysis method sponsored by the American Standards Association. An adaptation of this Cause Code is included in the "Manual on Industrial Injury Statistics." The procedures recommended have been adopted by the department of labor and industry in Pennsylvania through the cooperation of the Bureau, and have been demonstrated to be both practical and helpful toward furnishing facts necessary for accident prevention.

Cost of living.

Changes in cost of living.

Quarterly surveys of the cost of goods purchased by families of wage earners and lower-salaried workers in 32 large cities of the United States were, as usual, conducted as of September 15, December 15, March 15, and June 15.

The quarterly indexes are now being revised as a result of the Nation-wide study of purchases by wage earners and lower-salaried clerical workers, and will reflect present-day consumption more accurately than the indexes based on the Bureau's expenditure study made in 1917-19. The revised indexes on the new material will be published during the winter of 1939-40. Indexes of cost of living of Federal employees living in Washington, D. C., are now published regularly once a year, as of December 15.

Intercity differences in living costs.

The types of goods priced for inclusion in the Bureau's current indexes, showing changes in living costs in 32 large cities, are representative of the purchasing habits of workers in the respective cities,

and vary with differences in climate and custom, and in prevailing wage and salary levels. They show changes between given dates in the cost of goods customarily purchased by wage earners and clerical workers in each city. They do not, however, provide a measure of differences in the cost of a given level of living from city to city.

To meet the need for comparisons between cities, the Bureau has been bringing up to date, by the use of its quarterly indexes of living costs, the cost of the budgets priced by the Works Progress Administration in March 1935 in several large cities in different parts of the country. In addition, during the past fiscal year the Bureau of Labor Statistics made a study of intercity differences in living costs in five small northern and five small southern cities. This survey was undertaken at the request of the Wage and Hour Division, and the results were summarized in an article in the July 1939 Monthly Labor Review.

Expenditures of wage earners and lower-salaried workers.

During the year 1938-39, a summary was undertaken of the series of reports giving the results of the survey of the expenditures by families of employed wage earners and lower-salaried clerical workers, which was completed in the preceding year. The detailed statistical tables regarding family incomes, family size and composition, and expenditures for food, housing, clothing, transportation, recreation, medical care, gifts, and taxes, as well as changes in assets and liabilities, were prepared for publication. An analysis of these summary data is now in progress and will appear as a Bureau bulletin.

General survey of consumers' purchases.

Final reports of the urban series of the Study of Consumer Purchases were prepared for printing. This study was conducted in cooperation with the Bureau of Home Economics of the Department of Agriculture, the Works Progress Administration, the Central Statistical Board, and the National Resources Committee. The final reports comprise 22 volumes. Seven of these deal with the details of family incomes in 2 metropolitan areas and in large, middle-sized, and small cities in 5 regions of the United States. The income volumes also include information on nativity, color, family size, rents paid, and the housing facilities available to a representative cross section of urban population. Another group of 7 volumes presents summary data on family expenditures for the principal groups of consumption goods and services and family savings for the cities covered in the income volumes.

A third group of seven volumes presents, for the use of those who are concerned with the original work materials, detailed information for all cities covered in the survey by the Bureau, on expenditures for housing, food, clothing and personal care, furnishings and equipment, medical care, transportation, and miscellaneous expenditures, including recreation, reading, education, gifts, and community welfare. The concluding volume covers changes in family assets and liabilities in all the cities covered. Each of these reports distinguishes the income or expenditure of families of different size and of families of wage earners as compared with clerical, professional, and independent workers. The data provided in this series of bulletins (together with their companion bulletins in preparation by the Bureau

of Home Economics) make possible for the first time an analysis of the incomes, expenditures, and savings of a cross section of the entire American population. They are being utilized, under a cooperative arrangement, for summary reports by the National Resources Committee.

Retail prices.

The increasing demand for retail-price data, by outside agencies both Government and non-Government, has been an outstanding feature of the year's work. The Bureau has continued its cooperation with the New York and Pennsylvania State Departments of Labor in connection with the collection of retail prices for use in determining minimum wages for woman workers.

Quarterly indexes of rent changes by types of dwellings were published during the year for each of 32 cities. Other data affecting rents, such as average age of dwellings, rent levels by districts within a city, and rent changes by rent ranges, have also been tabulated.

New groups of items, notably automobiles, petroleum products, radios, and certain services, such as dry cleaning and additional services in the medical-care group, will be included in the revised cost-of-living indexes.

A report entitled "Changes in Retail Prices of Electricity, 1923-38," was completed and will soon be published as Bulletin 664. This report contains an analysis of the prices of electricity for residential use in each of 51 cities, together with quarterly indexes of price changes, as well as the basic data which were used in the computation of these indexes, and other information bearing on the subject of electricity prices.

A study was made of the content and method used in the pricing of canned foods. In order to develop better methods of obtaining uniformity in the price data collected, the Bureau placed special emphasis upon quality differences and merchandising methods which are determining price factors in the retailing of shoes, women's coats, and drugs and toiletries at its annual conference of the Bureau's retail price field representatives.

Wholesale prices.

The program for the improvement of the wholesale-price data, begun in the previous year, was continued during the year just closed. The work of revision includes research into all the major commodity groups and involves the enlargement of industry coverage, more detailed specifications, a greater understanding of market structure and practices, and improved technique for index construction. Beginning with January 1939 revised series for portland cement and certain individual items in the miscellaneous and chemicals and drugs groups were introduced into the existing indexes. Surveys now well in progress contemplate a complete revision of price data for the chemicals and drugs and the textile groups including cotton garments, silk and rayon, hosiery, and piece goods. Surveys in the preliminary stage contemplate a revision of the price series for food products, rubber and rubber products, leather and leather products, lumber and millwork, and structural clay products. As surveys covering these items and industries are completed the revised series will be introduced into the calculation of the composite index number.

The number of items for which price data are now collected approximates 5,000, and the number of commodities included in the index remains unchanged at more than 800 price series or groups. Manufacturers, producers, and other agencies cooperating with the Bureau in its wholesale-price work now number approximately 1,500. Reports dealing with wholesale-price trends continue to be published weekly and monthly. For several years the Bureau has cooperated with the Treasury Department in the preparation of a daily index of 30 sensitive basic commodities.

Industrial disputes.

Although there was a considerable lessening in the number of strikes during the past year as compared with the preceding year, popular interest in the subject increased the number of demands upon the Bureau for information regarding labor disputes. At the same time the Bureau undertook additional steps to improve its collection of strike data, primarily through obtaining the cooperation of international union offices and employers' associations.

The Bureau's activities in this field included, as before, the compilation of data showing the general trend in industrial disputes as indicated by the number of strikes beginning, continuing, and ending each month as currently as is compatible with accurate reporting. These summary reports were followed, after all the data were received and verified, by reports showing detailed analyses of causes, duration, industries affected, method of settlement, and the results of strikes in relation to the major issues out of which they grew. The compilation of strike data for the calendar year 1938, published in May 1939, presented further analysis by States and cities, and by type of labor organization involved.

Additional studies were published in the series on industrial relations in foreign countries, which was begun in the last fiscal year. These included general summaries of the machinery available in Great Britain and the Netherlands for the settlement of labor disputes, the work of joint industrial councils in Great Britain, the regulation of working conditions in Australia and New Zealand, and a new agreement reached in Sweden between employer and employee representatives to facilitate the peaceful solution of industrial disputes. A general survey of industrial-relations machinery in a number of democratic countries was completed during the year and will be published shortly.

Union agreements.

The files of collective agreements maintained by the Bureau include approximately 7,000 current agreements of practically all the national and international unions. Increasing use of these files is being made by government agencies, trade-unions, employers' association, research agencies, and individuals interested in a particular union or in a particular phase of the collective-bargaining arrangement. The calls upon the Bureau expanded considerably because of the continuous need for these data by the Wage and Hour Division and the Public Contracts Division. Upon request, the Bureau furnishes these agencies information concerning the unions operating in certain industries, the extent of collective bargaining, and the existing union wages, hours, overtime, seasonal tolerances, and other pertinent factors.

A file of constitutions of practically all the national and international unions has been established and is kept current, with the cooperation of the trade-unions. Also, a complete directory of all international unions and their locals, as well as unions directly affiliated with the A. F. of L., and the C. I. O., is kept up to date.

Several articles dealing with the agreements to which certain unions or industries are parties were published in the Monthly Labor Review during the past year. Among the unions covered were the United Electrical, Radio and Machine Workers, the International Union of Mine, Mill and Smelter Workers, the National Council of United Cement Workers, the United Shoe Workers, and the Gas, Coke and Chemical Workers (District 50, U. M. W.). Analyses of agreements in all industries were made as the basis for articles on Seniority Provisions in Union Agreements, Collective Bargaining through Employers' Associations, Extent of Collective Bargaining in the various industries, Wage Adjustment Plans, and Penalty Provisions in Union Agreements. A general summary of industrial relations in 1938 was published in the March 1939 issue of the Monthly Labor Review.

Labor legislation and court decisions affecting the worker.

For many years the Bureau of Labor Statistics has regularly compiled and published, either in full or in digest form, all Federal and State laws relating to labor, and also summary analyses of the important decisions of courts affecting labor. In addition, one of the railroad labor organizations this year published two comprehensive reports prepared from material on file in the Bureau under the following titles: (1) State Laws Relating to Full Crew, Train Lengths, and Qualifications of Personnel; and (2) Federal Legislation Affecting Railroad Workers.

Articles published in the Monthly Labor Review included reviews of laws on payment of wages, antileaffet ordinances, anti-kick-back legislation, and occupational-disease legislation enacted in 1939:

Workmen's compensation survey:

For several years the Bureau of Labor Statistics has been conducting a comprehensive survey of the administration of workmen's compensation laws in the United States and Canada. Published sections of the report that have appeared include: Ontario Procedure in Settlement of Workmen's Compensation Claims; Cooperation of Workmen's Compensation Administrations with Rehabilitation Agencies; Methods of Financing Workmen's Compensation Administrations and Funds; Claims Administration in Workmen's Compensation; Adequacy of Benefit Payments under Workmen's Compensation; Medical Aid under Workmen's Compensation Laws; and Coverage Limitations of Workmen's Compensation Laws. A full report on the survey is nearing completion.

Labor conditions in Latin America.

For many years the Bureau has kept in close touch with labor developments in Latin American countries. During that period it has published in bulletins and in articles in the Monthly Labor Review a long series of reports giving, in English, digests (sometimes the full text) of important labor legislation, as well as information on wages, working hours, social insurance, and other matters of labor

significance. With the creation about a year ago of the Interdepartmental Committee on Cooperation with the American Republics, the Bureau of Labor Statistics undertook to make the results of the work in this field more generally available by the issue, at convenient intervals, of a special pamphlet containing reprints of all articles in the Monthly Labor Review dealing with Latin America.

The summary of national legislation on hours of work in industrial and commercial establishments in Latin American countries, prepared in 1936, was revised to October 1, 1938, and was published in the Monthly Labor Review. The subject of wages in Mexico was comprehensively treated in a special article also published in the Monthly Labor Review. In this connection it is of interest to note that a report earlier published by the Bureau, dealing with legal restrictions on employment of aliens in Latin America, appeared in Spanish translation in the July 1938 issue of the Mexican *Revista del Trabajo* and the January 1939 issue of the Peruvian *Informaciones Sociales*. Other articles on Latin American labor published in the Monthly Labor Review have been noted or summarized in Brazilian, Chilean, and Mexican publications.

As an appendix to the May 1939 issue of the Pan American Book Shelf, a list of the publications and articles on Latin America, 1929-39, by the United States Bureau of Labor Statistics was published, and later issued as a reprint. This list shows that from 1929 through February 1939 the Bureau of Labor Statistics published in the Monthly Labor Review 129 articles on topics relating to Latin American countries and issued 8 bulletins of which 6 were devoted wholly and 2 partially to Latin America.

Increasing contacts with officials of labor departments and with labor organizations in Latin America are making possible more detailed reports on labor conditions in those countries.

Consumers' cooperation.

The report on the general survey of consumers' cooperative associations in the United States was published during the past year. Supplementary inquiries, mostly made by mail, brought the general cooperative picture down to the end of 1938.

Closely associated with the subject of consumers' cooperation is that of the self-help activities of the unemployed, which developed as a result of the depression and have continued to be of considerable importance. The Bureau has been able to keep informed of developments and to publish brief reports on these self-help activities.

Prison labor.

The final results of the special prison-labor surveys, covering a limited number of States, were made public in August 1938. The primary purpose of these special surveys was to facilitate the work of the Prison Industries Reorganization Administration in the employment of prisoners in State-use industries. Since 1885 the Bureau has made general surveys of prison labor at intervals of 9 or 10 years. Since the last of these general surveys, made in 1932, both the Hawes-Cooper Act, divesting prison-made goods of interstate character, and the Ashurst-Sumners Act, making it unlawful to transport prison-made goods from a State or Territory to another State or Territory where the goods are intended by any person to be

used in violation of any law of such State or Territory, have become effective. In view of this fact, it is important that another survey of prison-labor conditions and production should be made in order to determine the effect of these laws.

Social insurance in foreign countries.

Sustained interest in problems relating to social insurance in this country prompted the continuance of special studies of the social-insurance systems in foreign countries which were started in 1937. Articles covering the health-insurance systems in Great Britain, the Soviet Union, and Sweden, and the unemployment-insurance system in Norway were published in the Monthly Labor Review. Two countries—Australia and New Zealand—enacted new laws in 1938, and these were summarized in the Review.

Family allowances.

The scientific study of consumption units in recent cost-of-living inquiries and the problem of meeting the basic needs of families of various sizes on the very large relief rolls of the depression years have tended to accentuate the fact of the heavy economic handicaps of large families in the low-income groups. This emphasis adds interest to the Bureau's brief survey of family allowances; that is, special cash supplements proportioned to family responsibilities, which were granted in 1937-38 to a greater or less extent in at least 28 foreign countries. The survey findings, based on consular reports and other authoritative sources, were published in the Monthly Labor Review.

Migratory labor and farm labor.

The increasing mechanization of agriculture and various other improvements in methods of farming have greatly reduced the amount of labor required per acre or per unit of output on farms. The resulting pressure of the demand by the farm population for nonfarm jobs and for assistance in the cities before they obtain jobs has made it increasingly apparent that the problems of agricultural labor and of nonagricultural labor should be considered together. The Bureau of Labor Statistics has taken steps to cooperate with various other agencies of Government in efforts to obtain more adequate information as the basis of the administration of existing laws affecting labor and for an intelligent approach to possible modifications of public policy.

International Labor Organization.

The contact work of the Department of Labor with its representative in Geneva and with the International Labor Organization itself has continued to be through the Commissioner of Labor Statistics. This has involved the preparation by the Bureau of many statistical and other reports asked for by the International Labor Office. In addition, the Bureau has sought through its publications to disseminate information regarding the International Labor Organization and its activities.

Inquiries and correspondence.

Because of its essential character as an organization concerned with the dissemination of information on labor matters, much of the Bureau's work originates as a result of requests made upon it by corre-

spondence or by personal visits of inquirers. Many of these requests are of a nature that can be answered by the sending of material already compiled and printed. Many, however, are of a kind that require more or less extensive research work and the preparation of rather elaborate replies. During the past year more than 64,000 requests for information of various kinds were received by the Bureau.

Monthly Labor Review.

The results of all studies made by the Bureau are published in the Monthly Labor Review, the shorter reports being published in full and the longer reports, which later appear in bulletin form, being digested for Review purposes. By this means all reports of the Bureau are made available promptly and in convenient form for the average reader. In addition the Monthly Labor Review serves as a medium for the publication, upon request, of reports by other divisions of the Bureau, and also for presenting currently the more important developments in the field of labor in the United States and in foreign countries.

Labor Information Bulletin.

In collaboration with various trade-unions, a number of articles describing the history, structure, and activities of national labor organizations have been published in the Labor Information Bulletin during the last year. On numerous occasions the Bureau has been requested to arrange for reprints of articles appearing in the Bulletin, and an increasing number of labor papers and journals are also reproducing articles, charts, and illustrative material published in the Bulletin. The demand for the publication, particularly from unions, industrial relations departments of business firms, and educational institutions so increased that it was necessary to make arrangements for a larger number of copies in the coming year.

Bulletins.

Many of the bulletins issued by the Bureau during the past year have been noted in the preceding sections in connection with the topics with which they deal. The full list of bulletins published during the year is as follows:

- Money disbursements of wage earners and clerical workers (636 to 641, inclusive).
- Family income and expenditure (642 to 649, inclusive).
- Consumers' cooperation in the United States, 1936 (659).
- Mechanization and productivity of labor in the cigar-manufacturing industry (660).
- A selected list of the publications of the Bureau of Labor Statistics (661).
- Productivity of labor in the cotton-garment industry (662).
- Wages in cotton-goods manufacturing (663).
- Changes in retail prices of electricity, 1929-38 (664).
- Labor laws and their administration, 1938 (666).
- Manual on industrial injury statistics (667).
- Building construction, 1920 to 1938 (668).
- The wage and hour structure of the furniture-manufacturing industry, October 1937 (669).

Looking to the future.

The annual report of accomplishments, such as is presented above for the Bureau of Labor Statistics for the past year, is usually thought of as being primarily for the information of the Congress and the general public. Actually, however, such a report may well be of even greater value to those within the organization by making evident,

between the lines as it were, the things which have not been done. In the present case, the Bureau of Labor Statistics is quite conscious that its present activities, although it believes they are as comprehensive as is possible with its existing resources, are neither as broad in their scope nor as refined in their detail as would be necessary to make the Bureau of maximum service.

By its organic act, the Bureau of Labor Statistics was directed to "acquire and diffuse among the people of the United States useful information on subjects connected with labor, in the most general and comprehensive sense of the word, and especially upon its relation to capital, the hours of labor, the earnings of laboring men and women, and the means of promoting their material, social, intellectual, and moral prosperity." This was some 50 years ago. At no time since then has the Bureau of Labor Statistics had the equipment necessary to carry out at all fully the duties placed upon it by the law. Moreover, during the past few years especially, the gap between what the Bureau can do and what it should do has actually widened notwithstanding the increased liberality of Congress in its appropriations.

One reason for this is that during these years there has been an enormous expansion in the use of labor statistics. It is probably no exaggeration to say that the number of persons, organizations, and agencies seriously interested in the results of the Bureau's work has increased a hundredfold during the past two decades. General interest in statistics of employment, for example, was almost entirely lacking prior to the depression of 1929. There had been other depressions, of course, and these had awakened temporary concern with the sufferings of the jobless, but no effort had been made to create adequate governmental machinery for providing information on the current trends in employment. The Bureau of Labor Statistics started the compilation of monthly statistics of this type as early as 1915, but the work was done on a very limited scale prior to 1933. Moreover, it was still later that employers, trade-unions, legislators, and the public generally came to a realization of the importance of this kind of information to the orderly conduct of our industrial and political life.

Again, until quite recent years, the wage surveys of the Bureau of Labor Statistics had a very limited audience. Trade-unionists and occasional employers were interested, but only a relatively small segment of industry was organized. Many employers, indeed, were inclined to be antagonistic. Now this lack of interest has almost entirely gone. Practically all employers are willing to cooperate with the Bureau in its wage surveys because they are acutely interested in the wage and hour conditions prevailing in their own industry as well as in other industries. Moreover, as a result of Federal and State laws dealing with minimum wages and maximum hours, practically all employers and employees (constituting the vast majority of the whole population) are vitally interested in having current reports on wages and hours of labor.

A second reason for the present discrepancy between what the Bureau of Labor Statistics can do and what it should do is that pressing problems of national welfare demand far more complete information regarding labor and industrial conditions generally than was dreamed of a decade ago. Within the decade the United States has suddenly found itself faced with economic problems of unprecedented

seriousness. This means that a vastly larger number of people want the kind of facts the Bureau gathers. It also means that they want these facts in far greater detail than they were wanted before. Only a few years ago, for example, the users of the Bureau's surveys were satisfied when its wage reports merely gave the average wages in an industry by occupation, sex, State, and district. Today Federal and State minimum-wage laws demand that wage statistics be analyzed by such further factors as type and size of establishment, the characteristics of the working force, and particularly by annual earnings. Moreover, the demand referred to is now not only for the statistical facts but also for an explanation as to why these facts are as they are—why, for instance, is there such a wide spread between wholesale and retail prices in the case of certain commodities?

It is also to be noted that the term "labor" has broadened in recent years. Not many years ago the average so-called white-collar workers, especially those of the professional or near-professional grade, resented being included under the term "labor." Now there are labor unions in practically all the professional groups, and the Bureau has been requested by many such groups, including engineers and moving-picture workers, to make studies of their respective professions from the standpoint of employment conditions and income.

In still larger part, however, the pressure upon the Bureau to enlarge its field of activities is simply the result of the fact that the Bureau is not able to cover any one of its regular fields as fully as necessary to meet the legitimate demands made upon it. As pointed out earlier, for instance, in the important field of wages, the Bureau cannot attempt to make surveys of more than a dozen industries annually. As a result, it is able to cover each of even the more important industries only once every 3 or 4 years, and its information is, therefore, often not up to date. In the field of retail prices the Bureau has been able to cover only food and fuel prices in its monthly reports. In the field of industrial-accident statistics the Bureau now makes a comprehensive annual report on accident frequency and severity, but it has not been able to extend its work sufficiently to get adequate information on the very important subject of the causes of accidents. In the field of industrial relations the Bureau publishes comprehensive data on strikes and on the principal contents of collective agreements. But, except on rare occasions, it has not been able to make first-hand field studies of employer-employee relations, a subject of intense interest at the present time. These are merely examples of the present limitations on the Bureau's work.

The Bureau realizes that all of these limitations cannot be removed at once. There are, however, a number of new activities of a very important character that the Bureau should be in a position to undertake in the very near future. These are listed below.¹

Comparative living costs in different cities and regions.

The question of intercity and interregional differences in cost of living is one of the most acute of present-day problems. Unfortunately, there is a lack of satisfactory data regarding these differences as between, for instance, the North and the South. Such data are essential to the satisfactory administration of Federal legislation on

¹ These recommendations were drafted before the outbreak of the war in Europe. Undoubtedly that war will have serious repercussions upon American life and the demand for the type of information within the scope of the Bureau of Labor Statistics will greatly increase.

wages and hours. To secure this information it is necessary not only to compare the retail prices of all the major commodities entering into the budgets of wage earners' families, but also to ascertain the differences in consumption habits in the different communities. To obtain such intimate knowledge of prices and of consuming habits requires far more extensive research in the field than has ever been undertaken in the past.

Interregional differences in wage rates.

Another vital question incident to the present industrial situation concerns the reasons for the known differences in wage rates in different communities and sections. Are lower wage rates in certain sections, for instance, justified by differences in the efficiency of labor, in the quality of the plant and equipment, in freight rates, or in other factors? The proper answers to these questions bear vitally upon the fixing of wage minima either by law or by collective bargaining.

Occupational outlook.

The Occupational Outlook Service has been established in the Bureau of Labor Statistics as a result of the recommendation of the Advisory Committee on Education in its report to the President in February 1938. Its purpose is to advise as to which industries and occupations offer opportunity for young persons and which do not. An appropriation to carry on this work for the fiscal year 1939-40 was made by Congress in the early part of 1939. From the nature and very great significance of the work, however, it is very important that this service be expanded in subsequent years.

A study of employer-worker relations.

There is an almost complete lack of information regarding industrial relations in plants working under collective agreements. A study of the subject would seek to find out how collective bargaining actually functions; and what are the difficulties, handicaps, and benefits both to the employer and to the worker.

Labor productivity and displacement.

The impact of technological changes in industry upon the working population is increasingly recognized as one of the outstanding problems of the machine age. The Bureau of Labor Statistics conducted the pioneer studies in this field and more recently it has cooperated with the Works Progress Administration in collecting a mass of new material. Much, however, remains to be done, both in the study of particular industries and in the coordination of the existing knowledge of labor productivity with the available information on employment, prices, wages, and profits.

Migratory labor.

With the passage of time the problems arising from the vast number of migratory workers in this country have become more and more acute. The size of the problem, however, remains unknown and the solution equally unknown. Various scattered studies have barely scratched the surface. An exhaustive survey and analysis is of the utmost importance.

Annual earnings.

In all of its recent industrial wage surveys the Bureau has attempted to secure data on annual earnings in addition to data on hourly and weekly earnings. But this is a difficult and costly task,

and it has not been possible to undertake it on the extensive scale that is demanded. Particularly in demand is information on annual earnings in building construction and other seasonal industries, where the hourly or daily wage rates fail entirely to give a satisfactory idea of the amount of yearly earnings.

Salaried and professional workers.

Developments of recent years have gone far to break down the economic lines between wage earners on the one hand and salaried and professional workers on the other. More and more the latter are looking to the Bureau of Labor Statistics for information on earnings and conditions of employment among their members. Several years ago a formal request for such a survey was made by the large engineering societies, and this request was complied with by the Bureau. As already noted, similar requests have been made by other professional and subprofessional groups, and the Bureau should be in a position to extend its regular services in these fields.

Causes and remedies for labor turn-over.

The Bureau's monthly reports on turn-over rates offer a valuable means of measuring the seriousness of the problem, but do not throw any light on the causes and remedies. A careful study in this field, based on the experience of individual plants, would be of great usefulness in improving the "hiring and firing" methods in American industry.

Monthly cost-of-living index.

The Bureau's current index of changes in the cost of living should be compiled monthly instead of quarterly as is now done. This would be in line with the desire of practically all persons who use the Bureau's current statistical reports to have such reports on a monthly basis. The change presents no statistical difficulties but would involve a considerable increase in the cost of collection of the necessary data.

Index of cost of living for single women.

The present cost-of-living index of the Bureau is concerned solely with families of workers. With the increase in the number of State minimum-wage laws, there is great need on the part of the administrators of such laws for special cost-of-living indexes for single woman workers. It is known that the effect of price changes in the case of single persons, living independently, is quite different from the effect of price changes on the cost of living of families.

The older worker in industry.

For various reasons the older worker in industry has become a "problem." We need much more extensive information than we have regarding the attitudes and practices of employers toward the older employee, the effect of technological changes and plant practices upon the age distribution of employees, and methods for alleviating such hardships upon workers as may be due to age. Such information is particularly important in view of various social-security laws. The Secretary of Labor has initiated certain important studies in this field, but much of the information desired is of a character that should be collected currently.

Respectfully submitted.

ISADOR LUBIN,
Commissioner of Labor Statistics.

IMMIGRATION AND NATURALIZATION SERVICE

JAMES L. HOUGHTLING, *Commissioner*

To the SECRETARY OF LABOR:

It is one of the primary duties of the Immigration and Naturalization Service to inspect and identify every person, whether citizen or alien, entering the United States at a legal port of entry, and to prevent any alien from entering this country at any other point. The prevention of illegal entry into the United States has continued as a major problem of the Service and is far out of proportion to the comparatively small number of immigrants legally entering this country. A more accurate measure of the immense volume of inspection work required of this Service is represented by the 51,363,952 individual entries into the United States along our land borders (including each individual crossing of the border by any United States citizen or traveling alien). This total includes 14,141,028 alien entries and 14,490,747 citizen entries from Canada, and 14,717,308 alien entries and 8,014,869 citizen entries from Mexico. It is the duty of the Immigration and Naturalization Service to identify those claiming to be citizens of this country, and to determine whether the aliens are entering for permanent residence or as visitors.

To illustrate further the changed conditions under which a limited immigration (which only involved the admission of 82,998 aliens for permanent residence in 1939) must be handled, in comparison with the free immigration of 1907 (the greatest year of our immigration history, when 1,285,349 immigrants were admitted), there are at present 137* ports of entry on our land borders and 75* recognized seaports of entry, as compared with 49 land ports and 66 seaports in 1907. In the latter year such ports of entry were almost uniformly open for only 8 hours a day, while in 1939 almost all ports of entry are open for 24 hours a day, requiring three shifts of inspectors. A majority of the 1,285,349 aliens admitted in 1907 came from Europe to the port of New York and were landed directly at our immigration station on Ellis Island, where they were inspected at the convenience of the inspectors. Today, practically all primary inspection is done on steamships and railroad trains, or at the ports of entry on automobile highways. This new method of inspection and the greater geographical distribution of the entry ports have required the Immigration and Naturalization Service to maintain a larger staff of inspectors than in the old high-water days of the immigration flood.

I. ADMISSION AND DEPARTURE

It is necessary here to call attention to the phenomenon of a steady increase in immigration from central Europe since the German annexation of Austria in March 1938. The increase of quota immigra-

*Exclusive of a total of 57 airports of entry.

tion from 27,762 in 1937 to 62,402 in 1939, as shown in table V hereafter, has been largely attributable to the pressure imposed by certain European governments to drive into exile elements of their population uncongenial to the ruling group. This has represented an added burden to the United States Immigration and Naturalization Service, in that it is necessary to check with particular care the travel documents of aliens whose departure from their home countries has been practically in the nature of an expulsion and whose likelihood of becoming public charges if admitted to the United States must be considered dispassionately, in spite of the tragic circumstances surrounding their plight. I am glad to report that this Service has done its duty thoroughly and conscientiously in handling such cases, preserving as far as possible the human values involved, while conforming to the requirements of the law.

It is interesting to note that 185,333 nonimmigrants were admitted to the United States in 1939 as compared to 184,802 in 1938. This very small increase in the number of visitors, transients, and resident aliens returning from abroad is clear evidence that sensational stories appearing in newspapers and magazines to the effect that floods of alien visitors are being admitted to this country on any sort of excuse are not based on cold facts nor on the conscientious records of a responsible Government agency. I am glad to go on record with a statement that, to my knowledge, the immigration laws of this country have been as fairly and conscientiously enforced by this Service during the past fiscal year, in spite of the increased difficulties referred to above, as at any other time in the history of American immigration.

TABLE I.—*Aliens admitted and departed, aliens debarred, and United States citizens arrived and departed, year ending June 30, 1939, by principal ports*

Port	Arrivals ¹				Departures ¹		
	Aliens admitted		United States citizens	Aliens debarred	Aliens departed		United States citizens
	Immigrant	Nonimmigrant			Emigrant	Nonemigrant	
All ports.....	82, 998	185, 333	354, 438	6, 498	26, 651	174, 756	333, 399
New York, N. Y.....	62, 035	114, 332	237, 667	537	15, 061	104, 963	217, 445
Boston, Mass.....	875	3, 780	6, 575	28	576	4, 353	6, 951
Philadelphia, Pa.....	26	191	897	2	3	104	933
Baltimore, Md.....	12	115	282	2	1	37	226
Miami, Fla.....	2, 127	16, 882	58, 026	65	710	17, 340	56, 339
Key West, Fla.....	113	1, 794	6, 182	4	70	1, 165	4, 897
Tampa, Fla.....	76	916	2, 898	12	5	853	3, 852
New Orleans, La.....	280	1, 499	7, 447	22	249	1, 394	9, 101
Galveston, Tex.....	24	61	161	17	155	18	247
San Francisco, Calif.....	895	5, 609	6, 402	58	1, 020	4, 883	5, 558
Seattle, Wash.....	103	1, 010	1, 359	69	166	706	699
Los Angeles, Calif.....	755	3, 326	5, 874	21	544	3, 350	5, 465
Other seaports.....	361	6, 096	9, 326	89	2, 370	13, 590	16, 101
Canadian land border.....	12, 474	25, 585	10, 749	4, 950	715	19, 603	2, 874
Mexican land border.....	2, 542	4, 137	593	622	5, 006	2, 399	2, 711

¹ Exclusive of cruise passengers, travelers between continental United States and outlying possessions, and persons habitually crossing and recrossing the international land boundaries, such as commuters, motor tourists, and short-time visitors.

The comparative numbers of admissions of immigrant aliens and of permanent departures of aliens, for the present and the 3 immediately preceding years, are shown in the following table:

TABLE II.—Immigrant aliens admitted and emigrant aliens departed, fiscal years 1936 to 1939, by countries of last or intended future permanent residence

Countries	Immigrants				Emigrants			
	1936	1937	1938	1939	1936	1937	1938	1939
All countries.....	36,329	50,244	67,895	82,998	35,817	26,736	25,210	26,651
Europe.....	23,480	31,863	44,495	63,138	19,667	14,258	13,185	13,770
Albania.....	224	222	254	220	65	24	46	31
Belgium.....	276	307	478	683	193	122	129	121
Bulgaria.....	91	93	123	129	70	35	26	36
Czechoslovakia.....	1,052	1,012	3,203	2,896	459	269	224	145
Denmark.....	33	203	366	506	232	266	223	199
Estonia.....	33	29	46	93	36	33	18	17
Finland.....	76	218	421	411	297	262	267	197
France.....	812	1,018	1,475	1,907	782	570	477	469
Germany.....	6,346	10,895	17,199	33,515	3,672	2,340	2,270	4,211
Austria.....	677	480			147	105		
Great Britain:								
England.....	1,028	1,377	1,890	2,739	2,862	2,276	2,034	1,639
Scotland.....	254	309	338	277	1,389	1,075	892	651
Wales.....	28	40	34	42	90	110	65	47
Greece.....	863	875	1,003	907	807	374	460	470
Hungary.....	559	739	973	1,348	216	149	119	124
Ireland (Eire).....	328	412	914	1,101	1,107	795	652	676
Italy.....	6,774	7,192	7,712	6,570	2,064	1,726	1,788	1,829
Latvia.....	58	92	125	168	33	15	20	18
Lithuania.....	124	193	305	290	95	105	99	43
Netherlands.....	342	646	698	1,259	216	234	209	165
Northern Ireland.....	116	119	171	88	245	242	168	158
Norway.....	287	427	635	527	617	580	506	455
Poland.....	869	1,212	2,403	3,072	442	422	400	315
Portugal.....	313	301	374	422	509	186	187	283
Rumania.....	244	349	346	421	277	180	152	126
Soviet Union.....	82	97	63	59	172	197	108	112
Spain.....	299	315	379	237	665	256	132	133
Sweden.....	196	341	385	342	1,085	731	976	567
Switzerland.....	266	462	617	1,237	235	160	171	163
Yugoslavia.....	435	632	1,019	1,090	425	335	290	302
Other Europe.....	261	356	540	753	73	84	77	78
Asia.....	721	1,065	2,376	2,162	2,979	2,826	1,665	1,627
China.....	273	293	613	642	1,648	1,808	672	524
Japan.....	91	132	93	102	851	763	726	804
Palestine.....	180	369	1,291	1,066	145	60	70	62
Syria.....	93	136	227	207	53	31	47	42
Other Asia.....	84	135	152	145	282	164	150	195
America.....	11,786	16,903	20,486	17,139	10,409	7,355	8,095	8,954
Canada.....	8,018	11,799	14,070	10,501	1,272	1,027	1,018	965
Newfoundland.....	103	212	334	312	88	82	58	69
Mexico.....	1,716	2,347	2,502	2,640	5,218	3,745	3,667	5,117
West Indies.....	985	1,322	2,110	2,231	1,788	1,379	1,919	1,453
Central America.....	470	484	582	530	465	376	453	425
South America.....	492	738	885	915	1,576	745	980	922
Other America.....	2	1	3	10	2	1		3
Africa.....	105	155	174	218	109	138	97	101
Australia.....	118	106	179	159	115	142	88	66
New Zealand.....	29	39	49	54	39	32	39	23
Philippine Islands.....	72	84	116	119	2,472	1,980	2,020	2,090
Pacific Islands.....	18	29	20	9	27	5	21	20

NOTE 1.—The number of immigrants shown above as admitted include not only quota immigrants as shown in table V but nonquota immigrants, being wives of citizens, husbands who married citizen wives prior to July 1, 1932, children of citizens, etc. It will also be noted that this table is based on the country of last residence of the immigrant. These figures do not, therefore, agree accurately with the immigration quota figures included in table V because the quota under which any immigrant is admitted is that of the country of his birth, not that of the country of his last residence.

NOTE 2.—Immigrants admitted from the "barred zone" of Asia are mainly persons of the white race.

TABLE III.—Immigrant aliens admitted and emigrant aliens departed, fiscal years 1936 to 1939, by principal occupations, sex, and age groups

Occupation, sex, and age	Immigrant				Emigrant			
	1936	1937	1938	1939	1936	1937	1938	1939
Total.....	36,329	50,244	67,895	82,998	35,817	26,736	25,210	26,651
OCCUPATION								
Professional.....	2,588	4,162	5,463	7,225	1,825	1,426	1,502	1,709
Commercial.....	1,904	3,655	5,813	10,268	1,819	1,322	1,121	1,180
Skilled.....	3,936	6,007	8,607	10,231	4,195	3,211	3,220	3,508
Servants.....	1,944	3,213	5,919	5,420	2,770	2,046	1,700	1,528
Laborers.....	1,420	2,118	2,817	2,270	9,285	6,801	6,606	7,229
Miscellaneous.....	1,547	2,292	3,264	3,110	1,860	1,419	1,162	1,409
No occupation ¹	22,990	28,797	36,012	44,474	14,063	10,511	9,899	10,088
SEX								
Male.....	14,776	21,664	29,959	39,423	21,778	16,434	15,417	16,600
Female.....	21,553	28,580	37,936	43,575	14,039	10,302	9,793	10,051
Includes alien wives of United States citizens.....	4,712	4,879	5,347	3,759				
AGE GROUP								
Under 16 years.....	6,925	8,326	10,181	12,204	2,650	1,927	1,609	1,381
16 to 21 years.....	4,923	6,998	10,017	10,281	1,661	1,173	1,096	1,502
22 to 29 years.....	8,634	12,590	16,912	16,874	6,731	4,480	4,007	4,072
30 to 37 years.....	6,651	9,475	13,076	16,294	8,743	6,346	6,032	6,030
38 to 44 years.....	3,183	4,844	7,063	10,786	5,347	4,070	3,913	4,443
45 years and over.....	6,013	8,011	10,646	16,559	10,685	8,740	8,553	9,223

¹ Includes many women and children and aliens of advanced age.

Immigrants admitted to the United States have been recorded by races or peoples, as well as by countries of origin or last residence since 1899. The races or peoples principally reported during the fiscal year 1939 are shown in the table following:

TABLE IV.—Immigrant aliens admitted, year ended June 30, 1939, by principal races and countries of last permanent residence

Racial designation	Country of last residence										
	Great Britain	Germany	Italy	Poland	Czechoslovakia	Other Europe	Canada	Mexico	Other America	Other countries	Total
English.....	1,364	13	6	-----	2	67	2,910	92	391	231	5,076
French.....	15	16	5	-----	1	571	1,515	21	54	16	2,214
German.....	133	3,144	147	8	114	1,105	598	31	186	58	5,524
Greek.....	12	-----	16	-----	-----	862	46	7	17	32	992
Hebrew.....	737	30,096	732	2,437	1,650	5,198	859	124	399	1,218	43,450
Irish.....	335	-----	17	-----	-----	1,175	1,279	11	126	25	2,968
Italian.....	19	13	5,513	2	1	243	320	57	489	51	6,708
Magyar.....	8	28	4	-----	33	449	60	7	14	2	614
Polish.....	9	73	15	532	13	70	124	1	13	18	868
Russian.....	18	28	25	29	22	170	83	49	33	383	840
Scandinavian.....	8	6	-----	1	1	1,173	312	21	35	6	1,563
Scottish.....	315	-----	-----	-----	-----	12	1,665	18	19	39	1,968
Slovak.....	6	10	10	-----	830	59	61	3	9	3	991
Spanish.....	3	1	7	-----	-----	250	4	28	116	10	428
Spanish American.....	2	1	3	-----	-----	15	3	9	792	1	826
All other.....	74	86	70	63	229	2,599	753	2,161	1,305	628	7,968
Total.....	3,058	33,515	6,570	3,072	2,896	14,027	10,501	2,640	3,998	2,721	82,998

The Quota Law of 1924 and the Quota Proclamation of 1929 set up annual immigration quota limitations for all countries from which aliens are admissible except those of the Western Hemisphere. Immigration visas under the quotas are entirely controlled by the United States Consular Service of the Department of State and are awarded to such aliens as are found otherwise admissible, on the basis of the place of birth and not of present citizenship. Certain groups, such as alien wives and children of United States citizens, alien husbands married to citizens prior to July 1, 1932, teachers, and ministers of the religion do not require quota positions. The following table shows the admission of aliens from quota countries, as compared with quota limitations:

TABLE V.—Annual quotas allotted under 1924 act, and quota immigrants admitted, fiscal years 1932 to 1939, by countries or region of birth and sea

Nationality or country of birth	Annual quota	Quota immigrants admitted in— ¹															
		1932	1933	1934	1935	1936	1937	1938	1939								
All countries.....	153, 774	12, 983	8, 220	12, 483	17, 207	18, 675	27, 762	42, 494	62, 402								
Albania.....	100	102	75	57	74	107	98	106	97								
Belgium.....	1, 304	117	59	104	173	185	211	278	307								
Bulgaria.....	100	11	11	17	52	63	57	106	105								
Czechoslovakia.....	2, 874	304	171	389	610	766	1, 519	2, 853	2, 716								
Danzig, Free City of.....	100	6	10	8	13	16	41	89	177								
Denmark.....	1, 181	209	123	101	146	135	192	323	282								
Estonia.....	116	15	17	36	28	34	30	40	107								
Finland.....	569	69	72	114	105	72	215	496	461								
France.....	3, 086	288	257	308	413	464	566	720	817								
Germany.....	27, 370	2, 086	1, 324	3, 515	4, 891	6, 073	11, 127	17, 868	32, 759								
Austria.....										187	121	229	641	669	409		
Great Britain and Northern Ireland:																	
England.....	65, 721	1, 213	772	933	1, 043	1, 122	1, 418	1, 698	2, 096								
Northern Ireland.....										104	89	137	152	126	133	238	
Scotland.....										723	266	443	434	340	483	634	506
Wales.....										59	44	53	50	50	73	66	72
Greece.....	307	141	108	200	324	347	370	351	381								
Hungary.....	869	329	187	209	399	515	739	962	1, 087								
Ireland (Eire).....	17, 853	452	282	322	301	367	447	1, 100	1, 418								
Italy.....	5, 802	2, 012	1, 109	1, 362	2, 127	2, 467	2, 905	3, 428	4, 155								
Latvia.....	236	43	29	48	49	60	114	154	223								
Lithuania.....	386	181	96	124	190	151	221	397	365								
Luxemburg.....	100	7	4	2	12	5	10	18	24								
Netherlands.....	3, 153	185	128	136	244	245	347	331	637								
Norway.....	2, 377	260	141	155	208	197	330	518	465								
Poland.....	6, 524	917	961	1, 138	1, 682	1, 250	1, 855	4, 218	6, 512								
Portugal.....	440	201	69	166	303	275	236	323	404								
Rumania.....	377	318	236	199	295	282	371	407	499								
Soviet Union.....	2, 712	528	309	407	357	391	578	917	1, 727								
Spain.....	252	191	164	228	252	250	244	264	253								
Sweden.....	3, 314	290	105	153	160	154	303	364	324								
Switzerland.....	1, 707	132	122	133	192	189	312	427	605								
Yugoslavia.....	845	252	105	110	215	291	527	852	850								
Other Europe.....	* 500	90	68	183	190	174	173	271	193								
Asia.....	† 1, 649	530	392	433	393	399	467	823	835								
American colonies.....	(2)	150	67	159	251	294	339	516	419								
Other Quota regions.....	‡ 1, 850	281	127	172	238	250	302	338	370								
Sex (Male.....		5, 818	3, 573	5, 920	7, 953	8, 709	13, 673	20, 913	31, 699								
(Female.....		7, 165	4, 647	6, 563	9, 254	9, 966	14, 089	21, 581	30, 703								

¹ Includes aliens to whom visas were issued during the latter part of the preceding year which were charged to the quota for that year. Nationality for quota purposes does not always coincide with actual nationality. See section 12 of the Quota Act.

² Quota for colonies, dependencies, or protectorates included with allotment for the European countries to which they belong.

Note on the issuance of quota visas.—The fact that 32,759 immigrants were admitted from Germany during the fiscal year does *not* mean that the German quota of 27,370 per year was overissued. Immigration visas are valid for actual admission within 4 months of the date of their issue, and because of the time required, after the securing of a visa, for departure preparations and for travel, few admissions at United States ports actually take place within 60 days of the date of issuance of the visa. The 1924 Immigration Act limits the issuance of visas in any one month to 10 percent of the annual quota number. When quotas are full and under pressure, the tendency is to issue the entire quota allowance in the first 10 months of the year. The Department of State has furnished the following figures of visas issued against the German and Austrian quotas, month by month, during the fiscal years 1937, 1938, and 1939.

	1936	1937	1938
July -----	810	1,320	2,709
August -----	802	1,393	2,728
September -----	1,047	1,317	2,725
October -----	1,086	1,377	2,719
November -----	927	1,362	2,728
December -----	734	1,321	2,729
	1937	1938	1939.
January -----	872	1,280	2,717
February -----	1,062	1,186	2,735
March -----	1,422	1,725	2,719
April -----	1,414	1,890	2,513
May -----	1,324	2,658	337
June -----	1,456	2,723	11
Total -----	12,956	19,552	27,370

It will be noted that up to the time of the German annexation of Austria in March 1938, the monthly volume of applications for German and Austrian visas seldom exceeded 50 percent of the monthly limit of issuance as set by law. In May and June 1938, however, the number of visas actually issued (5,381) was very close to the legal limit of 2,737 per month, while during the first 10 months of the fiscal year beginning July 1, 1938, there were actually issued 27,022 visas, leaving only 348 places available for May and June. Thus the number of visas issued in May and June 1938 (5,381) exceeds the number issued in May and June 1939 (348) by approximately the number by which the Immigration Service's figure of actual quota admissions in the fiscal year 1939 exceeds the State Department's figure of actual quota visa issuances in the same period. It may also be noted that increased tension in Central Europe during the fiscal year 1939 has lead immigrants who have been fortunate enough to secure American immigration visas to make use of them much more promptly than in previous years when there existed no pressing cause for departure.

Aliens debarred.

The record of aliens admitted to the United States as shown in tables I to V, inclusive, does not include every alien who presented himself at a port of entry and offered credentials purporting to show his legal

admissibility. In the year 1939 a total of 6,498 aliens applying for entry were debarred on various grounds at ports of entry. Of these rejections, 4,950 occurred on the Canadian border, 622 on the Mexican border, 537 at New York, and 389 at other seaports. Grounds for debarment were as follows:

Criminals.....	188
Immoral classes.....	66
Mental or physical defectives.....	181
Aliens previously debarred or deported.....	153
Contract laborers.....	147
Stowaways.....	322
Aliens likely to become public charges.....	1, 832
Illiterates.....	18
Aliens without valid consular visa:	
Canadian border.....	2, 559
Mexican border.....	475
Seaports.....	479
Miscellaneous.....	78

Repatriations.

Section 23 of the act of February 5, 1917, as amended by the act approved May 14, 1937 (50 Stat. 164), provides for the removal of indigent aliens to their native land at Government expense at any time after entry; provided, however, that any person thus removed shall forever be ineligible for readmission except upon the approval of the Secretary of State and the Secretary of Labor.

During the fiscal year 1939, 2,419 applications were received, as compared with 2,171 in the fiscal year 1938, and 1,941 applications were granted, as compared with 1,763 in the previous year. Of the 1,941 applications that were granted, 1,825 departed from the United States before the close of the fiscal year. The following tabulation gives the statistics in detail:

<i>1938 applications</i>	<i>1939 applications</i>
2,171 received.	2,419 received.
1,763 granted.	1,941 granted.
99 denied.	127 denied.
140 canceled after approval.	345 canceled after approval.
124 correspondence cases.	87 correspondence cases.

Deportations.

During the fiscal year 1939, 8,202 aliens were deported from the United States under warrants of deportation, while 9,590 aliens who had been adjudged deportable were allowed to depart at their own expense without a warrant of deportation. The total number of enforced departures thus aggregates 17,792, as compared with 18,553 during the previous fiscal year. The following table contains interesting comparative data as to the number of actual deportations over a period of 5 years and the circumstances surrounding them:

TABLE VI.—Aliens deported from the United States, years ended June 30, 1935, to 1939, by principal classes, countries, races, or peoples, and sex

Causes, destination, race or peoples, and sex	1935	1936	1937	1938	1939	Total
Number deported.....	8,319	9,195	8,829	9,275	8,202	43,820
Classes:						
Criminals.....	1,632	1,727	1,603	1,662	1,638	8,262
Violators of narcotic laws.....	111	154	118	81	82	646
Anarchists and kindred classes.....	17	47	17	8	1	90
Immoral classes.....	413	407	308	318	270	1,716
Mental or physical defectives.....	510	533	392	401	326	2,162
Previously debarred or deported.....	933	1,048	1,000	1,085	1,056	5,122
Remained longer than authorized.....	786	850	702	748	652	3,735
Entered without valid visa.....	2,824	3,181	3,294	3,545	3,080	15,924
Unable to read (over 16 years of age).....	416	502	550	676	453	2,597
Under Chinese Exclusion Act.....	77	53	47	30	21	228
Likely to become public charges.....	33	50	40	24	22	169
Miscellaneous.....	567	643	758	697	601	3,266
Destination:						
Czechoslovakia.....	99	68	78	40	17	302
Germany.....	191	176	150	120	172	809
Great Britain and Northern Ireland.....	305	335	251	297	228	1,416
Greece.....	110	165	109	144	131	659
Irish Free State.....	69	64	53	43	42	271
Italy.....	513	495	449	391	320	2,168
Norway.....	44	50	55	79	39	267
Poland.....	71	80	68	73	52	344
Portugal.....	97	89	75	67	53	381
Yugoslavia.....	77	105	83	38	54	357
Other Europe.....	431	385	277	282	213	1,588
China.....	169	151	134	134	85	673
India.....	48	51	50	63	69	281
Japan.....	55	68	62	56	38	279
Other Asia.....	32	44	25	12	23	138
Canada.....	1,554	1,784	1,833	1,941	1,915	9,027
Mexico.....	4,078	4,660	4,764	5,113	4,415	23,030
Cuba.....	48	70	66	63	80	317
British West Indies.....	92	114	67	88	91	452
Other America.....	169	165	140	160	111	745
Other countries.....	67	76	50	71	54	318
Races or peoples:						
Chinese.....	167	151	140	135	84	677
English.....	575	652	672	715	670	3,284
French.....	502	539	492	449	427	2,409
German.....	305	298	263	263	281	1,410
Greek.....	117	169	124	155	139	704
Hebrew.....	96	107	109	84	103	499
Irish.....	337	365	323	354	386	1,765
Italian.....	554	535	490	436	361	2,376
Scandinavian.....	167	152	155	190	131	795
Scotch.....	220	291	292	308	277	1,388
All others.....	5,279	5,936	5,769	6,186	5,343	28,513
Male.....	7,501	8,155	7,943	8,344	7,385	39,328
Female.....	818	1,040	886	931	817	4,492

States bordering on Mexico and Canada furnished 93.4 percent and 71.7 percent, respectively, of the total number of aliens deported to those countries.

Thirty-seven of the aliens deported in 1939 were under 5 years of age, and 1,306 under 21. These were largely children belonging to family groups. Of the remainder, 5,556 were between 21 and 40 years of age, 951 between 41 and 50, and 389 over 50 years of age.

Of the aliens deported in 1939, 4,415, or 53.8 percent, were returned to Mexico; 1,915, or 23.4 percent, to Canada; 1,321, or 16.1 percent, to Europe; 215, or 2.6 percent, to Asia, and 336, or 4.1 percent, to other countries.

Criminal aliens deported.

During the last fiscal year, 1,638 criminal aliens were deported. Of these, 819 were returned to Mexico, 397 to Canada, and 270 to Europe. The principal criminal grounds of deportation were:

	1938	1939
Larceny-----	508	526
Burglary-----	353	345
Robbery-----	134	117
Perjury-----	188	177
Assault and battery-----	48	39
Forgery-----	50	62
Manslaughter or murder-----	45	60
Bigamy-----	23	25
Contributing to the delinquency or impairing the morals of a child-----	15	15
Counterfeiting-----	20	20
Attempt to kill-----	22	14
Kidnaping-----	3	4
Prostitution, other immorality, and other grounds-----	248	234
Total-----	1,662	1,638

Prevention of white-slave traffic.

Under the Paris Agreement of 1904, to which the United States is a party, and the "White Slave Traffic" Act of 1910, the Commissioner of Immigration and Naturalization is designated as the Central Authority of the United States to receive and circularize information in the prevention of transportation in foreign commerce of alien women and girls for immoral purposes. During the fiscal year 1939 the cases of aliens deported because of prostitution or other immorality were reported to the Central Authorities of the following countries, adherents to the Paris Agreement:

<i>Country</i>	<i>Number</i>
Australia-----	1
British Colonies:	
Bahama Islands-----	1
British Guiana-----	1
Jamaica-----	1
Bulgaria-----	1
Canada-----	38
Cuba-----	1
France-----	4
Great Britain-----	3
Ireland-----	2
Italy-----	17
Japan-----	5
Netherlands Indies-----	1
Newfoundland-----	1
Norway-----	1
Portugal-----	2
Sweden-----	2
Yugoslavia-----	2
Total-----	84

Forced departures without a deportation warrant.

Aliens found subject to deportation on other than criminal, immoral, or radical grounds, or because of mental or physical defects, who are able and willing to leave the country without expense to the Service are often accorded that privilege. In such cases the alien's

removal from the country is as effectively accomplished as if actual deportation occurred, and he is not debarred from applying immediately for readmission if the basis of his deportable status is technical and does not involve any element of bad moral character which might disqualify him from readmission.

Of the 9,590 deportable aliens who were allowed to leave the country at their own expense during the fiscal year, 5,298 were destined to Mexico; 3,604 to Canada; 213 to Europe; 382 to the West Indies; 45 to Central and South America; 24 to Asia, and 24 to other countries.

The required departures from the United States arranged by the Immigration and Naturalization Service since July 1, 1933, have been:

1934-----	8, 010	| 1937-----	8, 788
1935-----	7, 978	| 1938-----	9, 278
1936-----	8, 251	| 1939-----	9, 590

Deportations not effected.

In considering the number of aliens deported from the United States in any given year, it should be remembered that a legal finding of deportability and the issuance of a warrant of deportation are entirely ineffectual in cases in which it proves impossible to procure a valid passport or travel document to gain entry for the alien into some foreign country. In the past, as a general rule, the spirit of international comity and national responsibility has led most nations to accept the return of their own citizens, even when the latter have been convicted of crimes while abroad. However, a spirit of repudiation of any such responsibility appears to be on the increase. There is reason to believe that many deportations will be prevented during the coming fiscal year for this reason and because of the increasingly unsettled conditions abroad. During the fiscal year 1939, for instance, the Immigration and Naturalization Service has been unable to deport 345 aliens for whom warrants have been issued, because the native countries of these aliens have refused to issue passports for them. This compares with 460 in 1938.

II. THE BORDER PATROL

During the fiscal year 1939; officers of the Immigration Border Patrol patrolled 7,824,733 miles, over 400,000 miles more than in 1938, examined 739,104 conveyances, and questioned 1,012,242 persons, as compared with 942,985 persons in 1938, in their effort to detect and prevent the smuggling and illegal entry of aliens into the United States. They apprehended 12,685 law violators, 137 of whom were smugglers of aliens, 12,037 illegal entrants, and 511 persons wanted for other law violations. They seized and delivered to other appropriate law-enforcement agencies 183 automobiles and trucks and 36 other conveyances, or restored them to owners from whom they had been stolen. The estimated value of seizures made was \$39,062.

Three thousand one hundred and fifteen criminal prosecutions for violation of the immigration laws resulted from Border Patrol activities. Two hundred and fourteen cases were pending at the beginning of the year, 3,115 new prosecutions were instituted, resulting in 2,875 convictions, and there were but 6 acquittals and 62 dismissals. Three hundred and eighty-six cases were pending at the close of the year.

The average force of officers and employees of all grades on duty during the year was 831. The transportation equipment consisted of 309 automobiles, 27 trucks, 4 saddle horses, 13 patrol boats, and 16 outboard motor craft.

The radio communication facilities of the Border Patrol were expanded by the installation of two communication stations, bringing the total number of stations up to 19. The radio transmitting set at El Paso was replaced with more powerful and improved equipment. Three low-power transmitters were installed, two being in observation towers in the El Paso area. Six 400-watt transmitters were under construction in the Border Patrol Radio Shop at the end of the year, three of which will be used for replacement of lower powered equipment. Eight additional transmitters were installed in patrol cars, bringing the number of patrol cars and boats equipped with two-way radio up to 24. Thirty station receivers were purchased and a contract let for 30 special four-frequency automobile receivers. Delivery of these sets will bring to 225 the number of patrol cars having radio receivers.

Tests were conducted to determine the feasibility of using radio telegraph instead of radio telephone for communication between remotely located Border Patrol cars and the subdistrict headquarters radio stations. A patrol car was equipped with a 40-watt radio telegraph transmitter operating on 4617.5 kcs. and reliable communication was maintained between this car and headquarters stations over distances up to 250 miles. This distance is much greater than can be covered with the radio-telephone equipment now in use, and steps are being taken to equip a number of patrol cars for further tests. If the results already secured are indicative of what may be expected with radio-telegraph equipment, it will be possible to carry on two-way communication with Border Patrol cars, regardless of their location. With this in view, student-patrol officers of the last two classes, as well as a number of the older officers, have been taught radio telegraphy, and, therefore, personnel qualified to operate the new equipment will be available as fast as it can be installed.

The morale of the force remained high, and there was a turn-over of only 40 men. Nine resigned (one with prejudice and eight without); five were dismissed during the probationary period; 1 was discontinued without prejudice; 12 transferred to other law-enforcement agencies; 9 were promoted to the administrative branch of the Service and four retired.

A further effort to place promotions in the Border Patrol on a strict merit basis was made by the inauguration of a system of establishing eligible lists for the position of senior patrol inspector by holding competitive promotional examinations. It is believed that this will do much to improve not only the morale but the efficiency of the organization.

The field training course for new appointees to the Border Patrol in the Border Patrol school at El Paso was continued during the year just closed, with increasing success.

The Border Patrol has been more seriously handicapped than ever by the necessity of detailing officers from the already inadequate force to act as immigrant inspectors at ports of entry. As explained in last year's annual report, this has been caused by a shortage of regular immigrant inspectors at ports of entry that cannot be left un-

protected, even though it seriously weakens the Border Patrol to detail its officers to regular inspectional duties.

The international situation which is developing in Europe furnishes strong reason for strengthening the Border Patrol without undue delay. Conditions abroad always have an effect on the problem of the Border Patrol, and there is every reason for the belief that aliens whose presence in this country would be inimical to its best interests will endeavor to enter surreptitiously, particularly over the southern border.

III. MINOR IMMIGRATION PROBLEMS AND DUTIES

Chinese.

Chinese aliens seeking admission to the United States, as well as those residing in the United States, are required to comply with the provisions of the Chinese Exclusion Law and the immigration laws. The Exclusion Law does not permit the entry of laborers but does provide for the admission of teachers, merchants, students, and travelers for curiosity or pleasure. Since the passage of the Immigration Act of 1924, however, students may be admitted only for the purpose of attending a higher institution of learning approved by the Secretary of Labor and are required to terminate their residence upon the conclusion of their studies. Teachers are not admissible unless they fall within the class of professors in universities, colleges, academies, or seminaries. Under this act travelers are classed as temporary visitors and may remain only for the period fixed at the time of admission. The only alien Chinese who are entitled to come to the United States for permanent residence are returning legally domiciled aliens, ministers of recognized religious denominations, and professors, together with their wives and unmarried children under 18 years of age. Under the act of 1924, as amended in 1932, merchants must be engaged in international trade with the country of their nationality and may remain only so long as they maintain their status. A number of years ago the act was amended to permit the permanent admission of the alien Chinese wives of American citizens whose marriage took place prior to May 26, 1924.

During the fiscal year 1939 there were admitted for permanent residence 183 returning Chinese residents and 112 wives of citizens who fell within the amendatory provision set forth above. Admission was granted to 167 merchants; 263 students; 554 temporary visitors; and 2,358 Chinese persons passing in transit through the United States. It thus appears that the number of alien Chinese coming to the United States to reside either permanently or temporarily is incon siderable.

The main duties of the Immigration and Naturalization Service in determining the admissibility of Chinese occur in connection with the application for admission of those claiming United States citizenship either by birth or by reason of relationship as sons or daughters of citizens of the United States. Chinese cases in which relationship is claimed to citizens require extensive examinations and investigations in the effort to determine this fact. During the last fiscal year 2,027 Chinese claiming citizenship as children of citizens were admitted; 86 applications for admission as citizens were denied.

During the same period 158 Chinese aliens were refused admission for various reasons under the Exclusion Laws and the immigration laws, and 84 were deported. Chinese claiming citizenship who previously resided in the United States to the number of 2,301 were readmitted.

Alien seamen.

Alien seamen entering United States ports are subject to inspection under the immigration laws. During the fiscal year 1939 the Immigration and Naturalization Service conducted 971,662 such inspections, as compared with 978,737 in 1938. The foregoing figures do not mean that 971,662 individual alien seamen arrived at United States ports of entry, as many of them made several voyages during the fiscal year and were inspected and counted separately on each arrival. A large proportion of these alien seamen left the port of inspection on the same vessel on which they arrived. Those who did not do so can be classified as follows:

Alien seamen paid off or discharged in United States ports during the year-----	16,043
Alien seamen removed to hospital on arrival----	2,090
Alien seamen deserting their ships-----	1,785
<hr/>	
Total not leaving on same vessel-----	19,918
Alien seamen reshipped foreign-----	17,252
<hr/>	
Excess of alien seamen remaining in the United States-----	2,666

The recorded alien seamen departures totaled 968,996, leaving but 2,666 remaining in the United States, of whom 368 were lawfully admitted as immigrants.

American seamen arriving at United States ports during 1939 numbered 416,124, as compared with 439,977 arrivals in 1938.

TABLE VII.—Vessels boarded by immigration officers, alien seamen arrived and departed, and American citizens serving as seamen on vessels boarded, year ended June 30, 1939, by districts

District or port	Vessels boarded			Alien seamen			United States citizens
	In foreign trade	In coast-wise trade	Total	Arrived	Departed	Excess	
All districts-----	31,426	2,410	33,836	971,662	968,996	+2,666	416,124
New York, N. Y.-----	4,497	-----	4,497	448,346	448,115	231	128,907
Boston, Mass.-----	2,543	58	2,601	63,317	63,086	231	38,249
Philadelphia, Pa.-----	731	52	783	17,680	17,590	90	7,320
Baltimore, Md.-----	1,060	412	1,472	25,068	24,846	222	9,613
Jacksonville, Fla.-----	5,075	230	5,305	43,523	43,282	241	67,553
New Orleans, La.-----	1,202	77	1,279	30,024	29,455	569	22,850
Galveston, Tex.-----	1,920	285	2,205	58,479	58,382	97	9,151
San Francisco, Calif.-----	865	64	929	15,036	14,899	137	2,757
Seattle, Wash.-----	6,048	195	6,243	127,659	127,439	220	45,525
Los Angeles, Calif.-----	2,491	432	2,923	58,965	58,518	447	28,066
San Juan, P. R.-----	1,483	410	1,893	9,828	9,814	14	20,839
Honolulu, T. H.-----	298	-----	298	28,097	28,091	6	12,328
Great Lakes-----	3,213	195	3,408	45,640	45,479	161	23,066

Nonquota students.

During the fiscal year just closed 2,182 students were admitted as nonquota immigrants to attend educational institutions approved by the Secretary of Labor, a decrease of 269 students over the previous year. Such aliens must maintain their student status as long as they remain in the United States. Student departures numbered 1,444.

Contract laborers.

Petitions to the number of 1,208 were filed by prospective employers during 1939 for waiver of the contract-labor provisions of the Immigration Act of 1917, as compared with 1,581 petitions in 1938. Under the statute, skilled labor may be imported if unemployed labor of like kind cannot be found in the United States. Of the petitions received in 1939, favorable action was taken on 772, as compared with 736 in 1938. Petitions totaling 258 were denied, as compared with 845 in 1938. In 1939, 146 aliens were held to be exempted from the provisions of the contract-labor law, and 32 applications were canceled.

Reentry permits.

There were 38,750 applications for permits to reenter the United States filed with the Service in 1939, under the provision of law which authorizes such documents for aliens lawfully admitted for permanent residence and desiring to make temporary visits abroad. During the year, 38,203 permits were issued and 377 denied.

Extensions of temporary stay.

Applications from aliens admitted to the United States for business or pleasure to the number of 6,882 were acted upon in 1939 for an extension of temporary stay. Of these, 4,148 applications were granted and 1,789 denied, while 751 aliens were granted voluntary departure.

Filipino repatriation.

Native Filipinos desirous of returning to the Philippine Islands may, upon application to the Secretary of Labor, receive the benefits of the act of July 10, 1935, as amended, which provides for such return at the expense of the United States Government. Applications numbering 756 were received during the year just passed, as compared with 624 during 1938. There were 392 granted in 1939, as compared with 505 during 1938.

Applications for permission to reapply after deportation or exclusion.

Aliens deported from the United States are barred from returning to this country unless, prior to their journey, they receive permission from the Secretary of Labor to reapply for admission. During 1939 there were 2,945 such applications received.

The law provides that aliens excluded from admission to the United States are barred for a period of 1 year from the date of exclusion from reapplying for admission, unless they have first obtained the permission of the Secretary of Labor to reapply. During the fiscal year 1939, 1,368 such applications were received.

IV. NATURALIZATION

Naturalization applications and certificates.

Naturalization courts admitted 188,813 aliens to citizenship during the fiscal year 1939—113,934 males and 74,879 females. In 1938, 162,078 aliens were naturalized—92,041 males and 70,037 females. In 1939 the courts denied 5,630 petitions for naturalization. Declarations of intention were filed by 155,691 aliens, of whom 108,238 were males and 47,453 were females. In 1938, 150,673 aliens declared their intention. During 1939, 213,413 aliens—130,211 males and 83,202 females—filed petitions for naturalization, as compared with 175,413 petitions filed in 1938.

Table VIII shows by decades various naturalization documents filed or issued since 1907, the entire period of Federal administration of our naturalization laws.

TABLE VIII.—*Declarations of intention and petitions for naturalization filed, and certificates of naturalization issued for fiscal years 1907 to 1939*

Period	Declara- tions filed	Petitions filed			Certificates issued		
		Civilian	Military	Total	Civilian	Military	Total
Total, 33 years, 1907 to 1939.....	7,088,188	4,463,764	325,018	4,788,782	3,979,462	317,637	4,297,099
4 years, 1907-10.....	526,322	164,036	-----	164,036	111,738	-----	111,738
1907 ¹	73,658	21,113	-----	21,113	7,941	-----	7,941
1908.....	137,571	44,032	-----	44,032	25,975	-----	25,975
1909.....	145,745	43,141	-----	43,141	38,374	-----	38,374
1910.....	169,348	55,750	-----	55,750	39,448	-----	39,448
10 years, 1911-20.....	2,686,909	1,137,084	244,300	1,381,384	884,672	244,300	1,128,972
1911.....	189,249	74,740	-----	74,740	56,683	-----	56,683
1912.....	171,133	95,661	-----	95,661	70,310	-----	70,310
1913.....	182,095	95,380	-----	95,380	83,561	-----	83,561
1914.....	214,104	124,475	-----	124,475	104,145	-----	104,145
1915.....	247,658	106,399	-----	106,399	91,848	-----	91,848
1916.....	209,204	108,767	-----	108,767	87,831	-----	87,831
1917.....	440,651	130,865	-----	130,865	88,104	-----	88,104
1918.....	342,283	105,514	63,993	169,507	37,456	63,993	151,449
1919.....	391,156	128,523	128,335	256,858	89,023	128,335	217,358
1920.....	299,076	166,760	51,972	218,732	125,711	51,972	177,683
10 years, 1921-30.....	2,709,014	1,827,073	57,204	1,884,277	1,716,979	56,206	1,773,185
1921.....	303,904	177,898	17,636	195,534	163,656	17,636	181,292
1922.....	273,511	153,170	9,468	162,638	160,979	9,468	170,447
1923.....	296,636	158,059	7,109	165,168	137,975	7,109	145,084
1924.....	424,540	166,947	10,170	177,117	140,340	10,170	150,510
1925.....	277,218	162,258	-----	162,258	152,457	-----	152,457
1926.....	277,530	172,107	125	172,232	146,239	92	146,331
1927.....	238,295	235,298	5,041	240,339	195,493	4,311	199,804
1928.....	254,588	235,328	4,993	240,321	228,006	5,149	233,155
1929.....	280,645	254,799	720	255,519	224,197	531	224,728
1930.....	62,138	111,209	1,942	113,151	167,637	1,740	169,377
9 years, 1931-39.....	1,165,943	1,335,571	23,514	1,359,085	1,266,073	17,131	1,283,204
1931.....	106,272	142,249	3,225	145,474	140,271	3,224	143,495
1932.....	101,345	131,043	19	131,062	136,598	2	130,600
1933.....	83,046	110,604	2,025	112,629	112,368	995	113,363
1934.....	108,079	114,524	2,601	117,125	110,867	2,802	113,669
1935.....	136,524	131,378	-----	131,378	118,945	-----	118,945
1936.....	148,118	165,559	1,668	167,127	140,784	4,811	141,265
1937.....	176,195	157,670	7,794	165,464	162,923	2,053	164,976
1938.....	150,673	169,131	6,282	175,413	158,142	3,936	162,078
1939.....	155,691	213,413	-----	213,413	185,175	3,638	188,813

¹ From Sept. 27, 1906, to June 30, 1907.

The principal nations to which aliens admitted to citizenship during the fiscal year 1939 formerly owed allegiance were:

Countries of former allegiance.

British Empire.....	47,500
Italy.....	31,933
Poland.....	21,585
Germany.....	19,940
Soviet Russia.....	11,499
Czechoslovakia.....	7,848
Yugoslavia.....	5,916
Sweden.....	4,718
Hungary.....	4,347
Greece.....	3,540
All other countries.....	29,987

Preliminary applications.

Preliminary applications to obtain certificates of arrival and to file declarations of intention were received during 1939 from 208,864 aliens in comparison with 196,256 received in 1938. There were also received in 1939 applications for certificates of arrival and for petitions for naturalization from 294,203 aliens, as compared with 206,159 in 1938. These figures for the two kinds of applications are more than double those of 6 years ago, as the fiscal year 1933 showed 87,921 preliminary applications for declarations of intention, and 105,469 applications for petitions for naturalization. In 1939 there were 270,135 certificates of arrival issued as a basis for filing declarations of intention and petitions for naturalization, as compared with 210,740 such certificates issued during 1938.

Work of naturalization examiners.

Naturalization examiners, in the course of administrative hearings, examined or reexamined 238,736 petitioners in person and 15,440 by correspondence, as compared with 191,050 and 12,280, respectively, in 1938. They also questioned 429,318 witnesses in person, as compared with 349,485 last year; and 31,567 by correspondence, as compared with 26,861 in 1938; and attended 4,064 court hearings as compared with 3,438 in the previous year. The courts canceled 882 certificates of naturalization for various causes, compared with 1,085 in 1938.

Naturalization Certification Division.

The Naturalization Certification Division in the Central Office issued 9,541 duplicate naturalization certificates, as compared with 13,132 for 1938, and 2,606 new declarations of intention, as compared with 1,828 in 1938, to replace originals that had been lost, mutilated, or destroyed. During the fiscal year 1939, 2,633 certificates of derivative citizenship were also issued, as compared with 3,201 in 1938, and 1,668 other documents of various kinds as compared with 1,135 in the preceding year.

There follow figures showing the number of aliens from the various countries who were naturalized during the fiscal years from 1923 to 1939, inclusive, by country of origin or nationality, and the percentage of the total from each country:

Belgium.....	12, 866	0. 4
British Empire.....	572, 355	21. 2
Bulgaria.....	3, 457	. 1
Czechoslovakia.....	105, 001	3. 9
Denmark.....	25, 509	. 9
Finland.....	21, 965	. 8
France.....	18, 470	. 7
Germany (Austria).....	298, 870	11. 1
Greece.....	67, 562	2. 5
Hungary.....	63, 869	2. 4
Italy.....	475, 106	17. 6
Lithuania.....	27, 199	1. 0
Mexico.....	6, 652	. 2
Netherlands.....	25, 314	. 9
Norway.....	43, 083	1. 6
Poland.....	366, 489	13. 6
Portugal.....	15, 654	. 6
Rumania.....	53, 183	2. 0
Soviet Union.....	205, 317	7. 6
Spain.....	12, 572	. 4
Sweden.....	71, 522	2. 6
Switzerland.....	20, 984	. 8
Turkey.....	39, 601	1. 5
Yugoslavia.....	70, 195	2. 6
Central and South America.....	6, 609	. 2
All other.....	75, 246	2. 8
Total.....	2, 704, 650	100. 0

During the fiscal year 1939 there was completed the work of assembling the declaration of intention, petition for naturalization, and certificate of naturalization in each of 3,178,874 naturalization cases so that all the documents in a particular case should be together. There were indexed 1,574,261 certificates of naturalization. More than 4½ million index cards, containing data as to persons naturalized, were filed in a central index by the Soundex method, thus completing the index of all certificates of naturalization issued from September 27, 1906, when the present basic naturalization law became effective, to June 30, 1939, inclusive.

Registry of aliens.

By the act of March 2, 1929, an alien of good moral character not ineligible to citizenship and not subject to deportation, who entered the United States prior to June 3, 1921, and who has resided in the United States continuously since, in whose case there is no record of admission for permanent residence, may apply to the Commissioner of Immigration and Naturalization to make a registry of his arrival for both immigration and naturalization purposes. Upon proof of the required facts, the registry is made and such alien is deemed, for the purposes of the immigration and naturalization laws, to have been lawfully admitted to the United States for permanent residence as of the date of his entry. During the fiscal year 1939, 15,841 applications for registry were received and 12,567 finally disposed of by the Central Office, of which 10,588 were granted, 1,830 denied, and 149 withdrawn. The number of registry applications received in 1939 was greater than in any year since 1932 and more than double the number received in 1933. With the amendment of

the Registry Act to apply to aliens who entered the United States prior to July 1, 1924, it is anticipated that the number of applications for registry may increase to a possible figure several times that of the record of any year so far.

Petitions for immigration visas.

The Immigration Act of 1924 establishes the policy of family reunion by giving nonquota or preferential quota status to certain close relatives of citizens of the United States. The nonquota group includes the wives and unmarried minor children under 21 years of age of citizens of the United States, and the husbands of citizens where the marriage occurred prior to July 1, 1932. Aliens who are the fathers and mothers of citizens of the United States who are 21 years of age or over, or are the husbands of citizens by marriages occurring on or after July 1, 1932, are accorded a preference under the quota. The interested citizen in any such case is required to file with the Commissioner of Immigration and Naturalization a petition for the issuance of a nonquota or a preference quota visa. In 1939, 17,524 petitions for the issuance of nonquota or preference quota visas were filed with the Commissioner of Immigration and Naturalization, and 11,228, involving 13,228 prospective immigrants, were approved. In this way American citizens secured priority for 6,739 aliens in the non-quota class and 6,489 in the preference quota class, including 3,506 wives, 1,930 unmarried minor children, and 1,303 husbands in the non-quota group, and 1,536 fathers, 2,929 mothers, and 2,024 husbands as quota preference beneficiaries.

During 1938, 16,163 such petitions were received and 14,532 of them, involving 18,137 prospective immigrants, were approved. The decrease in the 1939 figures was undoubtedly due to a considerable extent to the more extensive investigations which were made in such cases where it was suspected that fraudulent claims of financial ability on the part of visa petitioners had been made. While these investigations increased greatly the work of the field service and Central Office, which were already overburdened, the salutary results justified the extra effort.

V. EDUCATION FOR CITIZENSHIP

Before a petitioner for naturalization may be naturalized by the court to which his application is directed, he must establish to the satisfaction of the court through his own testimony and that of the citizen witnesses who vouch for him that during a period of at least 5 years he has behaved himself as a person of good moral character, attached to the principles of the Constitution of the United States, and well disposed to the good order and happiness of this country. In establishing these facts the courts have approved of the examination of the applicant, usually by a naturalization examiner, as to his knowledge, understanding, and adherence to such principles. Congress has made provision for the preparation and distribution by the Immigration and Naturalization Service to the public schools of a citizenship textbook to aid the prospective citizens in their preparation. A total of 22,016 of these books were furnished to the public schools during the fiscal year 1939 for the use of several times that number of appli-

cants for naturalization, the same book being used repeatedly by different students. This number compares with 50,634 distributed during 1938. The lessened number distributed in 1939, during which the demand was greater than in the previous year, was due to an inadequate supply of books and the reluctance to reorder a supply of the ones which have been in use because of the proposed new textbook which is expected to be published and distributed within a few months.

As was stated in last year's annual report, steps were taken in response to requests from supervisors and teachers of adult education in schools to revise the textbook and bring it into harmony with more adequate material in this field. A group of distinguished educators, including Dr. John W. Studebaker, Commissioner of Education, and a number of his assistants, at the request of the Commissioner of Immigration and Naturalization, have assisted the Service by their counsel and advice in producing a much more satisfactory citizenship textbook. The manuscript was written by Doctor Catheryn Seckler-Hudson, a very able teacher of government and author of other material for the study of the Government of the United States.

The preparation of the textbook material is now approaching its final stage and it is expected that it will be published and available to applicants for naturalization in the public schools during the coming fiscal year. The approach, method, and material of the new book are such that it is believed it will assist in raising the level of citizenship in the United States.

VI. NEW LEGISLATION ON NATURALIZATION

Two laws were enacted during the fiscal year 1939 concerning naturalization. The act of June 20, 1939, amended the basic naturalization act of June 29, 1906, by eliminating the necessity for renunciation of allegiance by an applicant for naturalization to the particular sovereignty of which he is before naturalization a citizen or subject. The law already contained the requirement of renunciation to "any foreign prince, potentate, state, or sovereignty" of which he might be a citizen or subject. The reasons for the modification include these: It is impossible in many cases for the applicant to determine to what specific sovereignty or sovereign he may owe allegiance because of changes in the boundaries of countries involved in the World War; there is a considerable lapse of time between the change in the ruler of a particular country and the official notification of that fact to the clerks of approximately 2,000 naturalization courts throughout the United States, and the resulting invalidity of a declaration of intention or petition for naturalization which may have contained an erroneous statement of allegiance, even though the information had been alleged in good faith.

A further extension of time for the naturalization of alien veterans of the World War, under certain exemptions, was made in the act of June 21, 1939, which will be effective to include petitions for naturalization filed prior to May 25, 1940. A former member of the armed forces of the United States applying under this statute is ex-

empted from the requirements of a declaration of intention, proof of the usual 5 years' residence in the United States and 6 months in the county, certificate of arrival (unless applicant's legal admission to the United States for permanent residence occurred subsequent to March 3, 1924), residence within the jurisdiction of the court, and the fee for the petition for naturalization (unless the petition should be filed in a State court and the laws of that State require a fee).

VII. STEADY DECREASE IN NUMBER OF UNNATURALIZED ALIENS IN THE UNITED STATES

The compilation of Immigration and Naturalization Service figures and estimates which follows gives a fairly accurate idea of the steady decrease of the alien population of the United States. Under the heading of "Immigrants arrived," no attempt has been made to calculate the uncertain but limited flow of illegal entrants who from time to time gain admission in spite of the vigilance of the inspection organization and Border Patrol; nor, under "Departures," is any weight given to the considerable number of departing aliens who procure reentry permits, leave the country for temporary visits abroad, and then fail to return. The period considered begins with July 1, 1924, the effective date of the Quota Act of 1924, and includes the year ended June 30, 1939. The estimated net decrease in the unnaturalized alien population during that period is slightly more than 3,000,000.

TABLE IX.—Immigration to the United States and estimated decrease in alien population due to emigration, naturalization, and deaths, from 1925 through 1939

Fiscal year	Immigrants arrived	Estimated decrease in resident alien population					Ratio of decrease
		Departures ¹	Naturalization		Deaths of alien population ³	Total	
			Aliens naturalized	Derivatives ²			
1925.....	294,314	92,728	152,457	40,000	132,180	417,365	141.8
1926.....	304,488	76,992	146,331	40,000	130,137	393,460	129.2
1927.....	335,175	73,366	199,804	55,000	126,719	454,889	135.7
1928.....	307,255	77,457	233,155	60,000	121,757	492,369	160.2
1929.....	279,678	69,203	224,728	57,000	117,195	468,126	167.4
1930.....	241,700	50,661	169,377	47,000	113,385	380,423	157.4
1931.....	97,139	61,882	143,495	47,000	111,182	363,559	374.3
1932.....	35,576	103,295	136,600	44,800	109,420	394,115	1,107.8
1933.....	23,068	80,081	113,363	37,100	106,533	337,077	1,461.2
1934.....	29,470	39,771	113,659	37,200	103,864	294,504	999.3
1935.....	34,956	38,834	118,945	38,900	101,716	298,395	853.6
1936.....	35,329	35,817	141,265	14,100	98,619	289,801	797.7
1937.....	50,244	26,736	164,976	6,000	94,000	291,712	580.6
1938.....	67,895	25,210	162,078	6,000	91,000	284,288	418.7
1939.....	82,998	26,651	188,813	6,000	85,000	306,464	369.2
Total.....	2,220,285	878,684	2,409,056	536,100	1,642,707	5,466,547	246.2

¹ Alien residents of the United States departed for permanent residence abroad.

² Resident foreign-born minor children of aliens naturalized.

³ Estimated figures of deaths among alien population are based on available mortality statistics.

Decrease in alien population based upon 1930 census.

A further study of this decrease in alien population may be based on the United States census figures for April 1, 1930. These figures show that on that date the foreign-born population of the United States consisted of 14,204,149 persons, 7,969,536 of whom were nat-

naturalized citizens. At the time of the 1930 census there were, therefore, 6,234,613 foreign-born residents in the United States not reported naturalized. For the 9 years and 3 months between April 1, 1930, and the end of the fiscal year 1939 it is possible to apply the actual figures and estimates of the Immigration and Naturalization Service and to calculate with considerable accuracy the estimated alien population, either in this country on the date of the 1930 census or legally admitted since, as follows:

1930 census figure of aliens in the United States not reported naturalized.....		6, 234, 613
Decrease since Apr. 1, 1930:		
Naturalized.....	1, 329, 128	
Derivatives.....	252, 100	
Immigrant children of citizens.....	17, 843	
Excess of nonemigrant departures over non-immigrant arrivals.....	150, 635	
Less excess of immigrants over emigrants.....	72, 369	
	78, 266	
Deaths.....	929, 173	
Total decrease.....		2, 606, 510
Estimated alien population as of July 1, 1939 ¹		3, 628, 103

¹ This estimate does not include aliens illegally in the United States.

Unexpired declarations of intention.

The Immigration and Naturalization Service further estimates that at least 725,000 valid unexpired declarations of intention were outstanding on July 1, 1939, filed by resident aliens seeking citizenship.

VIII. FINANCIAL STATEMENT

Appropriation for the conduct of the Immigration and Naturalization Service and the administration of the immigration and naturalization laws

Salaries and expenses:		
Departmental service.....	\$577, 500	
Field service, coast and land border patrol.....	9, 097, 720	
Total.....	9, 675, 220	
For physical maintenance and upkeep of immigration stations.....	85, 000	
Total.....	9, 760, 220	
The net amount expended for all purposes after deducting refunds to the appropriation not properly chargeable to the Government was....	9, 690, 337	
Net balance.....		69, 883

(\$32,734 of the unobligated balance of \$69,883 represents amount remaining in the Second Deficiency appropriation and is available for obligation during the fiscal year 1940.)

Balanced against the expenditures mentioned, there was collected as hereinafter shown the sum of.....	3, 252, 675
Making the net cost of operation.....	6, 437, 662

Income and sources thereof (net collections)

Naturalization fees.....	\$1, 514, 609. 25
Head tax.....	1, 131, 796. 50
Administrative fines.....	98, 834. 97
Reentry permits and extensions.....	144, 121. 16
Certificates of registry.....	104, 270. 10
Immigration overtime.....	132, 576. 76
Bonds forfeited and paid without suit, including interest coupons on Liberty bonds.....	30, 500. 00
Sale of exclusive privileges (feeding, money, etc.).....	356. 00
Sale of Government property.....	3, 413. 52
Miscellaneous collections.....	548. 81
Coin-box collections (New York, Boston, Philadelphia, and Seattle).....	774. 06
Collections on account of persons detained in hospitals of Public Health Service under the immigration laws and regulations.....	74, 737. 00
Overnight maintenance.....	13, 716. 00
Immigration judgment costs.....	2, 420. 63
Total.....	3, 252, 674. 76

NOTE.—Because the revenues produced by the various branches of the Immigration and Naturalization Service are covered into the United States Treasury and in no way used as offsets against the operating cost of the Service, citizens often forget that Immigration and Naturalization are partly self-supporting functions of government and that increasing activity and expense bring with them increased revenues. For this reason the following comparative figures of receipts of the Service are interesting:

	1939	1938	1937	1936	Decrease or increase 1939 over 1938
Naturalization fees.....	\$1, 514, 609. 25	\$1, 448, 043. 50	\$1, 862, 567. 25	\$1, 772, 478. 00	+\$66, 565. 75
Head tax.....	1, 131, 796. 50	1, 029, 327. 01	951, 412. 53	788, 101. 00	+102, 469. 49
Administrative fines.....	98, 834. 97	74, 800. 50	65, 651. 51	51, 027. 00	+24, 034. 47
Reentry permits and extensions.....	144, 121. 16	171, 066. 17	197, 020. 17	193, 508. 00	-26, 945. 01
Certificates of registry.....	104, 270. 10	107, 760. 10	98, 910. 00	90, 330. 00	-3, 400. 00
Hospital collections.....	74, 737. 00	80, 771. 25	46, 071. 50	34, 065. 00	-6, 034. 25
Overnight maintenance.....	13, 716. 00	26, 463. 50	25, 196. 94	11, 213. 00	-12, 747. 50

The personnel of the Immigration and Naturalization Service, which has supervised the 54,000,000 individual entries into the United States during the past fiscal year and has conducted the other widespread activities described in this report, consists of: A central office in Washington employing 8 executive officers and a legal and administrative staff of 262; and a field service consisting of 69 executive and supervisory officers, 1,175 inspectional and investigative employees, 139 naturalization examiners, 850 Border Patrol employees, 786 clerks, 49 interpreters, and a custodial force of 433 employees; or a total of 3,771 persons.

Respectfully submitted.

JAMES L. HOUGHTLING,
Commissioner.

CHILDREN'S BUREAU

KATHARINE F. LENROOT, *Chief*

To the SECRETARY OF LABOR:

The fiscal year 1939 was a period of notable progress in crystallizing some of the objectives of the people of the United States for their children into legislative proposals and enactments, administrative practices, and in developing that degree of public awareness which must undergird both. A chronological record of certain outstanding events of the year may give encouragement as we go forward into a period when the purposes of the civilization in which we and our forebears were nurtured may be put to supreme tests. Such a record follows:

July 18-20, 1938.—The National Health Conference, called by the Interdepartmental Committee To Coordinate Health and Welfare Activities at the suggestion of the President, discussed a gradually expanding program for maternity care and care of newborn infants, medical care of children, and services for crippled children, approximately one-half the cost to be met by the Federal Government.

October 24, 1938.—The Fair Labor Standards Act of 1938 became effective, with provisions setting a basic minimum age of 16 years for the employment of children in establishments producing goods for shipment in interstate commerce, and a minimum age of 18 years for the employment of children in hazardous occupations in such establishments.

January 16, 1939.—The Secretary of Labor accepted the chairmanship of a planning committee to organize and conduct a White House Conference on Children in a Democracy, the fourth in a series of White House Conferences on Children held at intervals of approximately 10 years.

January 16, 1939.—The President transmitted to Congress the report of the Social Security Board proposing amendments to the Social Security Act. These proposed amendments included survivors' benefits under the Federal old-age-insurance provisions for dependent children; increased Federal contribution and other liberalizing provisions for public assistance to needy dependent children; and provision for a merit system for State and local employees under Federal-aided social-security plans.

January 23, 1939.—The President transmitted to Congress with recommendations the report on a national health program with provision for expansion of maternal and child-health services and services for crippled children, prepared by the Interdepartmental Committee To Coordinate Health and Welfare Activities.

February 28, 1939.—The National Health Bill was introduced by Senator Robert F. Wagner.

April 26, 1939.—Initial session of the White House Conference on Children in a Democracy was opened by the President at the White House.

May 18, 1939.—The first order was issued under the hazardous-occupations provisions of the Fair Labor Standards Act. This order established a minimum age of 18 years for all occupations in plants manufacturing explosives or articles containing explosive components.

June 5, 1939.—The child-labor amendment is still open to ratification, as the result of decisions by the United States Supreme Court in *Coleman v. Miller* and *Chandler v. Wise*, cases that arose in the Kansas Supreme Court and in the Kentucky Court of Appeals, respectively.

June 10, 1939.—Liberalizing amendments to the Social Security Act were passed by the House. Proposals in the Senate by Senators La Follette and

Murray to include in the bill increased authorizations for maternal and child-health services, services for crippled children, and general public-health services, were incorporated in the bill as finally passed on August 5 and approved by the President on August 10.

The Children's Bureau entered the fiscal year 1940 with enlarged responsibilities under the Social Security Act; a carefully developed foundation of staff service and Federal-State relationships for its administrative activities under the Fair Labor Standards Act; steadily enlarging demands for research, advisory, and information services under the organic act creating the Children's Bureau; and executive responsibility for the completion of the enterprise of the White House Conference on Children in a Democracy.

As has been stated in previous reports, the Children's Bureau has not had any material increase in appropriations for the basic services under its organic act for a long period of years. Mothers, fathers, and others responsible for the health and well-being of the young look to the Bureau for information concerning the conditions surrounding children, their growth and development, and the best methods of providing for their needs. The staff responds to requests for information and service to the utmost of its capacity, but many urgent requests must go unmet for lack of funds. Administration of special programs in cooperation with the States is important, but the success of these programs depends, ultimately, upon the information made available to administrators and the general public through the basic services of research and publication which the Bureau was created to perform. The conception of the Bureau as a national center serving the whole child must not be sacrificed to the exigencies of expanding administrative services touching certain special aspects of child life. On the other hand, the opportunity afforded by administrative activities carried on in conjunction with research and reporting services to translate into actual practice the standards developed through research and consultation offers the best guaranty that research will be practical and fruitful.

On June 19 the children of the Nation sustained a great loss in the death of Grace Abbott, Chief of the Children's Bureau from August 27, 1921, to June 30, 1934. As second Chief of the Bureau Miss Abbott, through her genius for administration, research, and leadership, her courage, foresight, and breadth of outlook, built magnificently upon the foundations laid by the first Chief, Julia C. Lathrop. To the end of her life she continued in manifold ways to serve the Bureau, and through it the children of America.

ADMINISTRATION OF MATERNAL AND CHILD-WELFARE SERVICES UNDER THE SOCIAL SECURITY ACT

Plans approved.

At the close of the year approved plans for maternal and child-health services and services for crippled children were in operation in 48 States, Alaska, Hawaii, and the District of Columbia. Approved plans for child-welfare services were in operation in all these units except one (Wyoming). Louisiana was the last State to come under the crippled children's program. Its plan was approved March 24, 1939. Under amendments to the Social Security Act approved

August 10, 1939, Puerto Rico will be eligible on January 1, 1940, to participate in all three programs administered by the Children's Bureau.

Appropriations.

Amounts appropriated for grants to States and for Federal administration under the Social Security Act, title V, parts 1, 2, and 3, for the fiscal year ended June 30, 1939, were as follows:

	<i>Annual appropriations</i>	<i>Deficiency appropriations</i>
Maternal and child-health services-----	\$3,700,000	\$100,000
Services for crippled children-----	2,800,000	50,000
Child-welfare services-----	1,500,000	
Federal administration:		
Salaries and expenses, maternal and child-welfare, Social Security Act--	320,000	
Allotment from Department of Labor appropriation for traveling expenses (social security)-----	83,995	

The appropriation act provided that allotments and payments could be made on the basis of the full amounts authorized in the Social Security Act—\$3,800,000 for maternal and child health; \$2,850,000 for crippled children; and \$1,500,000 for child-welfare services. Amounts appropriated are available for 2 years after the close of the fiscal year for which appropriations are made, except for \$980,000 under section 502 (b) (fund B) for maternal and child-health services, authorized for payments to States without matching and available for a single fiscal year only.

Under amendments approved August 10, 1939, the annual authorization for maternal and child-health services is \$5,820,000, of which \$3,840,000 must be matched and \$1,980,000 under section 502 (b) as amended (fund B) is available for grants to States without matching; for crippled children's services, \$3,870,000 (increase \$1,020,000), of which \$1,000,000 under section 512 (b) is available for grants to States without matching; and for child-welfare services, \$1,510,000 (\$10,000 added for allotment to Puerto Rico). The report of the Senate Committee on Finance on these amendments includes the following statements with reference to the purposes of the increased authorizations:¹

It has been fully demonstrated in testimony presented to this committee that there is urgent need for increased authorizations for maternal and child-health and crippled children's services under title V, parts 1 and 2, of the Social Security Act. The chairman of the subcommittee of the Committee on Education and Labor, which has been holding hearings on the Wagner National Health Bill (S. 1620), stated to this committee that testimony presented at the hearings had convinced him of the need for "immediate expansion" of these programs.

In her testimony before this committee, Dr. Martha M. Eliot, Assistant Chief of the Children's Bureau, stated that of the 32 State plans for maternal and child-health services for the fiscal year 1940 already reviewed, 26 showed immediate need for carrying forward programs already initiated in a total sum of over \$7,000,000. The estimate is based largely on a known need to provide additional medical and nursing services in maternity and child-health clinics and in the homes.

With reference to the crippled children's program she stated that over 14,500 children at this very time are on the waiting lists of the official State agencies

¹ 76th Cong., 1st sess., Senate Report No. 734, pp. 31-33.

awaiting hospital care and that nearly 13,000 of these are now awaiting care because of lack of funds. To provide care for children now on the waiting lists would cost at least \$3,000,000 in addition to present resources.

In addition to children now on the waiting lists there are large numbers of children crippled from heart disease who should be brought within the program. The cost of caring for these children in hospitals or convalescent homes is great and the period of treatment is prolonged. It is estimated, on the other hand, that if proper and early care is given to these children probably 60 percent can be restored to normal existence.

The sums of money included in the amendment to title V, parts 1 and 2, would provide for expansion of the present programs on the basis of urgent immediate need and for demonstration of methods of providing medical care in maternity and childhood. Full provisions for meeting the needs of mothers and children for health and medical services would still await action on a comprehensive national health program.

The increase in authorization under title V, part 2, for services to crippled children is in the amount of \$1,020,000 to be allotted to the States according to the financial need of each State for assistance in carrying out its State plan, a provision comparable with that for maternity and child-health services in section 502 (b), for which there are no matching requirements. It was shown in testimony before the committee that prompt, effective service in meeting emergency conditions such as infantile-paralysis epidemics could not be given unless part of the appropriation was available for grants to the States on the basis of need without matching requirements.

The Third Deficiency Appropriation Act, approved August 9, 1939, appropriated for the fiscal year 1940 about half of the additional sums authorized: \$1,000,000 for maternal and child-health services; \$500,000 for services to crippled children; and \$5,000 for child-welfare services. Allotments to Puerto Rico for the last half of the fiscal year 1940 must come out of these sums.

The conferees on the third deficiency bill made the following statement to the Senate:²

With respect to the social-security items, there was considerable discussion. As Senators know, the information we have is not personal information, but comes from Budget estimates and statements made. On those items there was a compromise by reducing the amounts 50 percent, with the idea, as the House conferees said to us, that in January, if the development of the new program shows that larger amounts are needed, increased amounts can be made available. The Senate conferees acceded to that suggestion.

Allotments and payments.

Payments to States on the basis of approved plans for the year ended June 30, 1939, from appropriations for 1939 and from unpaid balances of 1937 and 1938 appropriations, totaled \$8,243,170.80, distributed as follows:

Maternal and child-health services.....		\$3,724,362.29
Fund A (matched by State or local funds).....	\$2,744,362.29	
Fund B (matching not required).....	980,000.00	
Services for crippled children (matched by State or local funds).....		2,997,914.77
Child-welfare services.....		1,520,893.74

Amounts available to each State and amounts paid on the basis of approved plans and estimates are shown in tables 1, 2, and 3.

² Congressional Record, August 5, 1939, p. 15566.

TABLE 1.—Federal funds available to States, Federal funds budgeted by States, and payments to States for maternal and child-health services under the Social Security Act, title V, part 1, fiscal year ended June 30, 1939

State ¹	Federal funds available						Federal funds budgeted in State plans as approved	Payment		
	Total	Balance of fund A available from allotment for fiscal year 1938 ²	Allotment for fiscal year ended June 30, 1939			Allotment on basis of need for assistance in carrying out State plan after number of live births is taken into consideration		Total	FUND A	FUND B
			Total	FUND A Available for payment of half the total expenditures (except from fund B) under approved State plans ³	FUND B						Uniform allotment	Allotment on basis of ratio of live births in State to total live births
Total.....	\$4,717,734.60	\$917,734.60	\$3,800,000.00	\$1,020,000	\$1,800,000.00	\$980,000.00	\$4,409,751.69	\$3,724,362.29	\$2,744,362.29	\$980,000.00
Alabama.....	105,854.92		105,854.92	20,000	50,206.53	35,648.39	110,565.19	105,851.92	70,206.53	35,648.39
Alaska.....	65,621.24	30,831.96	34,789.28	20,000	1,074.85	13,714.43	49,382.04	40,831.62	27,117.19	13,714.43
Arizona.....	58,176.24	1,423.54	56,752.70	20,000	7,971.61	28,781.09	58,007.21	58,176.24	29,395.15	28,781.09
Arkansas.....	78,054.10	9,586.02	68,468.08	20,000	27,994.59	20,473.49	84,184.36	74,158.69	53,685.20	20,473.49
California.....	110,287.84	9,992.70	103,295.14	20,000	70,572.78	12,722.36	122,561.85	97,415.08	84,692.72	12,722.36
Colorado.....	66,003.56	11,147.84	54,855.72	20,000	15,265.91	19,589.81	83,885.74	58,399.68	38,809.87	19,589.81
Connecticut.....	56,285.50	7,550.54	48,734.96	20,000	18,563.96	10,171.00	55,609.11	52,073.83	41,902.83	10,171.00
Delaware.....	30,764.33		30,764.33	20,000	3,275.50	7,488.83	33,918.71	30,764.33	23,275.50	7,488.83
District of Columbia.....	54,014.08		54,014.08	20,000	9,774.72	24,239.36	60,002.19	54,014.08	29,774.72	24,239.36
Florida.....	76,333.29		76,333.29	20,000	23,465.52	32,867.77	105,326.92	76,333.29	43,465.52	32,867.77
Georgia.....	126,365.74	.64	126,365.10	20,000	51,494.36	54,870.74	133,879.21	126,365.74	71,495.00	54,870.74
Hawaii.....	35,890.41		35,890.41	20,000	7,680.13	8,210.28	38,356.30	34,765.16	26,554.88	8,210.28
Idaho.....	47,354.10	3,873.18	43,480.92	20,000	8,538.68	14,942.24	54,846.50	44,683.65	20,741.41	14,942.24
Illinois.....	199,337.92	75,370.41	123,967.51	20,000	93,677.51	10,290.00	161,201.00	133,630.24	123,340.24	10,290.00
Indiana.....	91,363.36	18,303.94	72,059.42	20,000	45,127.10	6,932.32	94,707.14	78,162.67	71,230.35	6,932.32
Iowa.....	104,393.89	40,493.47	63,900.42	20,000	35,673.91	8,226.51	59,509.85	51,836.81	43,610.30	8,226.51
Kansas.....	104,489.49	35,670.60	68,818.89	20,000	25,053.16	23,765.73	92,619.61	79,371.65	55,605.92	23,765.73
Kentucky.....	101,154.46		101,154.46	20,000	46,583.60	34,570.86	115,764.74	100,226.71	65,655.85	34,570.86
Louisiana.....	100,283.62	1,703.26	98,580.36	20,000	36,603.43	41,912.93	105,223.95	98,548.01	56,566.08	41,912.93
Maine.....	51,126.36	5,436.16	45,690.20	20,000	12,779.66	12,910.56	71,830.71	51,126.36	38,215.80	12,910.56
Maryland.....	62,165.51		62,165.51	20,000	22,205.27	19,960.24	65,660.68	62,165.51	42,205.27	19,960.24
Massachusetts.....	78,913.48	262.57	78,650.91	20,000	51,532.78	7,118.13	86,402.94	78,913.48	71,795.35	7,118.13

¹ The term "State" includes Alaska, the District of Columbia, and Hawaii.

² The amount of fund A allotted to any State remaining unpaid at the end of each fiscal year is available for payment to such State until the end of the second succeeding fiscal year.

³ Includes also balance from allotment for fiscal year 1937.

TABLE 1.—Federal funds available to States, Federal funds budgeted by States, and payments to States for maternal and child-health service under the Social Security Act, title V, part 1, fiscal year ended June 30, 1939—Continued

State ¹	Federal funds available						Federal funds budgeted in State plans as approved	Payment		
	Total	Balance of fund A available from allotment for fiscal year 1938 ²	Allotment for fiscal year ended June 30, 1939					Total	FUND A	FUND B
			Total	FUND A		FUND B				
				Uniform allotment	Available for payment of half the total expenditures (except from fund B) under approved State plans ³						Allotment on basis of need for assistance in carrying out State plan after number of live births is taken into consideration
Michigan	\$111,584.27	\$7,024.74	\$104,559.53	\$20,000	\$73,850.78	\$10,708.75	\$111,376.11	\$94,576.82	\$73,868.07	\$10,708.75
Minnesota	69,467.41		69,467.41	20,000	39,733.61	9,733.80	89,562.72	68,828.47	59,094.67	9,733.80
Mississippi	96,621.70	611.20	96,010.50	20,000	41,295.37	34,715.13	107,401.82	93,663.03	58,947.90	34,715.13
Missouri	135,190.45	50,525.03	84,665.42	20,000	46,698.86	17,966.56	128,047.92	112,492.42	94,525.86	17,966.56
Montana	52,973.15	1,866.07	51,107.08	20,000	8,685.67	22,421.41	56,983.36	43,314.84	20,893.43	22,421.41
Nebraska	129,752.36	\$ 77,845.41	51,906.95	20,000	19,875.17	12,031.78	30,189.03	25,487.90	13,456.12	12,031.78
Nevada	92,919.39	\$ 42,367.79	50,551.60	20,000	1,185.10	29,366.50	39,965.18	32,747.00	3,380.50	29,366.50
New Hampshire	57,979.16	21,547.96	36,431.20	20,000	6,413.20	10,018.00	44,029.07	36,937.80	26,919.80	10,018.00
New Jersey	78,442.73	13.50	78,429.23	20,000	44,959.23	13,470.00	84,479.25	75,473.70	62,003.70	13,470.00
New Mexico	72,351.10		72,351.10	20,000	10,779.43	41,571.67	80,603.31	72,351.10	30,779.43	41,571.67
New York	279,633.60	107,242.60	172,391.00	20,000	152,391.00		211,236.97	181,027.29	181,027.29	
North Carolina	125,269.37	10,440.19	114,829.18	20,000	63,624.24	31,204.94	138,488.18	111,673.30	80,468.36	31,204.94
North Dakota	59,961.15	16,133.52	43,827.63	20,000	11,333.97	12,493.66	64,578.48	48,132.76	35,639.10	12,493.66
Ohio	126,364.51	9,505.89	116,858.62	20,000	86,608.71	10,249.91	119,983.76	100,934.60	90,684.69	10,249.91
Oklahoma	107,561.48	17,687.55	89,873.93	20,000	34,922.25	34,951.68	96,791.22	84,654.49	49,702.81	34,951.68
Oregon	59,442.83	7,172.85	52,269.98	20,000	11,671.38	20,598.60	68,162.49	56,666.27	36,067.67	20,598.60
Pennsylvania	260,831.58	107,712.76	153,118.82	20,000	133,118.82		153,118.82	133,002.49	133,002.49	
Rhode Island	36,981.58	3,474.64	33,506.94	20,000	8,506.94	5,000.00	35,676.64	30,264.85	25,264.85	5,000.00
South Carolina	100,143.34		100,143.34	20,000	32,815.15	47,328.19	103,814.05	97,628.28	50,300.09	47,328.19
South Dakota	81,135.29	3,043.40	49,091.89	20,000	10,756.04	18,335.85	50,230.41	44,654.25	26,318.40	18,335.85
Tennessee	88,619.46	3,643.93	84,975.53	20,000	42,234.93	22,740.60	90,424.45	79,831.92	57,091.32	22,740.60
Texas	200,599.83	53,618.34	146,981.49	20,000	93,205.64	33,775.85	218,054.17	162,534.39	128,758.54	33,775.85
Utah	54,515.09	10,814.11	43,700.98	20,000	10,482.10	13,218.88	62,470.67	54,514.96	41,296.08	13,218.88
Vermont	65,049.58	\$ 26,206.93	38,842.65	20,000	5,385.96	13,456.69	43,027.40	38,981.03	25,524.34	13,456.69
Virginia	94,599.73		94,599.73	20,000	42,799.50	31,800.23	95,579.41	91,599.73	62,799.50	31,800.23
Washington	55,312.87	4,106.93	51,205.94	20,000	19,522.73	11,683.21	60,942.83	50,605.94	38,922.73	11,683.21
West Virginia	78,706.91	10,108.07	68,598.84	20,000	34,118.84	14,480.00	81,042.94	44,340.38	29,860.38	14,480.00
Wisconsin	83,613.71	12,471.35	71,142.36	20,000	43,940.32	7,202.04	78,729.36	64,815.30	57,643.26	7,202.04
Wyoming	68,872.53	\$ 34,903.01	23,969.52	20,000	3,669.52		21,315.72	11,779.23	11,779.23	

TABLE 2.—Federal funds available to States, Federal funds budgeted by States, and payments to States for services for crippled children under the Social Security Act, title V, part 2, fiscal year ended June 30, 1939

State ¹	Federal funds available for payment of half the total expenditure under approved State plans					Federal funds budgeted in State plans as approved	Payment
	Total	Balance available from allotment for fiscal year 1938 ²	Allotment for fiscal year 1939 ³				
			Total	Uniform allotment	Allotment on basis of need after number of crippled children in need of care and costs of service are taken into consideration		
Total	\$4,176,690.74	\$1,326,690.74	\$2,850,000.00	\$1,020,000	\$1,830,000.00	\$3,436,065.71	\$2,997,914.77
Ala.....	73,994.89	4,681.40	69,313.49	20,000	49,313.49	74,777.44	73,994.89
Alaska.....	61,989.69	*41,326.46	20,663.23	20,000	693.23	7,220.48	6,424.62
Ariz.....	37,216.00	1,791.84	35,424.16	20,000	15,424.16	45,398.94	37,216.00
Ark.....	101,930.16	*56,598.65	45,331.51	20,000	25,331.51	93,800.00	60,450.01
Calif.....	123,553.82	15,828.89	107,724.93	20,000	87,724.93	138,406.08	101,230.83
Colo.....	59,459.46	16,744.21	42,715.25	20,000	22,715.25	65,211.44	59,374.59
Conn.....	95,247.56	*57,494.21	37,753.35	20,000	17,753.35	64,000.00	17,976.69
Del.....	67,682.01	*45,121.34	22,560.67	20,000	2,560.67	6,099.50	4,979.27
D. C.....	47,077.18	17,921.13	29,156.05	20,000	9,156.05	56,171.84	44,428.97
Fla.....	60,449.86	3,092.72	57,357.14	20,000	37,357.14	58,219.21	58,218.54
Ga.....	178,824.98	*118,525.03	60,299.95	20,000	40,299.95	110,373.10	93,711.13
Hawaii.....	55,604.72	*30,587.48	25,017.24	20,000	5,017.24	26,540.00	23,339.95
Idaho.....	39,844.08	14,177.20	25,666.88	20,000	5,666.88	20,230.00	23,475.41
Ill.....	200,439.47	*100,725.42	99,714.05	20,000	79,714.05	193,456.63	179,890.07
Ind.....	131,430.06	*76,116.62	55,313.54	20,000	35,313.54	101,730.00	70,298.78
Iowa.....	57,576.94	15,094.93	42,482.01	20,000	22,482.01	66,876.25	57,576.94
Kans.....	56,554.15	15,094.93	41,459.22	20,000	21,459.22	54,860.00	56,000.00
Ky.....	85,000.00	85,000.00	85,000.00	20,000	65,000.00	85,000.00	85,000.00
La.....	142,896.36	*95,264.24	47,632.12	20,000	27,632.12	35,000.00	35,000.00
Maine.....	41,207.71	8,326.56	32,881.15	20,000	12,881.15	45,811.71	36,940.49
Md.....	61,861.07	7,722.51	54,138.56	20,000	34,138.56	66,443.79	61,861.06
Mass.....	83,052.23	8,373.75	74,678.48	20,000	54,678.48	91,645.67	83,052.23
Mich.....	100,000.00	100,000.00	100,000.00	20,000	80,000.00	100,000.00	100,000.00
Minn.....	74,722.75	5,397.70	69,325.05	20,000	49,325.05	74,013.83	73,583.02
Miss.....	113,914.76	*65,952.98	47,961.78	20,000	27,961.78	37,866.43	34,654.91
Mo.....	62,404.98	3,540.71	58,864.27	20,000	38,864.27	63,446.10	62,404.98
Mont.....	45,500.00	6,615.78	38,884.22	20,000	18,884.22	45,500.00	45,270.46
Nebr.....	51,163.92	51,163.92	51,163.92	20,000	31,163.92	54,496.48	51,163.92
Nev.....	62,595.12	*41,730.08	20,865.04	20,000	865.04	1,292.39	999.99
N. H.....	69,166.83	*44,272.37	24,894.46	20,000	4,894.46	12,538.11	11,229.59
N. J.....	105,092.50	*32,215.76	72,876.74	20,000	52,876.74	105,092.50	79,723.44
N. Mex.....	30,000.36	30,000.36	30,000.36	20,000	10,000.36	39,279.58	24,241.98
N. Y.....	250,022.32	*102,965.82	147,056.50	20,000	127,056.50	149,525.67	117,661.54
N. C.....	96,537.05	96,537.05	96,537.05	20,000	76,537.05	98,041.86	96,537.05
N. Dak.....	42,924.83	13,702.23	29,222.60	20,000	9,222.60	40,655.00	28,493.67
Ohio.....	121,591.40	5,721.60	115,869.80	20,000	95,869.80	134,005.40	121,497.06
Okla.....	77,543.52	77,543.52	77,543.52	20,000	57,543.52	77,543.52	77,543.52
Oreg.....	76,532.78	*47,031.56	29,501.22	20,000	9,501.22	52,275.00	24,379.70
Pa.....	168,763.72	35,159.51	133,604.21	20,000	113,604.21	168,763.72	163,267.70
R. I.....	51,788.72	24,177.13	27,611.59	20,000	7,611.59	23,890.00	22,157.24
S. C.....	69,145.08	18,497.95	50,647.13	20,000	30,647.13	74,205.59	64,412.09
S. Dak.....	29,977.69	1,201.61	28,776.08	20,000	8,776.08	25,000.00	23,540.17
Tenn.....	104,899.74	50,645.82	54,253.92	20,000	34,253.92	72,365.00	45,988.87
Tex.....	125,749.16	26,637.24	99,111.92	20,000	79,111.92	153,423.64	122,191.76
Utah.....	30,000.00	30,000.00	30,000.00	20,000	10,000.00	38,418.98	29,999.98
Vt.....	43,805.81	19,827.58	23,978.23	20,000	3,978.23	18,635.19	18,409.87
Va.....	72,040.08	72,040.08	72,040.08	20,000	52,040.08	73,378.46	72,040.08
Wash.....	54,540.00	2,274.62	52,265.38	20,000	32,265.38	52,265.38	54,540.00
W. Va.....	55,671.65	1,998.90	53,672.75	20,000	33,672.75	55,646.76	53,672.75
Wis.....	69,475.00	6,027.80	63,447.20	20,000	43,447.20	73,159.14	69,475.00
Wyo.....	58,228.57	*35,581.50	22,647.07	20,000	2,647.07	15,000.00	8,191.79

¹ The term "State" includes Alaska, the District of Columbia, and Hawaii.

² The amount allotted to any State remaining unpaid at the end of each fiscal year is available for payment to such State until the end of the second succeeding fiscal year.

³ Includes also balance from allotment for fiscal year 1937.

TABLE 3.—Federal funds available to States, Federal funds budgeted by States, and payments to States, for child-welfare services under the Social Security Act, title V, part 3, fiscal year ended June 30, 1939

State 1	Federal funds available for payment of part of cost of local services and for development of State services					Federal funds budgeted in State plans as approved	Payment
	Total	Balance available from allotment for fiscal year 1938 2	Allotment for fiscal year ended June 30, 1939 3				
			Total	Uniform allotment	Allotment on basis of ratio of rural population in State to total rural population		
Total	\$2,225,799.21	\$725,799.21	\$1,500,000.00	\$510,000	\$990,000.00	\$2,147,608.11	\$1,520,893.74
Ala.....	53,069.25	8,226.84	44,842.41	10,000	34,842.41	52,792.50	43,236.77
Alaska.....	16,159.62	5,217.31	10,942.31	10,000	942.31	15,742.31	6,847.89
Ariz.....	40,800.68	25,566.61	15,234.07	10,000	5,234.07	30,639.50	21,061.17
Ark.....	79,387.12	42,428.71	36,955.41	10,000	26,955.41	48,740.00	33,460.92
Calif.....	85,174.74	47,391.04	37,783.70	10,000	27,783.70	50,566.00	28,277.35
Colo.....	25,270.53	5,819.56	19,450.97	10,000	9,450.97	25,611.56	19,842.37
Conn.....	32,792.13	14,088.14	18,703.99	10,000	8,703.99	19,175.00	14,873.05
Del.....	21,225.23	9,114.25	12,110.98	10,000	2,110.98	20,077.50	14,820.64
D. C.....	19,217.20	9,217.20	10,000.00	10,000		16,429.99	15,816.28
Fla.....	24,918.11	1,940.28	22,977.83	10,000	12,977.83	25,370.00	22,715.46
Ga.....	64,581.59	17,705.06	46,876.53	10,000	36,876.53	71,102.34	55,724.68
Hawaii.....	14,827.42	1,705.87	13,121.55	10,000	3,121.55	17,091.72	11,534.24
Idaho.....	19,228.52	3,448.39	15,780.13	10,000	5,780.13	20,766.54	11,637.37
Ill.....	69,161.78	22,616.58	46,545.20	10,000	36,545.20	59,773.73	42,899.19
Ind.....	57,089.33	20,662.04	36,427.29	10,000	26,427.29	53,233.85	37,344.52
Iowa.....	56,056.31	18,730.74	37,325.57	10,000	27,325.57	61,295.00	49,107.46
Kans.....	43,204.39	12,116.12	31,088.27	10,000	21,088.27	37,770.00	27,128.86
Ky.....	51,926.63	8,667.21	43,259.42	10,000	33,259.42	64,248.67	46,996.63
La.....	46,421.48	13,191.79	33,229.69	10,000	23,229.69	44,610.00	35,480.02
Maine.....	30,416.53	11,698.17	18,718.36	10,000	8,718.36	31,875.00	20,881.94
Md.....	37,253.01	15,223.67	22,029.34	10,000	12,029.34	30,705.50	26,845.02
Mass.....	34,624.48	16,963.67	17,660.81	10,000	7,660.81	32,975.00	7,675.11
Mich.....	52,347.62	14,131.68	38,215.94	10,000	28,215.94	57,802.00	30,626.04
Minn.....	37,066.71	3,135.84	33,930.87	10,000	23,930.87	40,225.00	33,189.28
Miss.....	69,782.49	29,171.87	40,610.62	10,000	30,610.62	56,801.00	31,862.85
Mo.....	54,965.92	12,536.63	42,429.29	10,000	32,429.29	52,432.16	38,745.71
Mont.....	21,460.04	4,928.01	16,532.03	10,000	6,532.03	23,500.00	20,829.17
Nebr.....	40,656.58	14,318.61	26,337.97	10,000	16,337.97	35,995.00	28,638.64
Nev.....	11,466.06	429.31	11,036.75	10,000	1,036.75	12,083.55	11,091.06
N. H.....	13,521.18		13,521.18	10,000	3,521.18	12,428.33	7,436.00
N. J.....	39,236.73	16,375.10	22,861.63	10,000	12,861.63	34,980.00	25,411.10
N. Mex.....	17,418.52	1,620.52	15,798.00	10,000	5,798.00	15,705.00	11,071.10
N. Y.....	83,798.74	35,949.47	47,849.27	10,000	37,849.27	112,337.50	57,141.76
N. C.....	69,093.55	15,852.70	53,240.85	10,000	43,240.85	72,357.58	61,212.70
N. Dak.....	28,846.02	8,449.24	20,396.78	10,000	10,396.78	33,520.00	19,050.25
Ohio.....	105,290.75	56,100.30	49,190.45	10,000	39,190.45	86,609.99	60,376.16
Okla.....	65,177.49	26,336.70	38,840.79	10,000	28,840.79	67,206.64	59,904.73
Oreg.....	26,455.72	7,954.95	18,500.77	10,000	8,500.77	32,110.00	22,542.16
Pa.....	124,820.97	58,071.46	66,749.51	10,000	56,749.51	129,335.00	70,519.94
R. I.....	18,657.68	7,703.84	10,953.84	10,000	953.84	14,970.00	12,411.48
S. C.....	38,625.25	3,570.54	35,054.71	10,000	25,054.71	39,580.62	32,817.39
S. Dak.....	23,540.58	3,246.33	20,294.25	10,000	10,294.25	24,212.00	21,749.43
Tenn.....	57,500.87	15,991.74	41,509.13	10,000	31,509.13	72,535.00	47,207.43
Tex.....	113,879.47	40,946.76	72,932.71	10,000	62,932.71	105,920.00	69,530.27
Utah.....	23,541.92	9,116.34	14,425.58	10,000	4,425.58	21,785.00	14,622.95
Vt.....	16,068.74	1,656.69	14,412.05	10,000	4,412.05	16,049.00	15,184.05
Va.....	43,235.52	3,259.78	39,975.74	10,000	29,975.74	45,466.03	40,153.97
Wash.....	33,255.04	819.92	22,436.02	10,000	12,436.02	25,110.00	20,062.67
W. Va.....	33,494.77	821.25	32,673.52	10,000	22,673.52	37,865.00	28,125.47
Wis.....	36,039.27	1,564.38	35,374.89	10,000	25,374.89	38,095.00	34,473.14
Wyo.....	12,848.03		12,848.03	10,000	2,848.03		

¹ The term "State" includes Alaska, the District of Columbia, and Hawaii.

² The amount allotted to any State remaining unpaid at the end of each fiscal year is available for payment to such State until the end of the second succeeding fiscal year.

³ Includes also balance from allotment for fiscal year 1937.

⁴ This amount was available for allotment to Wyoming but no State plan was submitted.

Financial review, reports, and audits.

Review of State plans and budgets of the three services by the regional consultants, the State audits unit, division directors, the Assistant Chief, and the Chief was completed as follows:

Original plans and budgets.....	152
Revised, supplemental, and amended plans and budgets.....	739

Quarterly estimates of expenditures under annual plans were reviewed and approved. Quarterly reports of expenditures by the State agencies administering approved plans were received and reviewed, as follows:

Service	Number of reports received		Number of reports reviewed and accepted pending field audit
	Original	Revised	
Total.....	604	70	517
Maternal and child health.....	204	24	164
Crippled children.....	200	34	162
Child welfare.....	200	12	191

Field audit of expenditures by the official State agencies through the fiscal year 1937 was completed for all but 5 States, and audits through the fiscal year 1938 had been completed as follows: Maternal and child-health, 13; crippled children, 14; child-welfare, 14.

In the fiscal year 1940 audits for 1938 and 1939 will be made together, and it is believed that by the end of the year audits in many of the States will have been brought to a current basis. Work incident to field audit includes advisory service to the States in the development and maintenance of standard audit procedure.

Reports of activities and services.

Quarterly reports of activities in maternal and child-health services and crippled children's services had been received for 12 quarters at the close of the year ended June 30, 1939. During the year forms and instructions for quarterly activities reports were revised. The Children's Bureau cooperated with the Committee on Records and Reports of the State and Territorial health officers in developing plans for State and local health records. The Child Welfare Division has been cooperating with State departments of welfare in planning methods of obtaining information concerning local child-welfare activities. In this project tentative forms for monthly reports on child-welfare services were used experimentally. The work is to be followed up by the Division of Statistical Research, which will be responsible for developing plans for receiving monthly service data from child-welfare workers in rural areas.

Advisory committees.

The Advisory Committee on Maternal and Child Health Services met December 3 and 4, 1938; the Advisory Committee on Services for Crippled Children met December 2, 1938; and the Special Advisory Committee on Training and Personnel for Child Welfare Services, which serves both the Children's Bureau and the Social Security Board, met January 29, 1939.

Maternal and child-health services.

Maternal and infant mortality.—The decrease in the maternal mortality rate for 1937 was encouraging. This rate, which had been dropping an average of less than 3 percent per year since 1930, decreased 14 percent in 1937 to the rate of 49 per 10,000 live births. If the 1936 maternal mortality rate had remained unchanged in 1937, there would have been 1,746 more maternal deaths than actually occurred. This saving of life is evidence of what can be accomplished by a Nation-wide effort to improve maternal care. Provisional reports published by the United States Public Health Service indicate that the maternal mortality rate may have dropped to 44 in 1938.

The infant death rate decreased from 54 per 1,000 live births in 1936 to 51 in 1937. If the 1936 infant mortality rate had prevailed in 1937, there would have been 5,880 more infant deaths than actually occurred in that year. (See Division of Statistical Research, p. 169.)

Progress in the States.—Marked increases in practically all types of service from the calendar year 1937 to the calendar year 1938 are shown in table 4.

TABLE 4.—*Maternal and child-health services, calendar years 1937 and 1938*
(Reported by State health agencies administering State plans under the Social Security Act, title V, part 1)

Type of service	Number reported ¹		Percent change from 1937 to 1938
	1938	1937	
Medical services:			
Maternity service:			
Cases admitted to antepartum medical service.....	119,022	75,193	+58
Visits by antepartum cases to medical conferences.....	343,426	169,482	+103
Cases given postpartum medical examination.....	22,620	15,189	+49
Infant hygiene:			
Individuals admitted to medical service.....	164,820	127,365	+29
Visits to medical conferences.....	563,008	380,155	+48
Preschool hygiene:			
Individuals admitted to medical service.....	266,865	200,240	+33
Visits to medical conferences.....	601,981	384,675	+30
School hygiene: Examinations by physicians.....	1,853,196	1,734,988	+7
Public-health-nursing service:			
Maternity service:			
Cases admitted to antepartum nursing service.....	236,324	171,151	+38
Field and office visits to and by antepartum cases.....	671,790	502,693	+34
Cases given nursing service at delivery.....	19,222	11,355	+69
Cases admitted to postpartum nursing service.....	162,782	114,015	+43
Nursing visits to postpartum cases.....	622,406	362,049	+44
Infant hygiene:			
Individuals admitted to nursing service.....	431,168	297,929	+45
Field and office nursing visits.....	1,444,950	1,089,142	+33
Preschool hygiene:			
Individuals admitted to nursing service.....	450,838	323,981	+39
Field and office nursing visits.....	1,130,262	844,274	+20
School hygiene: Field and office nursing visits.....	3,364,328	2,979,144	+13
Immunizations:			
Smallpox.....	1,690,232	1,097,341	+54
Diphtheria.....	1,172,804	897,218	+31
Dental inspections:			
Inspections by dentists or dental hygienists:			
Preschool children.....	141,101	69,273	+104
School children.....	1,640,007	1,313,729	+25
Midwife supervision:			
Visits for midwife supervision.....	38,934	42,204	-8
Midwives under planned instruction.....	11,817	13,018	-9
Midwife meetings.....	11,743	10,460	+12
Attendance at midwife meetings.....	71,931	62,140	+16

¹ Reports were received from 48 States, Alaska, Hawaii, and the District of Columbia.

² Includes only figures reported for quarter ended Dec. 31.

NOTE.—The figures in this table are known to be somewhat incomplete. Apparent changes may be due to a real change in the amount of service provided, to a change in the number of health jurisdictions included, to more accurate or complete reporting, to statistical errors due to variations in interpretation of terms, or to other factors. The figures on admissions and visits are fairly dependable as an indication of services provided but, on account of inconsistencies in the methods used by the States in reporting, these figures should not be used for computing average visits per admission. The figures in this table represent primarily the services provided by the State health agencies, but include some services provided by other public and by private agencies.

Reports received from the States for the fiscal year 1938 showed significant progress in extending maternal and child-health services, but they also afforded striking evidence of the ground still to be covered. Sixty-nine percent of the 1,207 permanent medical prenatal clinics and 61 percent of the 3,735 permanent child-health conferences conducted or supervised by State health agencies have been established since social-security funds became available. However, only one-sixth of the counties in the United States were reported to have a medical prenatal clinic, and less than one-third had a medical child-health conference conducted by public-health agencies under the supervision of State health departments. Utilization of local practicing physicians in maternal and child-health programs, in which some 3,000 physicians paid from maternal and child-health funds are now engaged, has brought to mothers and children a type of care not otherwise available. It also has given to the health officer the assistance and cooperation of local physicians and has given to such physicians an opportunity to examine and advise obstetric patients, many of whom they formerly saw only during labor, and to give health supervision to many children who need this preventive care.

In order to obtain a high quality of service several States have employed full-time or part-time specialists in pediatrics and in obstetrics to assist in the development and conduct of clinics and conferences. Other States are improving the quality of the medical service in the prenatal clinics and child-health conferences by providing short courses at which the local physicians who conduct the conferences can observe model child-health conferences and prenatal clinics being conducted by specialists. In certain areas prenatal clinics do not seem to be feasible because of sparsity of population and problems of transportation. Under such circumstances public funds have been expended to pay local practicing physicians for the prenatal care of patients in their offices. The valuable educational service rendered by the public-health nurse in a prenatal clinic is lost in this type of service, and it is difficult to make sure that adequate service is given uniformly.

Continuity of care constitutes a difficult problem of great importance both in the maternity-care program and in the supervision of the health of children. Many prenatal clinics have had no working relationship with a nearby hospital. In every prenatal clinic a system should be developed so that the patient's prenatal record is made available to her attendant at the time of delivery, whether delivery is in the hospital or in the home. The number of patients to whom prenatal care is provided has been increasing, but relatively few of the States or local communities have made any provision for these patients to obtain medical care at the time of delivery. Continuous medical supervision of maternity patients during pregnancy, at the time of delivery, and during the postpartum period should be the objective.

It is reported, moreover, that many child-health conferences have not developed cooperation with local public or private agencies that might provide corrective care when indicated for children whose families are unable to obtain such care through their own resources. It is fully recognized that in many areas there are at present no local resources to provide for this corrective care.

A few State health departments are providing, in limited selected areas, complete maternal care for all medically needy patients. These medical-care projects are in the experimental stage at present, but much is being learned from them about the problems that will be encountered when more extensive programs can be undertaken. They will be carried on somewhat more extensively in the fiscal year 1940, with the additional appropriations made available under amendments to the Social Security Act made in 1939 (see p. 113).

More than one-half of all maternal and child-health funds made available under the maternal and child-health program are spent for the services of public-health nurses. The public-health-nursing consultants of the United States Public Health Service and the Children's Bureau have assisted the State directors of public-health nursing in enumerating the total number of public-health nurses practicing in each State. As of January 1, 1939, the number is 23,029, an increase of 1,143 (5 percent) over January 1, 1938 (table 5).

In 30 States areas have been selected in which nursing assistance at home deliveries is provided. The demand for this service has increased, and various administrative methods have been established to meet the need and to safeguard the quality of the service. Reports from the States show that nursing assistance was given at 19,222 home deliveries during the calendar year 1938, an increase of 69 percent over 1937. The local health departments that have established systematic administrative plans to operate a home-delivery nursing service have demonstrated that the inclusion of this service is feasible and that it can be offered to rural communities either through a specialized or a generalized staff or through a contract service with visiting-nurse associations or nurses in private practice who are supervised by the State agency.

Nursing care and supervision for mothers during the 10-day period following delivery is being given in an increasing number of rural areas. Efforts are being directed particularly toward the nursing care of the premature baby.

TABLE 5.—Number of public-health nurses employed in the United States and in the Territories of Hawaii and Alaska on Jan. 1 of the years 1937, 1938, and 1939¹

[Data collected by the public-health-nursing consultants of the U. S. Public Health Service through the cooperation of the several State and Territorial health departments]

Employing agency	Number of nurses employed		
	1937	1938	1939
Total.....	19,939	21,886	23,029
State health departments.....	701	716	687
State education departments.....	20	8	13
Other official State agencies.....	70	103	114
Local health departments:			
Rural.....	1,969	2,365	2,761
Urban.....	4,164	4,397	4,445
Local boards of education:			
Rural.....	1,112	1,454	1,404
Urban.....	2,365	2,433	2,716
Other local official agencies:			
Rural.....	1,019	1,010	1,047
Urban.....	287	814	817
Indian Service (rural areas).....	133	116	110
Local nonofficial agencies:			
Rural.....	1,005	854	687
Urban.....	4,242	4,507	4,626

For footnotes, see end of table.

TABLE 5.—Number of public-health nurses employed in the United States and in the Territories of Hawaii and Alaska on Jan. 1 of the years 1937, 1938, and 1939¹—Continued

Employing agency	Number of nurses employed		
	1937	1938	1939
Insurance companies:			
Rural.....	15	17	45
Urban.....	529	585	589
Industrial companies.....	2,203	2,384	2,841
Federal agencies.....	18	24	24
Other national agencies.....	56	62	50
University public-health-nursing departments.....	31	37	44

¹ Exclusive of part-time public-health nurses and those nurses who are employed on W. P. A. projects.

* "Rural" includes the open country and all places having a population of less than 10,000.

School health services continue to be a major part of the nursing program. In many sections of the country changes in this program are being started, the need for which has been indicated by studies made in this field. Fewer and more complete physical examinations throughout the child's school life are being given, and aftercare procedures adapted to the local community resources are being instituted. Definite plans for integrating health and education services, particularly in the health-inspection service, are being followed by teachers and nurses. Reports from the States show that more than 3,360,000 visits were made to or by public-health nurses in behalf of school children during the calendar year 1938.

The number of visits made by public-health nurses to or in behalf of maternity patients, infants, and preschool children in the calendar year 1938 was 30 percent greater than the number reported in 1937, whereas the number of visits for school nursing service increased only 13 percent. It has long been recognized that the services that the public-health nurses render to maternity patients, infants, and preschool children are of even greater ultimate value to the community than services rendered to the school-age group. The child who is born healthy and who is under continuous health supervision during infancy and early childhood has a good chance for normal health throughout his school years.

Maternity classes for expectant mothers are being organized in an increasing number of areas. When conducted competently and situated in accessible areas, they supplement medical supervision effectively and enable a large number of mothers to have nursing supervision during pregnancy.

In order to ascertain the administrative policies and the extent of the services that would be required in order to put into operation a more intensive program, including maternity classes, nursing assistance at delivery, and postpartum nursing care, each State has designated a limited area in which all or some of these services are available in addition to the usual clinic services and health-supervision programs.

In each year since 1936 annual plans and periodic reports have shown a steady increase in the number of State health agencies that have made definite arrangements for strengthening the nutrition aspects of the maternal and child-health program. For the fiscal year ended June 30, 1939, 24 States budgeted funds for the employment of

one or more nutrition consultants on the staffs of maternal and child-health divisions. In all but 1 of these 24 States at least 1 nutritionist was in service at last report. During the same year 4 States have used Federal funds for the additional training of nutritionists in maternal and child health. A significant development in nutrition services that is reflected only in part by State reports is the employment of an increasing number of nutritionists by county and city health units and by voluntary health agencies. In some instances the State health agency has given financial assistance to the local unit in the early stages of the nutrition program. Even when the entire cost of the service has been borne locally, the State nutrition consultant has usually been called on for guidance in planning the work and in selecting a well-qualified worker.

Strengthening of nutrition services has not been limited to the 23 States that are employing 1 or more nutrition consultants. Approximately a dozen additional States have laid the cornerstone for sound nutrition services by entering into active cooperation with other State agencies that are carrying on educational programs in nutrition.

Practically all the States are making mortality and morbidity studies, seeking the basic facts necessary in making future plans for improving the health of mothers and children. There were 157 such studies made in 46 States last year. The Children's Bureau has recently prepared a new record form for State or community studies of maternal or neonatal mortality. These record forms are accompanied by complete instructions for the organization and conduct of such studies.

The regulation and usually the licensing of maternity homes and hospitals are the responsibility of the State health agency in 16 States and of the State welfare agency in 19 States. Few, if any, of these State agencies have sufficient qualified personnel on their staffs to inspect annually every maternity home and hospital in the State. It is recognized that one of the greatest problems today in improving the care of maternity patients and newborn infants is the improvement of standards of care and equipment in the hospitals caring for these patients. The Children's Bureau assisted several States in drafting legislation empowering the State health agency to license and regulate maternity homes and hospitals.

Postgraduate training for the professional staffs of State and local health departments is being continued and will need to be expanded as additions to personnel are authorized. Opportunities for advanced study in maternity nursing have increased throughout the country and the Children's Bureau regional consultants are advising the States to select members of the nursing staff responsible for supervision and of staff nurses working in maternity demonstration areas to take these special courses. Three Negro nurses from two Southern States have completed the course in midwifery at the Lobenstine Clinic in New York. The States that have developed intensive programs for the care of premature babies have arranged to send nurses to institutions offering a special course in this field.

Programs of continuing in-service training for all public-health personnel in the State are being developed, though progress has not been rapid in this phase of the program. "Refresher" courses for practicing physicians are being replaced gradually by permanent short clinical courses given regularly in conjunction with medical

schools and larger teaching centers. Staff-education programs for public-health nurses, stressing maternal and child health and nutrition, have included introductory courses for new staff members, training centers, institutes, and manuals.

State budgets.—The ability of the States to match Federal fund-A allotments has increased from year to year. Thirty-six States were able to match in full in 1937, and budgets for 1939 showed 46 States able to match in full. Requests for allotments from fund B (matching not required) for 1939 exceeded the amount available by approximately \$300,000. Chart I shows the percentages of annual Federal allotments from fund A matched by the States in 1937 and 1939.

CHART I.—Percentages of annual Federal allotments of maternal and child-health funds matched by States in the fiscal years 1937 and 1939, Social Security Act, section 502(a).



BARs EXTENDING TO 100 PERCENT ON SCALE INDICATE THAT STATES REPRESENTED SUPPLIED MATCHING FUNDS IN THE AMOUNT OF 100 PERCENT OR MORE OF ANNUAL FEDERAL ALLOTMENTS

State budgets showed 130 full-time and 8 part-time physicians provided for on State maternal and child-health staffs, 253 full-time and part-time physicians provided for on local staffs, and 65 local medical consultants. Approximately 3,000 local practicing physicians were being paid from maternal and child-health funds to conduct prenatal clinics and child-health conferences. The salaries of approximately 2,800 public-health nurses were paid in whole or in part from maternal and child-health funds. Staff dentists and dental hygienists provided for in the budgets numbered 119. Forty-three nutritionists and 34 health educationists were included in the budgets. Postgraduate training for professional staffs was provided in 1938 for 10 physicians, 5 dentists, 1 nutritionist, and 274 nurses. More than 10,000 physicians attended postgraduate courses in obstetrics and pediatrics financed from maternal and child-health funds.

An analysis (as of November 1, 1938) of budgets in State plans for maternal and child-health services for the fiscal year 1939 including Federal, State, and local funds showed expenditures planned for the following purposes:

Amounts budgeted from Federal, State, and local funds for maternal and child-health services for the fiscal year ended June 30, 1939

[As of November 1, 1938]

Total from all sources-----	\$7, 270, 963. 10
Professional personnel and services-----	5, 859, 058. 41
Salaries and travel for 2,822 public-health nurses-----	3, 866, 382. 29
Fees to local practicing nurses for home-delivery service-----	21, 254. 51
Salaries and travel for 456 State and local staff physicians-----	1, 034, 489. 76
Fees to local practicing physicians for conferences, school medical examinations, and home-delivery service and consultation-----	316, 014. 14
Salaries and travel for 67 dentists, 52 dental hygienists, and 2 dental-health educators on State and local staffs-----	305, 341. 56
Fees to local dentists-----	88, 249. 04
Salaries and travel for 43 nutritionists-----	126, 245. 15
Salaries and travel for 34 health educators-----	101, 081. 96
Postgraduate education-----	243, 338. 14
Medical-----	146, 836. 14
Nursing-----	83, 951. 99
Dental-----	8, 765. 00
Health education-----	3, 115. 01
Nutrition-----	670. 00

Clerks, stenographers, and other nonprofessional staff; scientific supplies, equipment, publications, communication, and so forth... 1, 168, 566. 55

Federal administration.—No changes in Federal staff occurred during the year. Every cooperating State and Territory, except Alaska, was visited by a regional medical consultant and every State and Territory, except Alaska and Hawaii, by a public-health-nursing consultant. Thirty-two States (including the District of Columbia) were visited by the nutritionist. Because of the large number of units for which each staff member was responsible, the time spent in each State was very far from the time required to give the State agency the service that it needed and wanted. Twenty-two States

in which visits were made had less than 5 days' consultation from a medical consultant, and 8 States had less than 5 days from a public-health-nursing consultant. Field consultation was directed mainly toward improving methods of administration, stimulating extension of services, and improving existing facilities for providing maternal and child-health services. The Negro pediatrician on the staff of the Bureau was assigned to Georgia from August 1, 1938, to June 21, 1939, for postgraduate education of Negro physicians. He spoke before groups of Negro physicians in Louisiana, Texas, and California.

At staff meetings of the regional and office staff, assistance was given in discussing problems involved in developing the program by representatives of the Commonwealth Fund, the American Public Welfare Association, and pediatric and obstetric organizations.

Regional conferences of State maternal and child-health directors and State directors of public-health-nursing services were held in Providence, R. I., for the Northeastern States, and in Chicago for the Central States. A regional meeting of directors of public-health nursing was held in Portland, Oreg., in conjunction with the meeting of the Western branch of the American Public Health Association.

Recommendations concerning the selection, training, and compensation of personnel, including local practicing physicians paid for their services under the program, were adopted by the Advisory Committee on Maternal and Child-Health Services, which met December 3 and 4, 1938. The committee also made recommendations concerning the use by State administrative agencies of expert advice available through professional groups and especially qualified individuals. The committee adopted the following recommendation regarding hospital standards:

The committee recommends that the Children's Bureau take steps to secure the cooperation of various professional and administrative groups and of the State health departments in formulating standards for hospitals and maternity homes caring for mothers, infants, and children, and that attempts be made by securing effective State licensure of hospitals and maternity homes and by other means to establish and maintain hospitals which conform to acceptable standards of care for mothers, infants, and children.

These recommendations were submitted to the State health agencies by the Children's Bureau.

The State and Territorial health officers, in conference with the Children's Bureau on April 20, 1939, recommended that State or local personnel newly employed after June 30, 1939, and paid in whole or in part from maternal and child-health or crippled children's funds, should meet the minimum qualifications recommended by the State and Territorial health officers. They recommended further that where personnel are now employed who do not meet these qualifications additional training for them should be given precedence, whenever feasible, over new types of activities. Other recommendations adopted related to personnel and to the regulation of maternity homes and hospitals by the State health agencies or by these agencies in cooperation with State welfare agencies where they are given such authority. Representatives of the Maternal and Child Health Division of the Children's Bureau were appointed consultants and participated in meetings of the Committee on Records and Reports of the State and Territorial health officers and the Joint Committee on Professional Education

and Qualifications of Public Health Personnel of the State and Provincial Health Authorities of North America and the State and Territorial health officers.

Services for crippled children.

Poliomyelitis epidemic.—During the fiscal year 1939, as in previous years, the Crippled Children's Division has analyzed current reports received from the United States Public Health Service on the incidence of acute poliomyelitis throughout the United States. During the 6-month period ended December 31, 1938, it was encouraging to note a distinctly lower incidence of the disease than that recorded for the corresponding 6-month period during the preceding year. However, a distinct increase in the number of cases of poliomyelitis reported from South Carolina was noted in April 1939. Within a few weeks the number of new cases had reached epidemic proportions, and assistance from the Children's Bureau was requested by the State in meeting the situation. (See p. 133.) The Assistant Director of the Division was assigned to South Carolina to serve temporarily as director of the crippled children's division in the State department of health to develop a State-wide program for the diagnosis and treatment of children afflicted with acute poliomyelitis. From January 1 to July 1, 261 cases had been reported in this one State—one of the worst epidemics of this disease in the history of South Carolina. Besides rendering assistance to the State by providing a temporary full-time medical director of the program, the Division arranged for an additional allotment of Federal funds to the State to meet the increased needs during the epidemic.

Another area in which a sharp rise was noted in the incidence of poliomyelitis during the closing weeks of the fiscal year was California, where the total number of cases reported for the first 29 weeks of the calendar year 1939 was 207.

Inasmuch as poliomyelitis ordinarily is most prevalent during the late summer and fall months, it is anticipated that the total number of children afflicted with acute poliomyelitis during the calendar year 1939 may approach that of 1937, when approximately 9,500 cases were reported in the United States.

Progress in the States.—As of June 30, 1939, the types of State agencies administering services for crippled children were as follows:

<i>Agency</i>	<i>Number of States</i>
State health department.....	26
State welfare department.....	14
Crippled children's commission.....	5
State department of education.....	5
University hospital.....	1

The State and Territorial health officers, in conference with the Children's Bureau on April 20, 1939, recommended that State services for crippled children be administered by official State health agencies.

Marked increase in all types of service in the calendar year 1938 is shown in table 6.

Reports received from the States show continued progress in the extension and improvement of services for crippled children, especially those residing in rural areas and other areas of special need.

TABLE 6.—*Crippled children on State registers and services for crippled children, calendar years 1937 and 1938*

[Reported by official State agencies administering State plans under the Social Security Act, title V, part 2]

Item	Number reported		Percent change from 1937 to 1938
	1938	1937	
Crippled children on State registers at end of year ¹	164, 798	132, 826	+24
Services for crippled children: ²			
Clinic service (diagnostic or treatment):			
Admissions.....	98, 777	76, 811	+29
Visits.....	268, 786	193, 404	+39
Hospital care:			
Children under care during year ³	49, 308	42, 346	+16
Children under care at end of year.....	4, 017	3, 899	+3
Days' care provided during year.....	1, 631, 866	1, 323, 441	+23
Convalescent-home care:			
Children under care during year ³	6, 751	5, 358	+26
Children under care at end of year.....	1, 530	1, 054	+45
Days' care provided during year.....	500, 841	380, 405	+32
Foster-home care:			
Children under care during year ³	2, 067	1, 141	+81
Children under care at end of year.....	378	189	+100
Days' care provided during year.....	114, 240	57, 843	+98
Public-health-nursing service:			
Admissions.....	54, 201	⁴ 16, 531	
Field and office visits.....	243, 463	202, 351	+20
Physical-therapy service:			
Admissions.....	20, 283	⁵ 9, 920	
Field and office visits.....	343, 122	189, 147	+81
Social service:			
Admissions to case-work service by—			
Medical social workers.....	18, 294	⁴ 4, 773	
Other social workers.....	10, 412	⁴ 4, 688	
Vocational rehabilitation: Children referred for vocational services.....	4, 920	3, 654	+35

¹ Reports for 1937 were received from 42 States, Alaska, and Hawaii. Connecticut, the District of Columbia, and Texas, although participating, had no registers; Georgia, Louisiana, and Oregon were not participating; and Delaware did not report. For 1938 reports were received from 47 States, Alaska, Hawaii, and the District of Columbia; Louisiana was not participating.

² Reports for 1937 were received from 46 States, Alaska, Hawaii, and the District of Columbia; Louisiana and Oregon were not participating. For 1938 reports were received from 47 States, Alaska, Hawaii, and the District of Columbia; Louisiana was not participating.

³ Total of children under care at beginning of year and those admitted or readmitted to care during the year.

⁴ This increase is due partly to the fact that 8 more States reported this service in 1938 than in 1937. However, an increase occurred in more than 75 percent of the States that reported this service for both years.

⁵ Includes only admissions during latter half of 1937. Before that time separate reports on admissions to this type of service were not requested.

NOTE.—The figures in this table are known to be somewhat incomplete. Apparent increases from 1937 to 1938 may be due to an increase in the number of States reporting, to a real increase in the amount of service provided, to a difference in the number of agencies and institutions included in the reports, to a difference in the accuracy or completeness of reporting, to statistical errors due to variations in interpretation of terms, or to other factors. The figures on admissions and visits are fairly dependable as an indication of the amount of service provided, but, on account of inconsistencies in the methods used by the States in reporting, these figures should not be used for computing average visits per admission. The figures on services represent primarily those provided by the official State crippled children's agencies but include some services provided by other public and by private agencies.

The programs of service for crippled children begin with locating such children and listing them on State registers. Accurate and up-to-date registers are important to the States as a basis for State-wide extension of services, and to the Children's Bureau as a basis for allotment of funds. The Social Security Act provides for allotment of all funds except a uniform grant of \$20,000 to each State on the basis of the number of crippled children in need of the services and of the cost of furnishing such services to them. When the act went into operation no adequate methods for determining the number of crippled children and for keeping such information up to date were in operation. As one of the basic records required in the operation of the programs each State is expected to build up

and maintain a register of all resident children under the age of 21 years with crippling conditions included in the classifications of the approved State plan. The register is not to be limited to children accepted for care but is to include all crippled children diagnosed by a licensed physician.

Registration has not yet reached the point at which it can be used as a basis of allotment, but a number of States are approaching complete registration.

On the assumption that the 10 States showing the highest ratios of crippled children to population under 21 years have achieved approximately complete registration, it is estimated that there are in continental United States about 365,000 crippled children whose condition would bring them within the State programs. On June 30, 1939, the number of crippled children on State registers of 48 States, Alaska, Hawaii, and the District of Columbia was 224,289. Figures compiled for the children on the registers on June 30, 1938—a total of 146,506—showed that approximately 97 percent of those whose condition had been diagnosed by a licensed physician had orthopedic or plastic impairments resulting from congenital malformations such as cleft palate, harelip, and clubfoot; from birth injuries and cerebral palsy; from infectious diseases such as poliomyelitis, osteomyelitis, and tuberculosis of bone or joint; from accidents, and so forth. Ninety-one percent of the children on the registers were white, 7 percent were Negro, and 2 percent belonged to other races. The proportion of Negro children was somewhat less than the proportion in the general population under 21 years—10 percent—and this fact indicates that there probably is less complete registration of Negro than of white children.

Children under the age of 10 years make up 48 percent of the general population under 21 but only 40 percent of children registered as crippled. In New Jersey and Ohio, where information on birth injuries is included on birth certificates and used as a source of information for the crippled children's register, 14 percent of those on the register are under the age of 1 year, whereas in certain other States the proportion is less than one-half of 1 percent. The Bureau of the Census is cooperating with the Children's Bureau in calling to the attention of the States the importance of providing a place on birth certificates for recording birth injuries and congenital abnormalities.

The tendency to raise age limits in State eligibility requirements, noted last year, is continuing. Thirteen States have developed policies with reference to acceptance for care of children moving across State lines, and further progress in this direction is expected. In the majority of States no restrictions are made with reference to eligibility for diagnostic service.

Information obtained from State agencies indicates that in the fiscal year 1938, 296 permanent diagnostic clinics for crippled children, usually conducted in hospitals and medical centers, were in operation in 35 States. In addition, 572 itinerant diagnostic clinics were conducted in 38 States. Practically all the clinics were attended by local practicing physicians. Progress has been made in the clinic organization. Most of the clinics have included, in addition to orthopedic surgeons, medical consultants for special services and general physical examinations; medical social workers for consultation on social prob-

lems; physical-therapy technicians for muscle examinations and instruction of parents; State and local public-health nurses; and frequently child-welfare workers.

Approximately 545 hospitals were used during 1938 for the care of crippled children by State agencies, of which approximately 480 were approved by the American College of Surgeons. The standards recommended for hospitals by the Advisory Committee on Services for Crippled Children appointed by the Secretary of Labor have been used by State agencies in establishing their own hospital standards. The growing interest in the crippled children's program has encouraged increases in hospital staffs, the strengthening of the staffs, and the provision of much-needed equipment.

As a result of the policies outlined by the American Hospital Association and the American Public Welfare Association with respect to hospital care for the needy there has been better understanding between the hospitals and the State agencies with regard to the various problems involved in the hospitalization of crippled children through the use of public funds. An increasing number of hospitals have agreed to render hospital service on the basis of a uniform per diem rate, which includes all expenses except those for appliances and for surgeon's fees. Such rates have been based on the cost per patient per day of providing ward care. Members of the Crippled Children's Division of the Children's Bureau have had several conferences with representatives of the American Hospital Association regarding the development of services for crippled children throughout the country, particularly with reference to standards of hospital care, admission and discharge procedures, and hospital charges.

The number of children in convalescent homes at the close of the calendar year 1938 was 45 percent greater, and the number in convalescent foster homes 100 percent greater, than at the close of 1937. Experience has shown that foster homes can be developed satisfactorily for convalescent purposes only when the placement service is maintained by a child-welfare agency or with provision for close cooperation between child-welfare workers and medical social workers on the State staff. Medical and nursing supervision for children in foster homes has received special emphasis.

The States, increasingly, are recognizing that satisfactory aftercare service for crippled children, involving medical, social, nursing, and physical-therapy services, is dependent upon thorough understanding of treatment given, outcome anticipated, and recommendations for further care. More responsibility for direct service to children in their own homes is being placed upon local health and welfare units working in consultation with the State staff. Public-health-nursing consultants on the staff of the Children's Bureau have stressed the importance of local public-health-nursing service for diagnostic clinics and of aftercare guided by a well-qualified State consultant in orthopedic nursing. In some States staff members of the State agencies serve in the dual capacity of public-health nurse and physical therapist. Cooperation between State crippled children's services and child-welfare services is being strengthened. Ingenuity in the skillful use of existing resources and in encouraging the development of aftercare service has been shown in some States and local communities.

Limited facilities for education and for vocational guidance for handicapped children continue to result in a serious gap in the services essential for the ultimate adjustment of these children.

States are beginning to direct more attention to planning for the care of children not requiring hospitalization or operative procedure. About 75 percent of the crippled children examined at diagnostic clinics fall within this group. In most States the problems involved in providing continuous service for these children have not yet been solved.

Encouraging improvement has been made in the qualifications of the personnel employed by the State agencies. As State officials have come to look upon the work of the professional staff as making an essential contribution to the services rendered to the crippled child, instead of as administrative overhead, there have been increasing efforts to strengthen the staff both in numbers and in qualifications. Further recognition has been given to the need for medical direction of the crippled children's program in order to safeguard the quality of medical care. By June 30, 1939, the State services were being directed by a physician in 33 States as compared with 29 States in the preceding fiscal year. In addition, physicians have acted as assistant directors in 7 States.

State personnel, excluding medical directors and assistant directors but including practicing surgeons paid on a part time or fee basis, compiled from reports of State agencies, as of June 30, 1938, was as follows:

Surgeons -----	1 800
Public-health nurses -----	419
Physical-therapy technicians -----	82
Medical social workers -----	44
Social workers -----	26

¹ Approximate figure.

The State agencies have continued to use the standards established by national professional organizations for the selection of professional personnel, such as surgeons, public-health nurses, medical social workers, and physical-therapy technicians. More than 60 percent of the orthopedic surgeons rendering services in the crippled children's program have been certified by the American Board of Orthopedic Surgery.

In those States where the professional personnel already on the State staff did not meet the minimum qualifications established by the national organizations in their respective fields and in those States that were unable to obtain persons who met these standards, provision was made for further training of personnel at approved schools. Some qualified nurses were given the opportunity for training to equip them for more advanced positions. Several educational institutions have begun to offer programs of study in orthopedic nursing. A joint committee of the National League of Nursing Education and the National Organization for Public Health Nursing is preparing a syllabus for such a course. A number of States have prepared manuals of instruction, have given 1- and 2-day institutes, and have included discussion of orthopedic nursing at regular staff conferences and State and National meetings.

In 23 of the State agencies administering crippled children's programs public-health nursing is given through a specialized staff and

in 25 States through a generalized staff, which included consultants in orthopedic nursing.

In 1937 the Children's Bureau communicated with State and local agencies employing orthopedic nurses to ascertain whether they would be willing to lend members of their orthopedic nursing staffs to areas having an epidemic of poliomyelitis. All signified their willingness to cooperate, provided there were no special situations in their own communities. In May 1939, when the poliomyelitis epidemic in South Carolina became acute, two nurses from the special orthopedic nursing staff of the New York State Health Department and two from the Boston Community Health Service were lent to the South Carolina State Board of Health.

The New Jersey Crippled Children's Commission has completed a survey of orthopedic nursing in agencies administering public-health-nursing services. Data on the extent of orthopedic nursing included in public-health-nursing services throughout the State were obtained. Further plans for the extension of the services will be based on these findings. In turn, the agencies were made aware of the activities of the State commission and the result was a 28-percent increase in the number of agencies reporting crippled children to the commission.

Definite progress in developing the social aspects of the program, with special emphasis on the adaptation of such programs to conditions in rural areas, was apparent in many States. However, extension of social services included in State plans was not always accomplished. At the end of the fiscal year new positions for medical social workers in seven States that had been included in the budgets at the beginning of the year were still unfilled.

Consideration has been given in many States to the problems of integration presented by the development of a medical-care program with social implications within the framework of a State health department and its local health units. Effort has been directed toward drawing child-welfare workers into plans for providing the social services needed by crippled children.

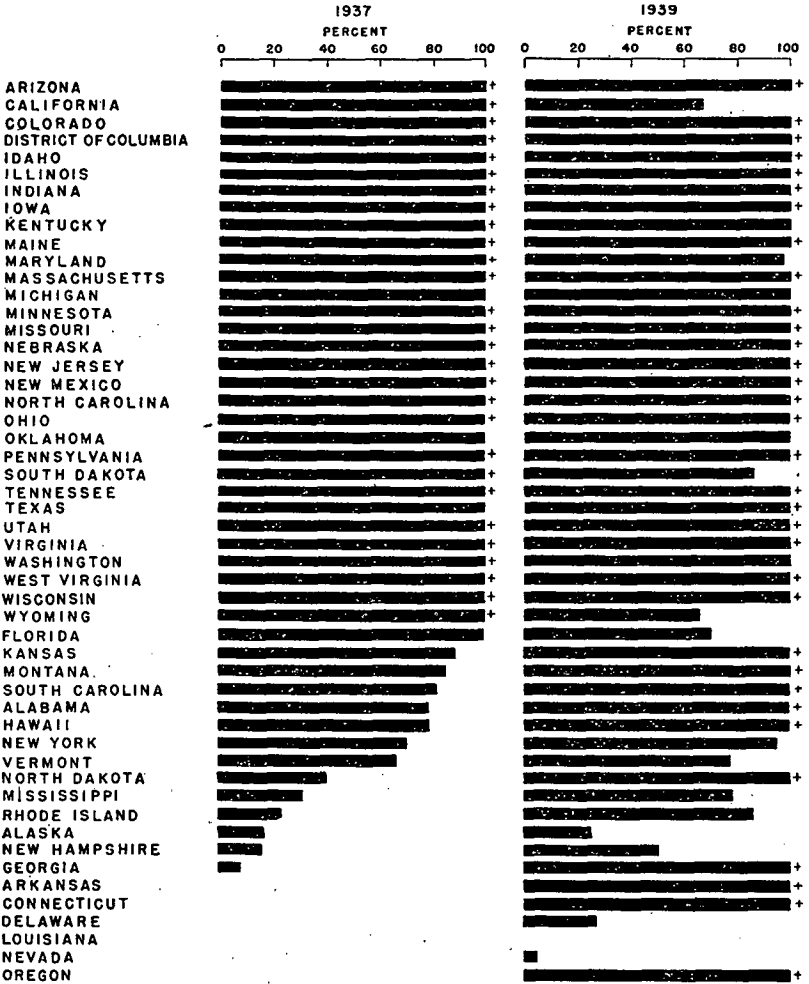
The use of State general and technical advisory committees on which the various professions and lay groups are represented is increasing. There has been improvement in relationships between the State agencies and the various professional groups serving crippled children, and the administrators of hospitals providing care for crippled children under the program.

State budgets.—Inasmuch as all Federal funds made available for services for crippled children require matching by State or local funds, it is encouraging to note an increased ability on the part of the States to take up the allotments made from Federal funds. Whereas only 32 States were able to match the full allotment in 1937, there were 37 States that matched all funds made available in 1939. Chart II shows the percentages of annual Federal allotments matched by the States in 1937 and 1939. Unrequested balances of Federal funds carried forward at the end of the fiscal year represent accumulated balances of funds which a number of States have not been able to match during the 2-year period ended June 30, 1939. On the other hand, many States requested Federal funds in amounts greater than those available.

A special fund has been reserved each year for allotment to States where there is evidence of special need, such as epidemics of infantile

paralysis, or where there is an increased number of crippled children in need of care, or the cost of providing such care is greater than average.

CHART II.—Percentages of annual Federal allotments of funds for services for crippled children, matched by States in the fiscal years 1937 and 1939, Social Security Act, section 512(a).



BARS EXTENDING TO 100 PERCENT ON SCALE INDICATE THAT STATES REPRESENTED SUPPLIED MATCHING FUNDS IN THE AMOUNT OF 100 PERCENT OR MORE OF ANNUAL FEDERAL ALLOTMENTS

CHILDREN'S BUREAU
UNITED STATES DEPARTMENT OF LABOR

Federal funds were budgeted under State programs for the employment of professional personnel, such as surgeons, public-health nurses, physical-therapy technicians, and medical social workers; for providing diagnostic services, hospital care, convalescent care, and other aftercare services; and for certain administrative costs.

Federal administration.—The staff of the Crippled Children's Division of the Children's Bureau remained unchanged during the year,

except for the addition of a medical social worker. Regional medical and public-health-nursing consultants and auditors serve both the Maternal and Child Health Division and the Crippled Children's Division, and consultation visits cover both programs. The two part-time orthopedic consultants visited Oregon, Washington, and Maine, and assisted the staff of the Children's Bureau in various ways. Four of the five regional units now have medical social consultants, and it is planned to add such a worker to the fifth unit in 1940. Visits by medical social consultants were made to 38 States, the District of Columbia, and Hawaii. A study of the Michigan State program for crippled and afflicted children was begun, at the request of the Michigan Crippled Children Commission, and a study of the medical social work in Freedmen's Hospital in the District of Columbia was made at the request of the United States Department of the Interior. The results of special studies of intake and discharge policies and procedures, made in the fiscal year 1938, were apparent in several of the States in which the studies were made. In these States action was taken to make effective recommendations growing out of the studies. Special efforts were made by medical social consultants to plan joint visits to the States with regional medical consultants, public-health-nursing consultants, and child-welfare consultants. Medical social consultants have held institutes on the social aspects of medical care and have participated in State conferences of social work.

Consultation visits with reference to statistical reporting of activities and services have been made to 17 States and the District of Columbia.

Conferences have been held with various private organizations with reference to cooperation in the development of State programs for crippled children. With the onset of an epidemic of poliomyelitis in South Carolina, a cooperative plan was worked out with the National Foundation for Infantile Paralysis whereby funds from that organization were made available to the State of South Carolina for conducting a special program for the diagnosis and treatment of children suffering from acute poliomyelitis. These funds were made fully available to the State and were used to match Federal funds requested, thereby making possible the development of a well-balanced program, which includes the services of orthopedic surgeons, pediatricians, and special orthopedic nurses, and provisions for hospital and aftercare services.

The Advisory Committee on Services for Crippled Children, at its meeting on December 2, 1938, considered all phases of the program and made recommendations relating to review of quality of care and to the development of diagnostic services, hospital care, and aftercare. It recommended that decisions concerning eligibility of children for treatment be based on the estimated cost of medical care in relation to the social and economic resources. It approved the recommendation of the Interdepartmental Committee's report on a national health program that increased funds be provided for the expansion of facilities for children crippled from orthopedic conditions and for the development of facilities to care for other types of physically handicapped children in need of prolonged or special care, with the proviso that continuation and further development of services for

children crippled from orthopedic conditions be adequately safeguarded.

Recommendations by the State and Territorial health officers, in conference with the Children's Bureau on April 20, 1939, related to coordination of maternal and child-health and crippled children's services and to qualifications of personnel. On these points recommendations covered both the maternal and child-health and the crippled children's program. (See p. 127.) Reference has already been made to the recommendation that State services for crippled children be administered by official State health agencies.

A total of 723 letters of appeal for aid to individual crippled children have been received from 45 States, the District of Columbia, Canada, Puerto Rico, Cuba, and Palestine. By far the largest number came from the eastern section of the country. Although the majority of appeals concerned children with orthopedic and plastic impairments, letters were received in behalf of children suffering from eye, ear, and speech defects, and from tuberculosis, diabetes, mental retardation, and heart disease. The type of aid desired was varied and included the following: Diagnosis; medical and hospital care; medicine and special food; education; vacation at summer camps; treatment at Georgia Warm Springs Foundation; assistance from President's Birthday Ball funds and the National Foundation for Infantile Paralysis; pensions, compensation for injuries, and other financial aid; transportation; advice and general information regarding the crippled children's program.

All the appeals have received individual consideration. Efforts have been made to secure needed assistance either through the official State agency or through the appropriate resource in the State. Excellent cooperation has been received from State and local agencies.

Child-welfare services.

Progress in the States.—State and local staff, full time and part time, employed in the child-welfare-service program in the States on June 30, 1939, and on the corresponding date in 1938, is shown in table 7.

In 45 States 394 child-welfare workers were assigned to 468 counties, working under local welfare boards or welfare officials or under the State welfare department.

Another group of 53 workers under the direct supervision of the State department were doing some case work in districts covering a number of counties as part of their work in developing interest in obtaining a local worker and in participating in a general child-welfare program. Such service was being given in approximately 690 counties in 8 of the 45 States previously mentioned. Twelve workers had been assigned to 10 areas, including 153 towns in 4 New England States and Alaska where all local welfare activities are on a town rather than a county basis.

A total of 459 child-welfare workers were working in county or other local areas in 1939; giving intensive case-work services in 478 areas and more scattered services in 690 areas. This represents an increase of 56 child-welfare workers over the fiscal year 1938.

There is a clearly defined trend toward the establishment of merit and civil-service systems within the States. When such systems are

initiated the Children's Bureau has taken the position that all the workers in the child-welfare programs, including those paid in whole or in part from Federal funds, should be included.

TABLE 7.—*Child-welfare services—State and local staff, full time and part time*

Staff	June 30, 1939		June 30, 1938	
	Full time	Part time	Full time	Part time
Total.....	713	191	631	186
State.....	276	101	249	95
Professional.....	202	82	179	66
Clerical.....	74	19	70	29
Local.....	437	90	382	91
Professional.....	383	76	333	70
Clerical.....	54	14	49	21

In October 1938 two members of the Children's Bureau Advisory Committee on Community Child Welfare Services, Dr. C. C. Carstens and H. Ida Curry, met with the staff of the Child Welfare Division for the purpose of discussing certain legislative and administrative questions which would undoubtedly be raised in the States in 1939, when most State legislatures would be in session. As a result of this conference, the following memorandum was prepared by Dr. Carstens and Miss Curry for the use of the members of the staff of the Child Welfare Division in their discussions with the States:

Whenever practicable, there should be a children's bureau or children's division in each State department of welfare in which should center all State child-welfare functions. Such bureaus should operate under budgets segregated from other public-welfare budgets.

Two trends are strongly marked at present in the field of child care—

(1) the localization in county units of responsibility for and the administration of foster care (as opposed to direct State care); and

(2) a recognition that except when correction or compulsion is required, child-welfare services can be given more effectively by an administrative agency than by a judicial agency.

These principles suggest the following as among the important functions of a State bureau of child welfare:

1. Developing, supervising, and stimulating local public child-welfare services.

2. Stimulating the development of both public and private resources now lacking which are necessary for a complete children's program, and exercising leadership in the development of standards for the care of children.

3. Safeguarding the well-being of all children dependent upon public and private agencies for support or care by exercising supervision over all public and private foster institutions, child-placing agencies, and boarding homes; through leadership in the development of public and private children's programs throughout the State, both on the State level and in the cities and various local units of administration; and in determining the services to be rendered by each.

4. The oversight of the bureau (State) should be extended, directly, or in cooperation with other appropriate State departments, to children who are mentally deficient, blind, or crippled; those born out of wedlock; those on probation or parole; and to all others requiring specialized services, as well as to children under foster care, and should include the safeguarding of adoptions and developing satisfactory adoption practices.

5. In the absence of adequate local private or local public child-placement services it may be necessary for the State department to have concurrent authority to accept children into its own care. The responsibility for the placement of children should, however, as rapidly and as completely as possible, be laid upon the local units.

6. The children's bureau (State) should cooperate to the fullest extent possible in making the aid-to-dependent-children program and all other assistance programs effective instruments for child welfare.

Since the Social Security Act went into effect (February 1936) there has been a marked increase in the number of States that have set up within the public-welfare administration a division for the administration and supervision of child-welfare activities. There are now child-welfare divisions or divisions having definite responsibility for services to children in 40 States, as compared with 27 in 1936. Great variation still exists in the amount of responsibility which these divisions have been legally authorized to assume, particularly in regard to the stimulation of local organization for preventive and protective services on a State-wide basis. There has been some increase, too, in the number of States in which county departments of welfare have been given legal responsibility for services to children: 13 in 1937 and 4 in 1939. During the 1939 legislative sessions a number of States increased their appropriations for the care and supervision of children and made increased provision for participation in State and local child-welfare programs, especially in rural areas.

The greater proportion of service given by child-welfare workers is to children in their own homes; children in danger of becoming delinquent because of their environment; children who present conduct problems in the school, the home, or the community; children in need of treatment or special training because of physical handicaps; mentally defective children for whose care plans have to be made; and children whose home conditions threaten their physical or social well-being. The provision of boarding home and other foster care generally has not played a large part in the child-welfare-service program.

As in previous years, the services of child-welfare workers have been made available to public assistance and relief agencies, health agencies, and agencies responsible for services to crippled children. In the 4 years since the passage of the Social Security Act, Federal, State, and local cooperation has resulted in a gradual coalescence of all services for children in the rural areas where child-welfare-service funds have been used. This is as it should be, since the objective of the legislation is not to inject a new and separate program into the existing administrative structure but to help States and local communities carry out their legal and moral responsibilities for the care and protection of children, particularly in those areas where there has been lack of any resources except when conditions became so acute that juvenile-court action and commitment to institutions appeared to be the only solution.

The trend toward localization of responsibility for the care and protection of children has continued. Some States whose original plans for administration of local child-welfare services were on a district basis have now decided that quality of service cannot be safeguarded when the local workers are covering too large an area. Demonstrations of local services for children which were originally financed entirely from Federal funds for child-welfare services have, in many instances, created sufficient interest so that State and/or local funds have been made available either for taking over the unit or for paying a substantial part of the worker's salary and travel.

There has been increasing acceptance of the principle that protective and preventive services for children can be fully effective only to the extent (1) that such services are provided throughout the State; (2) that they are available at an early stage of family difficulty; and (3) that there is continuity of treatment by qualified personnel. State and local departments of welfare are recognizing the importance of equipping themselves to give service to children in families, whether or not they receive public assistance, that cannot provide the guidance, understanding, and care their children need.

The statement of policies on training issued by the Children's Bureau in July 1937 has been followed generally by States in developing their plans for training personnel. One or more of the following procedures have been included in the plans of most of the States:

1. Staff supervision for the purpose of improving quality of service through providing more adequate supervision of workers.
2. Educational leave to qualified persons for attendance at recognized schools of social work.
3. Establishing specially staffed local training units for orientation of new workers, for intensive training of workers brought into the unit from other counties, and for field work for a limited number of students of social work, usually those regarded as potential child-welfare-service workers.
4. Arranging conferences, institutes, or discussion groups for the entire child-welfare staff for a limited period and providing a leader from outside the staff. These institutes have been for the purpose of orientation and have been regarded only as a means of getting perspective on the job.
5. Granting occasional leaves of absence to qualified persons to enable them to go to a selected specialized agency for several months as a means of improving their case-work practice.

Fourteen States have been providing in whole or in part through child-welfare-service funds for a supervisor or director of training as a means of improving the quality of service to children in local communities. In other States the child-welfare supervisors and case consultants are training workers through supervision of case-work practice and through regional or staff meetings.

Since February 1, 1936, plans for child-welfare services have included provisions for educational leave for 256 persons from 35 States and Hawaii. The number of students from any one State has varied from 1 to 12. The amount of money set aside for this purpose in 1939 totaled \$92,735. Nine States provided for training units in their plans for child-welfare services for the fiscal year 1939. Depending upon the legal structure for administration of public-welfare services, these units are either part of the regular local public-welfare units or are local child-welfare units. A high quality of supervision has been provided in order that the unit may be used for the purpose of orientation of child-welfare-service workers who are assigned to rural areas. The number of workers assigned for the orientation period is small, never more than 4 at any one time, and the period spent in the units varies from 2 to 6 months.

Six of the training units were so located that they were available for field-work training for students attending schools of social work. In such units Federal funds were used only to pay salaries of supervisors of field work, who functioned as members of the local staff and who were responsible to public-welfare officials. Three of the units had no connection with a school of social work but were used entirely as a means of improving the competence of local staffs by giving them

intensive supervision in a situation protected against too heavy a case load and other job pressures.

Five States included provisions for institutes in their plans for the fiscal year 1939. Institutes are recognized as a means of increasing competence on the job through the discussion method but not as taking the place of professional education. In Vermont and Minnesota the State agency made it possible for a worker to have a "refresher" period with an accredited child-welfare agency.

There is no doubt that the emphasis placed on qualified personnel in the child-welfare-service program and the encouragement to staff members to secure additional training have meant and will mean improved services to all children under the care or supervision of State and local public-welfare departments.

Federal administration.—The staff of the Division includes the Director, the Assistant Director, five regional consultants, and a specialist in child-welfare problems among Negroes. Major responsibility for working with the States is carried by the five consultants; the Director and the Assistant Director also give a limited amount of field service. The consultant on Negro child-welfare problems has given service in States that are devoting particular attention to the needs of Negro children in their programs of child welfare.

By the terms of the Social Security Act plans for child-welfare services must be developed jointly by the State agency and the Children's Bureau. Joint planning presupposes a knowledge on the part of the Division staff of existing legislation in each State relating to the care and protection of dependent and neglected children and children in danger of becoming delinquent and of the extent to which child-welfare programs in the States are adequate to meet the responsibilities for children imposed by law and other needs of children. The staff must also know the organization of the State department of welfare in which the administration of child-welfare services is placed and functional relationships within the department. Such a background is essential for those who consult with State departments on the best methods of integrating preventive and protective services for children in rural areas into the total State child-welfare program. The Division has recognized, too, that plans must vary from State to State because of differences in existing public-welfare programs and the child-welfare aspects of such programs. The emphasis that has been placed upon standards of personnel and performance has resulted in gradual improvement of standards of service for all child-welfare activities whether financed by Federal, State, or local funds.

In August 1938 the States were asked to prepare summaries of developments in their child-welfare-service programs during the past fiscal year. These summaries included a brief statement of the status of the child-welfare program when child-welfare services were initiated, progress made in the development of the program, special activities undertaken, community participation, and so forth. These reports will be included in a publication to be issued in the fiscal year 1940. Reports covering State and local staff paid in whole or in part from Federal funds were requested from the States as of January 3, 1939, and June 30, 1939.

During the past fiscal year the consultant on Negro child-welfare problems has given intensive service in the States of Alabama, Kentucky, Tennessee, and Virginia, and in the District of Columbia.

In Alabama consultation service was given to the State department of welfare with reference to services to Negro children in county welfare units and, after careful observation of services for Negro delinquent children in Mobile County, recommendations were made to the department for the improvement of such services and the better coordination of treatment facilities in the community. Advisory and consultant service was given to the State department of welfare in Kentucky concerning the program for dependent and neglected children and children in danger of becoming delinquent. In Tennessee a study was made of the program and facilities for Negro delinquent girls, and recommendations were made which centered around a new plant that would have better facilities for treatment services.

In Virginia a preliminary review was made of the advantages of installing case-work services in the Industrial School for Negro Girls, and as a result a demonstration of such service is to be undertaken. Assistance was given in the District of Columbia in evaluating the program at the Industrial School for Negro Boys in connection with the study of the District's child-welfare program which was made during the year. The consultant has observed programs in several State training schools for Negro girls, has participated in institutes on child care and protection, has made contacts with colleges and universities interested in social programs for Negro youth, and has kept closely in touch with other national organizations that are interested in developing resources for the care and training of Negro children.

Members of the staff of the Child Welfare Division have participated in State conferences of social work, meetings of State and local advisory groups, and meetings of lay groups interested in child welfare.

The Special Advisory Committee on Training and Personnel for Child Welfare Services, which serves both the Children's Bureau and the public-assistance program of the Social Security Board, met on January 29, 1939, during the time of the annual meeting of the American Association of Schools of Social Work. A report was submitted to the committee by the Child Welfare Division in two sections, one on administrative policies in regard to training and the other on State developments in improving quality of service to children, including the opinions of students receiving educational leave through Federal funds regarding the strengths and weaknesses of their school experience.

The Committee on Case Recording, which under the leadership of the Assistant Director of the Child Welfare Division is concerned with the development of case records for public agencies, met in February in New York City and in June in Buffalo. The following States are now represented in the committee membership: Connecticut, Florida, Indiana, Louisiana, New Jersey, New York, Oregon, Pennsylvania, and Wisconsin.

**ADMINISTRATION OF THE CHILD-LABOR PROVISIONS OF THE FAIR
LABOR STANDARDS ACT OF 1938**

Responsibility for administering the child-labor provisions of the Fair Labor Standards Act, approved June 25, 1938, and effective October 24, 1938, was placed in the Children's Bureau. Section 12 (b) of the act provides as follows:

The Chief of the Children's Bureau in the Department of Labor, or any of his authorized representatives, shall make all investigations and inspections under section 11 (a) with respect to the employment of minors, and, subject to the direction and control of the Attorney General, shall bring all actions under section 17 to enjoin any act of practice which is unlawful by reason of the existence of oppressive child labor.

The term "oppressive child labor" was defined in section 3 (1) as meaning a condition of employment under which (1) any employee under the age of 16 years is employed by an employer (other than a parent employing his own child under 16 in an occupation other than manufacturing or mining), or (2) any employee between the ages of 16 and 18 years is employed in any occupation which the Chief of the Children's Bureau shall find and by order declare to be particularly hazardous for the employment of children of such ages or detrimental to their health or well-being. Employees between 14 and 16 years may be employed in occupations other than manufacturing or mining if and to the extent that the Chief of the Children's Bureau determines that such employment is confined to periods that do not interfere with their schooling and to conditions that do not interfere with their health and well-being.

Section 12 (a) prohibits the shipment or delivery for shipment in commerce (interstate and foreign) by any producer, manufacturer, or dealer, of any goods produced in an establishment situated in the United States in or about which within 30 days prior to the removal of such goods therefrom any oppressive child labor has been employed. In other words, the legal standards which the Children's Bureau is called upon to enforce for industries producing goods for interstate commerce are a basic minimum age of 16; the regulation of the employment of children 14 and 15 years of age in limited occupations other than manufacturing or mining; and the protection of minors 16 and 17 years from hazardous and injurious occupations. The 16-year minimum age is set by the law; as to the conditions of employment to be permitted for children 14 and 15, and the hazardous or injurious occupations to be prohibited for those 16 and 17, the law sets up the general standard and places upon the Bureau the duty of defining the specific terms that accord with that standard. Thus, as regards the employment of children under 16, the Bureau defines the conditions of work which will not interfere with schooling, health, or well-being, and as regards employment of minors 16 and 17, the Bureau determines what occupations are especially hazardous for their employment or detrimental to their health or well-being.

For many years the Industrial Division of the Children's Bureau had been making studies, developing current reports from States and localities showing the trend in child labor, and giving consultation and advisory service in matters relating to the employment of minors. Responsibility for the new duties placed upon the Bureau by the Fair Labor Standards Act was assigned to the Industrial Division, which

was reorganized and enlarged so as to be an effective instrument for the discharge of both administrative and research functions.

Plans for administration of the child-labor provisions of the Fair Labor Standards Act were made with full recognition of the importance of the original research functions of the Division. The Division was committed to the principle of administering Federal child-labor standards in such a way as to stimulate State standards and to strengthen the administration of State child-labor laws.

The treatment of the new aspects of old child-labor problems has been based on the theory that enforcement of a child-labor law requires a comprehensive knowledge of child labor and a realization that what happens to the working child is an integral part of the whole program for the welfare of youth. It was believed that the administration of the Federal provisions should not be a new and independent effort to control child labor by establishing machinery which duplicated and possibly was in conflict with State organization, but rather should provide a means for encouraging State initiative and for strengthening the protection given to the working children by State laws. The Division therefore has directed its work toward formulating cooperative plans for dealing with practical problems of administration and toward demonstration of such methods by representatives of the Children's Bureau.

The enforcement program as it was planned and as it has been developed during the past 8 months has a threefold aspect: First, preventive, through making available for employers a method of obtaining proof of the ages of their minor employees; second, fact-finding and standard-setting, through the determination, on the basis of research, consultation, and hearings of standards for protecting workers 16 and 17 years of age from hazardous occupations and for authorizing the employment for children 14 and 15 years of age in occupations and under conditions which would not interfere with their health and well-being; and, third, educational and punitive, through acquainting employers with the standards with which they should comply and the methods offered for their protection, and through the discovery and correction of violations of those standards by inspection of places of employment and by legal action when necessary.

Certificates of age.

The basis for the preventive aspect of the Bureau's administrative program was laid in the act itself. The act recognized the importance of the system of issuing certificates that had been found necessary in the administration of State minimum-age laws by providing that certificates of age kept on file by an employer for his minor employees, showing them to be above the oppressive child-labor age, would be accepted as evidence that he was complying with the child-labor standards of the act. By specifying further that the certificate be issued and held pursuant to regulations of the Chief of the Children's Bureau, the act made possible the development by the Bureau of standards for good certification methods. By providing that the Chief of the Children's Bureau, with their consent and cooperation, might utilize the services of State and local agencies charged with the administration of State labor laws, the act made available as a basis for administration the systems of certificate issuance already existing in the States. This last provision made unnecessary the setting up of a system of issuance of

certificates of age by Federal officials throughout the country—a system which would have been both impracticable, in view of staff limitations, and contrary to the policy of utilizing Federal standards to improve and encourage State standards.

The program followed by the Bureau included the development of adequate standards for the issuance of certificates of age; the designation of certain States whose certificates would be accepted as evidence of age under the Federal act; obtaining the cooperation of the States in developing their procedures so as to make possible such acceptance of their certificates; and the issuance of Federal certificates in States where an adequate certification system was not available. This plan was essentially the same as that followed by the Bureau in the administration of the first Federal child-labor law, more than 20 years ago. It is more practicable now because of improvements in State child-labor standards and enforcement methods since that time.

Standards governing the form of the certificates for the protection of the employer under the act and the manner in which such certificates should be issued were incorporated in Child-Labor Regulation No. 1, issued on October 14, 1938. This regulation specified what evidences of age would be accepted for the issuance of a certificate of age under the Fair Labor Standards Act, gave the order of preference for accepting that evidence, and set forth the content of the certificate.

Decision regarding the acceptance of State certificates required evaluation of the legal and administrative standards governing State certificate issuance in the light of the Federal standards already formulated. The information which the Bureau had at hand in regard to the provisions of State laws for certificate issuance and their administration and in regard to local systems of issuing employment certificates was supplemented by visits to issuing offices in the summer and fall of 1938.

It was found that all except 5 States had in operation some kind of State-wide system for issuing employment certificates, and in these States cooperation was requested of the official or officials responsible for the supervision of employment-certificate issuance or of the official whose duties were most closely related to the certification system. The response to these requests was most gratifying. By October 24, 1938, the effective date, 35 States and the District of Columbia had expressed willingness to enter into a cooperative agreement and had been designated officially as States in which State employment and age certificates and permits would have the same force and effect as Federal certificates of age.

Six other States were designated in the early part of November after visits had been made to clear up certain difficulties, and 1 more State was designated in January, so that 42 States and the District of Columbia had been designated for the first 6-month period after the effective date of the act. All these designations were renewed on April 24, 1939, for the period ending November 1, 1939. The only States that had not been so designated by June 30, 1939, the end of the fiscal year, were: Idaho, Iowa, Louisiana, Mississippi, North Dakota, and Texas.

It was necessary, in the period during which plans for State designations or the issuance of Federal certificates were being completed, to make provision for the 13 States that had not been designated by October 24, 1938, when the act went into effect. For this purpose a

temporary regulation was issued under which employers in these States were protected if they had on file "a birth certificate or attested transcript thereof or signed statement of the recorded date and place of birth issued by a registrar of vital statistics or other officer charged with the duty of recording births; or a record of baptism or attested transcript thereof showing the age of the minor."

In developing these plans visits have been made to both State and local officials in almost every State. More than a hundred visits have been made to State supervising or issuing offices. These have been supplemented by a large number of visits to local issuing offices for the purpose of explaining the program and obtaining cooperation, particularly in rural districts when information was obtained through inspection or otherwise that difficulties had arisen in connection with obtaining certificates of age. As a result, many changes have been made in State methods of issuance in order to strengthen the operation of State laws as well as to facilitate the administration of the Federal law.

At the close of the fiscal year Federal certificates of age were being issued in two States—Idaho and Mississippi. In Idaho the superintendent of public instruction was commissioned as a special agent of the Children's Bureau to issue these certificates; he is assisted by the local school superintendents. In Mississippi the Children's Bureau issues Federal certificates of age from its office at Jackson, in cooperation with the State department of health (which enforces the State child-labor law), the State department of education, and the county superintendents of schools. Four States—Iowa, Louisiana, North Dakota, and Texas—were still operating under the regulation providing that employers may protect themselves from unintentional violation by obtaining birth certificates or baptismal certificates for their minor employees. However, plans were well under way for developing procedures in these States.

In the program for acceptance of State certificates it was necessary to make certain that certificates would be issued for every employer in the State who wished to avail himself of the protection offered by the act and that such certificates would be issued on request for minors between 16 and 18 years of age and for minors 18 years of age or over whenever employers were doubtful about their ages. In some States regular employment certificates were issued for all working children up to 18 years of age, and in these States the employment certificates could readily serve as Federal certificates of age under the Fair Labor Standards Act. In others the certificates issued for children 16 years of age or over under the State law were merely State certificates of age, and in many States they were not mandatory but were issued on application of employers or employees.

After the designation of the States by the Children's Bureau, and as a result of publicity on the child-labor provisions of the Fair Labor Standards Act, there was increased demand by employers for certificates of age in States where employment certificates were not mandatory under State law for all employed children under 18 years of age. In many of these States new forms were printed and instructions were sent to local issuing officers by the State officials. These changes were usually made after consultation with the Children's Bureau. In several States this procedure marked the first time that

a State department had issued instructions to local issuing officers or had made any effort to supervise their work. Even in some States where the law requires employment certificates for children up to 18 years of age and where the standards set by State laws have been substantially those set by the Children's Bureau there has been little supervision of the large number of local issuing officers. Inspections and visits made by Children's Bureau staff in these States show the need for such supervision to raise administrative standards, and plans are being worked out in cooperation with the State agencies to improve this situation.

One of the most important advances in procedure has been the obtaining of more reliable evidence of age before an employment or age certificate is issued. Both State and local officials are coming to realize the importance of birth certificates as the best evidence, and assistance has been given by the Division's consultants in setting up the procedure necessary to obtain such certificates promptly. Visits to State and county bureaus of vital statistics have resulted in agreements to furnish official verification of age without cost in some States where a fee is charged for official transcripts of birth records. Care has been taken to avoid duplication of work or conflict with the work of State departments of labor or education. Visits to local officers or other persons in the States are always made by special arrangements with the State office cooperating with the Bureau, and reports of findings are made to that office.

The response to the program on the part of State officials has been most encouraging. In general they have felt that the Federal act has been of great assistance to them in developing and carrying out procedures for obtaining better compliance with their own State laws. Improvement of State legislation relating to employment certificates and further strengthening of State administration are needed in many States.

Employment of children between 14 and 16 years of age.

An important modification of the basic 16-year minimum-age standard of the Fair Labor Standards Act is the provision that the Chief of the Children's Bureau may determine in what kinds of work and under what conditions children between 14 and 16 years of age may be employed in nonmanufacturing and nonmining occupations without interference with their schooling, health, or well-being. Realizing the danger of hampering seriously the effectiveness of the 16-year minimum-age provisions of the act by exceptions, the Bureau has given careful consideration to the restrictions that should be placed upon the employment of children of 14 and 15 if their work is not to interfere with their normal physical and mental growth or with their educational opportunity. The procedure followed in making these determinations includes a study of existing information, consultation with persons qualified and interested in the field, and public hearings.

Regulation No. 3, issued in final form on May 8, 1939, is the result of such consideration. It excludes children between 14 and 16 years of age entirely from manufacturing, mining, or processing occupations and from work that takes them into rooms where the manufacturing, mining, or processing is carried on; from work on power-driven machinery or hoisting apparatus; from the operation of

motor vehicles or service as helpers on such vehicles; and from public-messenger service. It also provides that, as determinations are made by the Bureau of occupations especially hazardous for minors 16 and 17 years of age, the same prohibitions shall automatically apply to 14- and 15-year-old children, as the law obviously contemplates an 18-year minimum age for such employment.

Conditions of employment are set up for the types of work that are subject to the law and that remain open for children between 14 and 16. Hours of employment during weeks that school is in session are limited to those outside school hours and to a maximum of 3 hours a day and 18 hours a week. During vacation periods a maximum of 8 hours a day and 40 hours a week is permitted. Restrictions on employment at night for children of this age group are set up by the requirement that their hours of work must fall between 7 a. m. and 7 p. m., except in the distribution of newspapers, which is permitted as early as 6 a. m. and, during the 6 months from April through September, as late as 8 p. m.; however, these deviations from the normal 7 a. m. to 7 p. m. hours are not allowed for a child who distributes newspapers both before and after school.

Standards respecting hours of labor and night-work prohibitions were set up in a temporary regulation issued on October 21, 1938, and in a modification of that regulation proposed at a public hearing on February 15, 1939. Regulation No. 9 represents a compromise between these standards and the standards proposed at the hearing, at which testimony was presented by representatives of organizations especially interested in child welfare, by labor and employer organizations, and by State labor departments, as well as by physicians, school officials, employers, and workers. At this hearing stress was laid upon the fact that children between 14 and 16 need protection against fatigue and sufficient time for normal recreation and sleep. On the basis of the testimony presented the 6 a. m. beginning hour for work set in the proposed regulation was changed to 7 a. m., with the exemptions noted above, and an 18-hour limitation was placed on hours of work per week during weeks that school is in session.

Experience under this regulation will be studied with a view to determining the extent to which it affords children effective protection and the modifications which may prove to be necessary.

Determination of hazardous occupations.

In discharging the duty of determining which occupations are especially hazardous for the employment of minors between 16 and 18 years of age or detrimental to their health or well-being, the Bureau realized that it was necessary to develop a procedure that would observe all requirements for due process under the Constitution and meet the standard of fairness to all interested groups which is basic to effective administration of the act. The essential steps in the procedure finally determined upon are set forth in Regulation No. 5, and are, briefly:

1. Investigation and conference, together with assembling existing data on the occupations or groups of occupations under consideration, investigation of conditions, if necessary, and conference with experts, employers, and workers.

2. Formulation of a proposed finding and order, notice of which is sent to interested persons.

3. Public hearing on the proposed finding and order and a rehearing if the proposed finding and order is to be revised substantially.

4. Promulgation of final finding and order, which is published in the *Federal Register*.

It was recognized that an advisory committee of qualified persons would be of great assistance in the development of a sound and reasonable program. A few days before the effective date of the act a preliminary conference was held to plan for such a committee. The conference approved the general plan of procedure later formulated in Regulation No. 5 as well as the plan for the appointment of an advisory committee, the functions of which would relate to methods of procedure and policy. The conference suggested that in addition to appointing a permanent advisory committee³ the Bureau should call upon specialists and persons interested in the various fields under consideration for the technical services necessary for the development and drafting of specific orders.

Recognizing the great difficulty in obtaining specific and comprehensive information regarding occupations hazardous for minors on the basis of existing data, the group expressed the opinion that there would be adequate grounds for a finding if accident rates showed a particular occupation to be hazardous for workers of all ages, in view of the fact that it is well established that the adolescent worker does not have the maturity of judgment and has not developed the habits of caution which are more generally characteristic of older workers. It was agreed also that for certain commonly acknowledged hazards findings might be based upon the opinion of recognized experts in the absence of adequate statistical data. The conference also expressed the hope that this program for the determination of occupations hazardous for minors would serve as an impetus to the development of better statistics on accident causes and would result in a wider body of knowledge of occupational hazards for minors and for workers of all ages.

Manufacture of explosives.—In selecting the first group of industries to be studied, it was deemed necessary, in view of the very small staff available for the work, to select a field that required relatively little analysis of the technical nature of the various occupations. It was believed, also, that the first order promulgated by the Bureau should apply to occupations easily recognized as hazardous, to which an 18-year minimum age had already been applied in some State laws. On this basis the manufacture of explosives, ammunition, and fireworks was selected as the first industry to be studied. A report and recommendations regarding the hazardous nature of this industry were submitted to the Chief of the Bureau. They were based upon published and unpublished material and upon the experience of persons directly connected with the industry. In the light of information and advice received from employers and others, no systematic field investigation of conditions existing in industrial plants was

³This committee has been appointed by the Secretary of Labor. Its membership includes representatives of the American Standards Association, the National Safety Council, the American Mutual Liability Insurance Co., the National Conservation Bureau, the Children's Clinic, New York Hospital, the Wisconsin Industrial Commission, the New York State Department of Labor, the National Child Labor Committee, the Congress of Industrial Organizations, Industrial Relations Counselors, and the American Federation of Labor, and Government advisers representing the United States Public Health Service and the Bureau of Labor Statistics and the Division of Labor Standards of the United States Department of Labor.

thought to be necessary. The report showed that workers in plants manufacturing explosives and articles containing explosive components are especially subject to accident hazards from explosion and that accident-severity rates and workmen's compensation experience show relatively high injury costs for workers in such plants. It was found to be the policy of leading manufacturers to observe an 18-year minimum age for employment even in States where such a standard is not legally required. The proposed finding and order applied to "occupations in or about plants manufacturing explosives" and included definitions of the terms "plant manufacturing explosives" and "explosives." The latter term included ammunition, blasting caps, and fireworks as well as black powder and high explosives.

At the hearing on the proposed finding and order no specific objection to the 18-year minimum age was made, but representatives of the firms manufacturing black powder and high explosives objected to being grouped with manufacturers of fireworks. A revised proposal was issued modifying the terminology to meet these objections so far as possible. The order as revised and finally issued on May 18, 1939, applied to "all occupations in or about any plant manufacturing explosives or articles containing explosive components" and used the same definition for "explosives or articles containing explosive components" as had been used for "explosives" in the first proposal.

Employment of minors on motor vehicles.—The second occupational group selected for study included the work of driving motor vehicles or serving as helper on motor vehicles. In contrast to the first group of occupations studied, which covered all occupations in a group of closely related industries, this second group comprised two closely related occupations that are found in a great variety of industries. It was thought desirable to undertake such an occupational study early in the program in order to demonstrate that the basic approach to the problem of hazardous occupations is by occupation rather than by industry. Work on motor vehicles is a field in which there is considerable precedent for the application of an 18-year minimum-age standard. Available accident and compensation statistics indicating the hazards of driving and helping on motor vehicles are being assembled. A public informational hearing was planned to precede the formulation and issuance of a proposed order for the purpose of providing the many interests affected an opportunity to express their views and present evidence for consideration by the Bureau.

Research basis to the program.—It has been recognized that the success of the Bureau's program for the determination of hazardous occupations under the Fair Labor Standards Act is dependent upon accurate data on the subjects with which it deals and on a sound evaluation of these data. To provide the basic material for use in all such determinations, the Industrial Division has been engaged in collecting and evaluating existing statistics of industrial accidents and diseases and in analyzing State laws and rulings for the protection of minors from employment in hazardous occupations. With a view to making available more comprehensive information about hazards to young workers, it has cooperated with the Bureau of Labor Statistics in making plans for stimulating improved State

statistics of industrial injuries, including methods of obtaining reports and methods of tabulating the statistical data obtained.

Future of the program.—The plans and procedures announced by the Bureau and the first order issued have been well received by State departments of labor and industrial commissions, safety organizations, and insurance experts. Certain State departments of labor have already indicated that they intend to follow the lead of the Children's Bureau in setting up standards for minor workers in their States. Progress in determining hazardous occupations has often been hampered in the States because of lack of staff to assemble the necessary supporting data for such a determination. Although the necessity for holding hearings on such determinations will continue where the State law so provides, the States will have available the findings of the Children's Bureau and will be less dependent upon extensive independent study.

Numerous inquiries from employers and workers as to whether certain occupations have been declared hazardous show a wide interest in the program and indicate also that of the occupations that the Bureau has not yet been able to study there are many that employers themselves believe to be hazardous for minors. In view of the great need for further protection of young workers from the hazards of industrial accident and disease and the recognized inadequacy of existing legislation in many States to meet this need, it is urgent that the activities of the Bureau in this field be intensified and extended. It is especially important that investigations be made of many occupations, such as those in mines and in sawmills, where the accident hazard is generally known to be great.

Inspections of places of employment.

Although in the Bureau's plans for administration special emphasis has been placed on the preventive aspects of enforcement in order to bring about voluntary compliance with the law, the importance of careful inspections has been fully recognized. Inspections made by the Industrial Division are of three kinds: Inspections of individual establishments made on complaint, special inspections made in certain industries or localities where the Bureau has some reason to believe that children are being employed in violation of the law although no specific complaints have come in, and regular routine inspections in establishments not covered by the wage-and-hour provisions of the Fair Labor Standards Act.

Cooperation with the Wage and Hour Division.—Cooperative arrangements have been made with the Wage and Hour Division for avoiding duplicate inspections by the two Divisions. Inspections are made by the Children's Bureau in establishments subject to both the wage-and-hour and the child-labor provisions only after clearance with the Wage and Hour Division. When an inspector of the Wage and Hour Division is making a general wage-and-hour inspection he makes a general inspection for child labor also, and a report of this inspection is sent as a matter of routine to the Children's Bureau.*

* Between November 1, 1938, and June 30, 1939, the Wage and Hour Division reported 29 establishments in 17 States where children apparently under 16 years of age were employed or where children claiming to be between 16 and 18 years of age were employed without certificates.

When evidence of violation of the child-labor provisions is found, the Children's Bureau is notified immediately and a more detailed inspection and verification of ages of the young persons employed are made by the Bureau. Children's Bureau agents, in turn, make a check of the hours of work and rates of pay in an establishment when inspecting for child labor, and reports are made to the Wage and Hour Division of any evidence of noncompliance with the wage-and-hour provisions of the act.

In some cases circumstances have made joint inspections by the Children's Bureau and the Wage and Hour Division advisable. These have been made in cases where there were many violations both of the child-labor and of the wage-and-hour provisions or in cases where the possibility of joint prosecutions was contemplated and where it seemed wise that the two groups of inspectors dovetail their work on the collection of evidence.

Complaints of violations.—A total of 70 complaints of child-labor violations were received during this fiscal year, 42 referred from the Wage and Hour Division and 28 through letters or oral communications made direct to the Bureau. In 2 cases the complaint could not be followed up because the information given was too general to permit investigation; in 18 cases, though the complaint was made in good faith, there was in fact no violation of the child-labor provisions of the act, either because the child was over 16 or because the establishment obviously was not producing goods for interstate commerce. In these cases, where it appeared that there might be a violation of the wage-and-hour provisions of the Fair Labor Standards Act or a violation of the State child-labor law, the case was referred to the Wage and Hour Division or to the appropriate State labor department. Of the remaining 50 cases, 38 were investigated by the Bureau and 12 were still awaiting investigation at the end of the fiscal year.

Special inspections.—The special inspections made in cases where no specific complaints have been received have been undertaken in industries in which children under 16 are customarily employed in considerable numbers, or in States permitting the employment of minors under 16 in manufacturing establishments, or in localities where the certification program was not yet well developed and it was desired to check up on the availability of certificates of age.

Routine inspections in canneries.—With the opening of the canning season routine inspections for possible violations of the child-labor provisions became necessary in a large group of establishments which would not be visited by the inspectors of the Wage and Hour Division. The provisions of the Fair Labor Standards Act exempting from its wage-and-hour provisions all employees engaged in the processing or canning of fish and all persons employed within the "area of production" in the canning of agricultural or horticultural commodities for market result in the exclusion of most of the canning industry from the minimum-wage and maximum-hour provisions of the act,⁵ but no such exemptions apply to the child-labor provisions. Beginning in April, therefore, general child-labor inspections have been made in canneries.

⁵ Under the definition of "area of production" issued by the Wage and Hour Administrator, canneries located in open country or in a town of less than 2,500 and getting their commodities from within an area of 10 miles, are exempt from the wage-and-hour provisions of the Fair Labor Standards Act.

Scope of inspections.—A total of 112 establishments in 19 States⁶ employing more than 35,000 workers had been inspected before the end of the fiscal year. Thirty-seven of these inspections were made as the result of complaints, 42 were special inspections, and 33 were routine inspections in canneries. A large variety of industries were covered. Forty inspections were made in the clothing industry, 34 in the canning industry, 9 in coal mines, and 29 in miscellaneous industries, including sawmilling, pecan shelling, newspaper publishing, and the manufacture of toys, games of chance, paper bags, buttons, and grocery specialties. The number of employees in these establishments ranged from 4 to more than 3,000. Eight firms employed more than 1,000 workers each, but the remaining firms were fairly evenly divided between those employing less than 100 and those employing 100 to 1,000 persons. In addition to these 112 first inspections, there were 55 other contacts with industrial establishments, 6 reinspections, and 49 contacts with establishments which were not in operation at the time of the inspector's visit.

Violations.—A total of 106 minors under 16 years of age were found to be illegally employed in 25 establishments in 14 States.⁷ The range in number of employees in these establishments was similar to the range in size in all the establishments investigated. The ages of the children under 16 ranged from 5 to 15, 41 being under 14 years of age. Most of the children under 14 (all the children under 11 and more than half of those 11, 12, and 13 years of age) were found in two establishments, a firm manufacturing games of chance, where the children were doing home work, and a cannery, where they were employed in snipping beans. The 14- and 15-year-old children were employed in canneries; in clothing factories, in mining, and in miscellaneous occupations.

Inspection policies.—In carrying out the educational policy of the Division, inspectors as a general rule inform employers immediately when violations are found. Such notification has always resulted in the immediate dismissal of the child illegally employed. Warning letters are written to employers in all such cases, and they are informed that future violations will be regarded as willful and therefore subject to the penalties of the law. This general practice, however, does not necessarily govern in cases of flagrant violations or when the employer is obviously falsifying his records or otherwise attempting to evade the child-labor provisions of the act.

This policy of warning employers and encouraging voluntary compliance offers an opportunity to educate the employers in the desirability of obtaining certificates of age rather than accepting the child's or parent's statement or asking the child to bring in his birth certificate. The Children's Bureau representative has an opportunity to point out that birth certificates are sometimes altered when such birth certificates are brought in by employees, and he can show the unreliability of affidavits in cases where a check with the vital-statistics records shows that the affidavit was false.

In general, employers have shown a real desire to comply with the law and to avail themselves of the protection offered by certificates of

⁶ Alabama, Arkansas, Delaware, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maine, Massachusetts, Maryland, Minnesota, Mississippi, Missouri, New Jersey, Pennsylvania, Tennessee, Texas, and Virginia.

⁷ Alabama, Arkansas, Georgia, Indiana, Kentucky, Louisiana, Maryland, Massachusetts, Mississippi, Missouri, New Jersey, Pennsylvania, Texas, and Virginia.

age. This response makes it the more important that the inspection program of the Division, necessarily very limited this year because of the small staff, be expanded materially as soon as possible.

Court review and enforcement.

Two methods of dealing with violations of the child-labor provisions are provided by the act—injunction proceedings and criminal prosecutions. The Chief of the Children's Bureau is authorized to administer all provisions of the act relating to oppressive child labor, and, subject to the direction and control of the Attorney General, to bring all actions to enjoin any act or practice which is unlawful by reason of the existence of oppressive child labor. Although, in most cases where illegal employment has been found, it has not been felt necessary or desirable to resort to legal action, two child-labor cases, one an injunction and the other a criminal proceeding, were brought into court during the first 8 months of administration of the law.

The first case was an injunction proceeding against the Duplan Silk Corporation, which was employing minors under 16 years of age in its Grottoes, Va., plant. A complaint was brought on March 23, 1939, in the District Court of the United States for the Western District of Virginia, asking for a temporary injunction to restrain the company from shipping in interstate commerce any product removed within 30 days after any minor under the age of 16 years had been employed. It was alleged that children under 16 years of age were being employed and that goods produced by the company had been delivered for shipment in interstate commerce. Counsel for the company appearing before the court agreed that there was no dispute concerning the facts, and a consent decree was issued, the court ordering that the company be enjoined perpetually from shipping goods in interstate commerce if any minor under the age of 16 years is employed in or about the company's establishment.

The second case was a criminal action against the Universal Manufacturing Co. of Kansas City, Mo., in which the Children's Bureau joined with the Wage and Hour Division after a joint investigation of the company's establishment. This company manufactures games of chance called "jar games," on which most of the work, consisting of folding and sewing the pasteboard tickets, is done by home workers. Children as young as 5 years of age were used in the home work. Evidence was obtained of knowledge on the part of the employer that the children were so engaged, and prosecution was instituted, joining 15 counts for child-labor violations and 20 counts for violations of the wage-and-hour provisions of the act. The action has been brought against the two partners owning the business and the general manager, who is the husband of one of the partners, in the Federal District Court for the Western District of Missouri and will be heard in November of this year.

In connection with this case difficulties arose which show the disadvantages of the penalty section of the act, which applies only to a person who "willfully" violates the act. In this regard the penalty section differs from that in almost all State child-labor laws, experience in administration of such laws having demonstrated effectively the difficulties incident upon proving willful violations. There are many circumstances in which it is difficult to prove that the

employer has actual knowledge of the fact that the child is under the legal age for employment—for instance, when the child states that he is above the legal age.

Industrial home work.

The use of industrial home work by manufacturers has long been recognized as harmful to child welfare both because it affects the welfare of adult workers through its very low standards of wages, hours of work, and conditions of labor and because the parents are driven by these conditions to press very young children into service to help with the work.

Since most of the industries in which industrial home work is used ship goods in the interstate commerce and since the industrial home worker is engaged in producing the goods, it seemed possible to deal with this problem through the Fair Labor Standards Act.

The wage rates set by the act affect adults and minors alike and must be paid to all employees engaged in the production of goods for interstate commerce. As work done by home workers on goods furnished by the manufacturer is at work incident to the production of the goods, the wage rates may well be applicable to home work. This is implied in the Wage and Hour Division regulation requiring the keeping of records. The act provides that every employer subject to its provision shall make, keep, and preserve such records of the persons employed by him and of the wages, hours, and other conditions and practices of employment as the Administrator of the Wage and Hour Division shall prescribe by order, and an order has been issued requiring employers who distribute home work to keep records showing the name and address of each worker, his date of birth if under 19 years, and the name and address of each agent, distributor, or contractor through whom home work is distributed. Detailed records must be kept for each lot of work issued and also for each workweek. A handbook, to remain in the possession of the worker, must be kept for each home worker, in which information is to be entered by the person distributing home work whenever work is given out or returned. These regulations, the Administrator believes, will "test the practicability of this kind of control of industrial home work and perhaps answer the question as to whether we can enforce the provisions of the Fair Labor Standards Act as it now stands with respect to work of this nature."

Though no formal interpretations have been issued, the child-labor provisions of the act have been administered on the basis that they are, in general, applicable to home work involving the production of goods for interstate commerce. A child-labor case pending before a Federal court at the close of the fiscal year was one in which the child-labor violation claimed was the employment of children in industrial home work.

In regard to this phase of the Fair Labor Standards Act, the previous studies of the Children's Bureau have been illuminating. The Industrial Division report of a survey of the effects of prohibition of industrial home work in selected industries under the National Industrial Recovery Act, issued in February 1937, indicated that the difficulties of obtaining compliance with the code prohibitions had not been so great as had been anticipated.

Federal staff.

The new responsibilities incident to the enforcement of the child-labor provisions of the Fair Labor Standards Act have been met in part by the appointment of additional professional staff and in part by extension of the functions of the former Division staff. At the close of the fiscal year 1938 the Division staff numbered 14; on June 30, 1939, the staff numbered 44. The programs of certification and inspection under the act are being carried on by consultants and inspectors under an Assistant Director, with the aid of a specialist in employment certification. Regional consultants have been assigned to groups of States to coordinate the employment-certificate and inspection programs in their States and to maintain close relationship with inspectors of the Wage and Hour Division and with State departments of labor and education. The consultant for the far-western States has a branch office in San Francisco, but with this exception the consultants and inspectors work from the Washington office. In only one State—Mississippi—has a Federal office for the issuance of certificates been established. In Idaho, the other of the two States where Federal certificates of age were being issued at the end of the last fiscal year, a State official acts as agent of the Children's Bureau.

Administration of the child-labor provisions of the Fair Labor Standards Act means far more than putting into effect Federal provisions setting standards for the work of young persons in establishments producing goods for interstate commerce. It is rather the starting point for an integrated State and Federal attack upon child-labor problems that has a greater promise of genuine effectiveness in improving child-labor conditions than has ever existed in this country. That the Industrial Division of the Children's Bureau with its very limited staff has been able to make such real progress during the past year in putting this program into operation is due to the foundation of cooperative relationships with the States and of research that has been built up over many years. But only a start has been made; further advance must be dependent to a large extent upon increase in the Division's research and administrative staff and facilities.

RESEARCH AND ADVISORY WORK

Industrial Division.

Research is basic to the administration of the child-labor provisions of the Fair Labor Standards Act. In order to carry out old and new research activities, an Assistant Director of the Industrial Division has been appointed to be responsible for all research work of the Division, certain members of the staff have been assigned to develop factual material and recommendations in relation to hazardous occupations, and other staff members have been assigned to general studies of child-labor problems and methods of administration and to studies of child labor in intrastate industries.

Research cannot be separated from advisory service. Opportunities for such service grow out of research activities. During the past fiscal year the Children's Bureau has served the Department of Agriculture in demonstrating the value of age certificates in enforcing child-labor regulations under the Sugar Act of 1937. It has cooper-

ated also with the Bureau of Marine Inspection and Navigation in the Department of Commerce in drawing up standards to be incorporated in proposed legislation for implementing the International Labour Organization convention fixing a minimum age of 15 years for employment at sea, which was ratified by the United States June 13, 1938. Both these services grew out of earlier research activities.

The chief work of the Industrial Division during the past year relating to general research and advisory service, some of which bore a very close relation to the administration of the child-labor provisions of the Fair Labor Standards Act, may be summarized as follows:

Employment of young workers in canneries.—The canning industry historically has been an important employer of child workers. It is a growing industry. The Children's Bureau in the summer and fall of 1938 cooperated with the Women's Bureau in a field survey of labor conditions in vegetable canneries in Maryland. Forty-eight canneries were selected for study, and a preliminary report on the age of minors employed has been prepared. A comparison of conditions found in this survey with those found in an earlier study made by the Children's Bureau shows a decided tendency away from the employment of very young children. In 1925, 43 percent of the 1,564 children under 16 found employed were less than 14 years of age.⁸ In the later study only 21, or 5 percent, of the 420 children under 16 years of age at the beginning of their employment in 1937, were less than 14 years of age.

Children in industrialized agriculture.—One of the early studies of the Bureau in the field of industrialized agriculture dealt with children in the sugar-beet fields of Colorado and Michigan in 1920. The use of children for hand processes in sugar-beet culture had been a feature of the industry for many years. Studies by the Children's Bureau and other agencies showed that the deplorable child-labor conditions existing in the fields were traceable to a large extent to the family-contract system and the low wages paid to the workers.

The Jones-Costigan Act of 1934, amending the Agricultural Adjustment Act, was the first law to offer opportunity for bettering labor conditions in the beet fields. This act made beet sugar a basic commodity under the Agricultural Adjustment Act and provided that the Secretary of Agriculture have power to prescribe labor conditions, including those relating to child labor, as a prerequisite to the payment of benefits. The production-control contracts entered into by the Government with sugar-beet growers for the 1935 season, provided for Government benefits conditional on observance of the provisions that no child under 14 years of age should be employed and that children between 14 and 16 years should not be permitted to work longer than 8 hours a day, children of growers working on their parents' farms being exempted.

After consultation with the Sugar Section and the Labor Relations Section of the A. A. A., a survey was made in 1935 by the Industrial Division to test the results of these provisions. The report of the survey was in press at the close of the past fiscal year. Although it showed that the child-labor restrictions in the production-

⁸ Children in Fruit and Vegetable Canneries, pp. 87, 98-99. U. S. Department of Labor, Children's Bureau Pub. No. 198. Washington, 1930.

control contracts were by no means entirely effective, the improvement found was encouraging and indicated the eventual possibility, given an adequate system of administration, of eliminating the employment of children under 14, and of regulating the hours and conditions of work of older children.

After the A. A. A. production-control contracts were invalidated in 1935 by a decision of the United States Supreme Court declaring the Agricultural Adjustment Act unconstitutional, there was no further opportunity for Federal action in this sphere until the enactment of the Sugar Act of 1937, which contains practically the same child-labor standards as those incorporated in the production-control contracts under the Jones-Costigan Act.

Lack of compliance with the child-labor provisions of the earlier contracts, although attributable to a number of causes, was due largely to the fact that no definite plan had been developed for requiring reliable proof of age for children working in the beet fields. The Secretary of Labor recommended to the Secretary of Agriculture that some program be carried out in connection with the production contracts under the new act to provide for age certificates as an administrative method of checking compliance with the child-labor provisions. The services of the Children's Bureau were offered for any cooperative plan that might be worked out. In the spring of 1939 a program for making such certificates of age available for children employed by beet growers was worked out and is now fully under way. Under this program the Children's Bureau has accepted responsibility for obtaining the cooperation of State and local officials in charge of certificate issuance; and the Sugar Division of the Department of Agriculture has assumed responsibility for familiarizing State and county committees administering the Sugar Act with the program and for encouraging sugar-beet growers to obtain certificates for children in their employ. For the first year it was decided to limit the program to two States, Michigan and Ohio, where it might serve as a demonstration project.

The issuance procedure follows in general that set up under the Fair Labor Standards Act, one copy of the certificate being sent to the grower. The evidence of age required is substantially the same as that required under the Fair Labor Standards Act regulation and under the Ohio child-labor law.

The program has created a new interest in certificate-issuing procedure in these States, since in many cases the school authorities had not had an opportunity to discuss such matters until the Children's Bureau representatives called upon them in connection with this program. In some cases they did not realize that standard methods of employment-certificate issuance existed and had not been made to feel the importance of the work they were called upon to do.

Children in intrastate industries.—Because the Fair Labor Standards Act does not apply to the many industries that do not produce goods for interstate commerce, and because of the drift of working children into nonfactory work,⁹ it is highly important that

⁹ The fact that the large majority of employed children under 16, excluding those in agricultural work, are engaged in commercial, personal-service, and other nonmanufacturing employments, was brought out in the report, "Young Workers and Their Jobs in 1938," the findings of which were summarized in the 1938 annual report. The final report is now in press.

information be available regarding children at work in industries outside the scope of the Fair Labor Standards Act. Plans for a study in this field have been under way for some months. Considerable exploration has been made in deciding the industries to be covered and localities to be visited. According to tentative plans the survey will cover 5 to 10 cities with populations between 100,000 and 200,000, located in States where a basic 16-year minimum-age law has not been established.

Children in street trades.—The use of children in street trades, particularly in the sale and distribution of newspapers, presents another phase of the child-labor problem with which the Children's Bureau has had considerable contact in the past. A comprehensive study of the subject was made in 1922-23 and a less detailed survey in 1934, when the provisions of the code for the newspaper-publishing industry under the National Industrial Recovery Act were being considered. The Bureau has not undertaken any extensive study in this field during the past year, but at the request of certain local agencies a brief survey of children engaged in street trades in Detroit was undertaken in 1938 to test the efficacy of a local ordinance of that city. While the agent of the Bureau was collecting this information, certain social agencies in Highland Park, a separate municipality within the city of Detroit, became interested in obtaining information about street trades in their community. Schedules were taken by volunteer workers, under the supervision of the Bureau representative. The two reports were written during the past fiscal year and are available in mimeographed form.

Employment of minors on American vessels.—The question of Federal regulation of the employment of minors on vessels was brought to the attention of the Children's Bureau during 1939 as a result of the Government's ratification, as a treaty, of an International Labor Organization convention fixing a minimum age of 15 for employment at sea. The Office of the Solicitor of the Department of Labor undertook the drafting of legislation to implement this treaty and requested from the Children's Bureau information in regard to the employment of minors and recommendations for legal provisions. After consultation with the Bureau of Marine Inspection and Navigation of the Department of Commerce and review of available material on the subject, the Division submitted standards for consideration in drafting such legislation and information supporting the recommended standards. Later the Division participated in conferences with representatives of the Department of State, the Bureau of Marine Inspection and Navigation of the Department of Commerce, and the Solicitor's Office of the Department of Labor, in developing a draft that would be satisfactory to all three Departments. The Children's Bureau recommendations—a general 16-year minimum age, an 18-year minimum age in the more hazardous types of employment at sea, and provisions for administration through requirements of proof of age—were included in the draft of the bill finally agreed upon.

The final draft of the bill was approved by the Secretary of Labor and the Secretary of Commerce and was transmitted by the Secretary of State with his approval to the President, who on August 3 sent it to Congress with a recommendation for favorable consideration. The bill was introduced in the House on August 5, 1939.

Junior placement.—Work on the preparation of the report based on a survey of junior placement services in public-school systems and in public employment offices, which was undertaken early in 1937, at the request of the United States Employment Service, is nearing completion.

Legal research.—The Division has continued to collect and summarize State and Federal legislation, proposed and enacted, affecting child labor and the employment of minors and has continued to give consultative and advisory service to State departments of labor and organizations interested in child-labor legislation. During the past year this service has been focused to a large extent upon the possibility of bringing State laws into line with the standards of the Fair Labor Standards Act.

Child-labor amendment.—Factual material bearing upon the status of the child-labor amendment was prepared for the use of the Department of Justice in arguments before the Supreme Court of the United States in cases appealed from the highest courts of Kansas (*Coleman v. Miller*) and Kentucky (*Chandler v. Wise*). In both these cases it had been argued that the amendment was no longer subject to ratification because of the lapse of time since its submission in 1924 and because the legislature of each of these States had previously rejected it.

These arguments were not sustained by the Supreme Court. In the Kansas case the Supreme Court affirmed the decision of the Supreme Court of Kansas, which had refused to interfere with the certification of the Kansas ratification to the United States Secretary of State, basing this affirmation on the ground that these questions are political in nature and not for court review. The Court dismissed the Kentucky case upon the ground that "after the Governor of Kentucky had forwarded the certification of the ratification of the amendment to the Secretary of State of the United States, there was no longer a controversy susceptible of judicial determination."

As to the effect of a rejection by a State previous to ratification, the Court referred to the history of the fourteenth amendment as a precedent for its opinion that this is a political question. In that case it was the political branch of the Government, not the judicial branch, that passed on the question whether the amendment had been in fact ratified, and it had been decided that both a previous rejection and a withdrawal following ratifications were ineffectual in the presence of an actual ratification.

In regard to lapse of time between submission of an amendment and ratification by a State, the Court held that this also is a political question, which should be open for the consideration of Congress when, after certified ratifications by three-fourths of the States have been deposited, the time arrives for the promulgation of the adoption of the amendment.

Favorable action by only 8 more States is needed in order to obtain the 36 ratifications required for the adoption of the amendment as part of the Constitution.

Division of Research in Child Development.

To the Division of Research in Child Development is assigned responsibility for (1) technical research in the growth and development of children; (2) making studies of community facilities and of certain

problems of maternal and child-health in cooperation with the Maternal and Child Health Division and the Crippled Children's Division; (3) giving advisory service with respect to methods of research and the organization of maternal and child-health work; (4) the preparation of popular bulletins and leaflets for parents and of technical bulletins for physicians; and (5) correspondence with mothers with regard to the care and training of their children and with others concerned with the health of mothers and children.

Although the resources of the Children's Bureau for research in child growth and development and for making comparative studies of the administration of various aspects of maternal and child-health programs have not been expanded for a number of years, it is becoming more evident each year that more research is essential. It is particularly important at a time when new types of public service for promoting maternal and child health are being developed by the Federal Government in cooperation with the States.

Reports of studies completed or in preparation.—The report of a study of maternal, infant, and preschool health services in the District of Columbia, undertaken in 1938 as part of a health survey of the District under the auspices of the United States Public Health Service, was published. The report of a study of maternal care in Hartford, Conn., is nearly ready for press.

Work has continued on analysis of data in regard to growth obtained in a study of premature infants in Johns Hopkins Hospital, Baltimore, and of data concerning increase in rate of growth of infants in relation to rickets obtained in a study of rickets in Detroit. The final report of a study of stillbirths made in cooperation with the Division of Statistical Research is in preparation.

In cooperation with the State bureau of health, the agricultural experiment station of the University of Maine, and the United States Department of Agriculture, a study has been made in northern Maine of the vitamin-C content of the blood of a group of school children. The diets of these children have also been investigated. Physical and dental examinations have also been made. The data are now being analyzed.

The preliminary analysis of data obtained in a study of physical fitness of school children in New Haven was completed and the first report was made October 25, 1938, before the American Public Health Association in Kansas City. The final report has been completed.

Studies in progress.—These include:

1. A study of maternal mortality in the District of Columbia. The second year of the study, made in cooperation with the Health Department of the District of Columbia and the maternal-welfare committee of the Medical Society of the District of Columbia, has been completed.

2. A study of the effects of rickets on the pelvis of adolescent children in New Haven, made in cooperation with the Yale University School of Medicine. The children included in the study are those who were studied in early infancy in connection with the New Haven rickets-control study made by the Children's Bureau in 1923-25. Approximately 200 children will be included in the study.

3. A study of birth weights of newborn infants in Baltimore. In cooperation with the Union Memorial Hospital in Baltimore, a study

has been made of the records of approximately 2,000 newborn infants to determine the factors associated with variation in their birth weights and the relation of birth weight to infant morbidity and mortality. The field work has been completed, and the data are now being analyzed.

4. Studies of premature infants in New York Hospital. These studies include the following:

a. Metabolic studies: The studies now in progress were undertaken in cooperation with the New York Hospital and the Department of Pediatrics, Cornell University Medical School, with the object of contributing to the knowledge of the physiology of premature infants, particularly in regard to establishing rational methods of feeding.

b. Analysis of feeding schedules: Feeding records of all premature infants born in the New York Hospital from September 1932 to January 1939 have been abstracted by a member of the pediatric staff of the New York Hospital. These records will be analyzed and much valuable information in regard to methods of care of premature infants will be obtained for a large number of infants.

c. Follow-up clinic for premature infants: The objective of this study was to follow a group of premature infants over a period of several years to determine their morbidity, mortality, growth, and development in relation to prenatal, natal, and postnatal factors. The effect of the home environment was also studied, and demonstration was made of the role of the public-health nurse and of the medical social worker in the program. The integration of hospital and home care with various social and health agencies was worked out. A teaching program for physicians, nurses, social workers, and others was to be developed.

At the end of 5 months it was found necessary, because of lack of funds, to withdraw the staff supplied by the Children's Bureau. Arrangements have been made by the New York Hospital and the Department of Pediatrics, Cornell University Medical School, to continue the study, the Children's Bureau contributing only the part-time service of one physician. Data obtained as a result of these activities are being analyzed.

A plan was worked out for continuing the home supervision of premature infants born in the New York Hospital through the medical, nursing, and social-service staff of the New York Hospital and through the Henry Street Visiting Nurse Service.

5. A rickets study at Johns Hopkins Hospital. During the year the pathologic and X-ray studies of rickets and other nutritional diseases have been continued by Prof. Edwards A. Park with the assistance of Miss Deborah Jackson of the Children's Bureau staff. Two reports have been published.

Advisory service.—Assistance was given in planning a case study of stillbirths and neonatal deaths in seven counties of Michigan served by the Michigan Community Health Project. Members of the staff of the Division of Research in Child Development attended meetings of local committees on neonatal and premature studies in Philadelphia and New York and meetings of a number of medical and other professional associations.

Publications.—A new folder on nutrition, prepared with the assistance of the Bureau of Home Economics of the United States Depart-

ment of Agriculture, was published under the title *Well-Nourished Children*.

Revisions of the following publications were completed: *Habit Clinics for the Child of Preschool Age* (Publication 135), by Dr. D. A. Thom, the new edition having the title *Habit Clinics for Child Guidance*; *Standards of Prenatal Care* (Publication 153), and *How To Conduct a Children's Health Conference* (Publication 23), to be published under the title *The Child Health Conference*; suggestions for organization and procedure. *The Child From One to Six* is being revised.

Advisory committees.—The Pediatric Advisory Committee met in April 1939 to assist in revisions of popular publications. The Obstetric Advisory Committee gave assistance in the preparation of the bulletin *Standards of Prenatal Care*.

Social Service Division.

In respect to studies and to consultation and advisory service, the Social Service Division has given chief attention during the year to the following subjects: Adoption; children born out of wedlock; State supervision of child-caring institutions and agencies; supervised homemaker service; and mentally deficient children. Advisory service with reference to State legislation was requested and provided.

Adoption.—The report on problems and procedures of adoption in nine States was almost completed during the year. This study has demonstrated the value of a social investigation before court action and has brought to light needed changes in procedures and legislation relating to adoption.

There was wide difference among the States visited in the extent to which adoption was used. The number of adoption decrees granted per 100,000 population ranged from 3.5 in Alabama to 17.0 in Oregon. These differences apparently are definitely affected by the relative urban and rural population of the States, since adoption rates in cities are invariably higher than in rural areas. States with low birth rates had relatively high adoption rates.

Children born out of wedlock.—A study of the procedures and standards of agencies providing foster-home care for unmarried mothers was completed during the year, and an article on the subject was prepared for publication in *THE CHILD*. As a result of directing the attention of social agencies and child-welfare workers to the value of this form of care for unmarried mothers, consideration is being given in many parts of the country to the possibility of its use in rural areas where maternity homes are not available, in providing care for Negro mothers for whom only a few maternity homes are available, and in the care of unmarried mothers who do not make adjustment to an institutional regime.

Services to committees working on problems of the care of unmarried mothers and their children have continued during the year. Committees in 20 cities are now cooperating with the Social Service Division, 5 such committees having been organized during the year. Four news letters have been issued, and three articles on problems relating to unmarried motherhood were prepared for publication in *THE CHILD* or for issue in mimeographed form. The Division has served as a clearinghouse for articles, papers, and reports contributed by committees or by individuals. Copies of the news letters and

other material have been requested by members of the staffs of 18 State welfare departments, the National Florence Crittenton Mission, councils of social agencies, and other organizations.

There has been a steady increase in the number of localities in which studies are being made of such problems as support obtained for children in paternity cases, the resources available in the community, agency procedure, and the relations between unmarried mothers and their children.

State supervision of institutions and agencies.—Because of the many requests from State welfare departments for information in regard to the problems involved in establishing a supervisory program for institutions and agencies caring for children, a short report on the basic principles and procedures in supervisory service was prepared, based on a field study of services given by 10 State departments. It is planned to prepare another short report on the more technical phases of the service given in these States. Compilations of State standards of foster care and institutional care have been prepared for loan to State departments wishing such information.

Supervised homemaker service.—A field study of agencies providing housekeeper service was completed. Thirty-two agencies in 17 cities providing various types of housekeeping service were visited, including children's agencies, family-service agencies, housekeeping-aid projects of the W. P. A., special agencies providing homemaker or housekeeper service, and agencies training and placing nursing aides. Information was obtained on the organization, scope of activities, and programs of the agencies. A special study was made of the housekeepers employed by 10 agencies and of the homes that they were serving.

In April 1939 a 2-day conference of a small number of persons who were executives or who had undertaken research on housekeeper service was arranged by the Children's Bureau to discuss standards of service. Problems of terminology, qualifications, and classification of workers, training programs, and organization of the work of agencies were discussed. The members of the conference prepared a statement on desirable terminology for the service, the classification of workers on the basis of the responsibility to be assumed, and the training that was needed for such workers. The suggestion was made that the proposals set forth in this statement be tested by the agencies represented and reconsidered later. It was recommended that another small conference should consider the care given by homemakers or housekeepers to ill persons.

A second meeting was held in Buffalo during the National Conference of Social Work. Notice of the meeting was sent to all family-service and children's agencies known to be providing this form of service to families. It was attended by about 40 persons. The problems considered and the conclusions reached in the Washington meeting were reviewed and discussed. It was voted that a committee be appointed to arrange for future meetings and to suggest plans for a permanent organization of the group. The Children's Bureau was requested to serve as a clearinghouse of information and to gather information on programs for training the housekeepers or homemakers employed by agencies.

Mentally deficient children.—Because of limited resources the Social Service Division was not able to undertake a special study of com-

munity service for mentally deficient children, but some information was obtained by a member of the staff while on a field trip for another purpose. Interviews were held with representatives of the State departments or institutions concerned with mentally deficient children in Connecticut, Massachusetts, New Jersey, and New York, and representatives of local public and private organizations providing service for these children in three cities.

The number of persons, usually children, on the waiting lists for institutional care in these States ranged from 958 in New Jersey to 3,200 in Massachusetts. The need for awakening public interest in programs of community supervision was recognized in Massachusetts and New Jersey, although no organized program had been developed for this purpose in either of these States. The State institution in Connecticut was attempting, through its social-service staff, to provide supervision of a limited type to those on the waiting list in the State. The postinstitutional programs in these States were carried out largely by the social-service staffs of the institutions.

The information obtained indicates the need for a comprehensive study of local resources for the care of mentally deficient children and of the types of programs that are being developed to coordinate the work of State institutions and local organizations.

Consultation service.—A type of service that has been found to be very effective is assistance given in local studies of child-welfare problems. The work of the consultant assigned to this work has involved: (1) Conferring with the local committee and interested agencies concerning the problems and needs to be investigated and the scope of the study; (2) working out a plan for the study and for the allocation of responsibilities; (3) preparing the schedules and instructions for their use in cooperation with the committee; and (4) assisting the committee in interpreting the data obtained. The gathering of data has been the responsibility of the local groups. Such service was given in Roanoke, Va., where a local committee made a study of children, and families including children, that were receiving services and assistance from public and private agencies, and in Maine, where a State-wide study of adoptions was made by the Bureau of Social Welfare of the State Department of Health and Welfare.

The service given by the Division on legislative problems has included the preparation of specific suggestions concerning the content of proposed bills requested by the State welfare departments of eight States—Colorado, Indiana, Idaho, Montana, Nevada, Oregon, South Dakota, and West Virginia—and Alaska. In addition, bills were reviewed at the request of legislative committees. Almost a third of the States were given advisory service on legislation. Subjects covered included State and county administrative provisions, supervision of agencies and foster homes, adoption, establishment of paternity, and interstate placement of children. Legislation incorporating some of the suggestions made was enacted in four States. In connection with this advisory service on State legislation, visits were made to Colorado, Indiana, Kentucky, Nebraska, and West Virginia, and to Cleveland and St. Louis, for consultation with legislative committees.

Field consultation service on adoption problems was given to the State welfare departments in Massachusetts, New Jersey, and Washington. Extensive service was given on problems of illegitimate birth.

Institutes on this subject were conducted under the auspices of local committees or State welfare departments in Holyoke, Mass., Raleigh, N. C., Columbus, Ohio, and Austin, Tex. Illegitimacy problems also were discussed in general child-welfare institutes held under the auspices of State conferences of social work in Iowa and Texas, and meetings were arranged with State welfare workers in Arkansas and Oklahoma.

Legal research.—A report on adoption laws is in preparation. A chart showing the most important provisions of the laws of the different States has been revised to include the 1939 legislation on adoption.

Compilations of laws on various aspects of legislation for the protection of children have been revised to include 1938 and 1939 legislation, and a new compilation of all laws relating to mentally deficient children has been completed. Some work has been done on a compilation of the provisions of divorce laws affecting the status of children.

Delinquency Division.

The Delinquency Division makes studies of and gives advisory and consultation service on the care of delinquent children by juvenile courts and institutions and methods of State and community service for the prevention and early treatment of social maladjustment and delinquent behavior among children.

St. Paul demonstration of community service for children.—This project, known locally as Community Service for Children, is in its second year of operation. It was begun in 1937, with the cooperation of five local agencies, in a district of St. Paul, Minn., covering approximately 2 square miles and having a population of approximately 16,000 persons. The following objectives were given special consideration during the past year:

- (1) Consolidation of the project's position in the social-work structure of the city and in the area served.
- (2) Focusing the attention of social agencies of the city and of the area upon the needs of the children living in the area.

For the attainment of both objectives the staff of the project has relied chiefly upon the case-work method. Through seeing the work of the staff with individual children, the people of the neighborhood are coming gradually to know of the services rendered. This method is slow but sound. There has been some development of group work, chiefly through the cooperation of the Y. M. C. A., which has concentrated a considerable part of its Y-Gang work in the project area. Special arrangements have been made for the inclusion of a limited number of children served by the project in a cooperative summer camp. A specialist in group work will be added to the project at an early date in order to develop more fully the use of group work as well as case work in dealing with the social problems of children.

As a result of conferences with representatives of schools and social agencies, a committee is being formed to work on the problems involved in closer coordination of the work of the two groups. This movement is a direct result of the visiting-teacher service introduced into the schools by the project with the financial aid of the Wilder Charities. The staff has continued to direct the attention of the community, and particularly of the schools, to the social and personality needs of children. The public schools of the area have provided the chief point

of contact between the project and the people of the area served. As approximately half the children are enrolled in parochial schools, special attention will be given during the coming year to the strengthening of the project's relationships with these schools.

The schools have become increasingly aware of the importance of early recognition of personality and behavior difficulties, and the children they are referring to the visiting teacher and to the project are younger than those referred in former years. In the fiscal year 1939, 47 percent of the children referred to the project were under 12 years, whereas in 1938 only 34 percent were under 12. The schools are recognizing the need for developing services of broad scope for children. They have made arrangements, for example, for special tutoring by the department of education of the University of Minnesota for children having special difficulty with reading or arithmetic. They have also accepted responsibility for referring to the project school children who have been in the hands of the police or the juvenile court, thus affording the case worker a natural entry to the home on the basis of the school's referral.

Another approach to the community has been effected by using the project offices to house a branch of the St. Paul Family Nursing Service as well as the prenatal and infant-welfare clinics held in the district. In addition to providing a natural approach to the community, this arrangement extends materially the possibility of the project's gaining access to children presenting early personality and behavior difficulties. It constitutes a considerable step in the direction of a neighborhood center serving the health and social needs of children.

The primary objective of the project is to determine as far as possible the results of handling delinquency on an administrative rather than on an authoritative basis. As a result of the close relationships which have been established with the juvenile division of the police department, many of the cases which ordinarily would be referred directly to the court by the police are now referred to the project for investigation and treatment. Many of these cases are approached through the schools rather than as a direct referral from the police. Conferences are held in cases in which the police are in doubt whether a court referral should be made. This procedure has been extended during the past year to the juvenile court. After using several cases as a basis for discussion, the judge of the juvenile court has officially agreed to hold conferences on cases in the project area which are referred to the court to determine whether a court hearing should be held.

No adequate analysis of the effect of the project's program in the treatment and prevention of delinquency in the neighborhood has been possible yet. Whether or not the project is responsible for the reduced number of cases being referred to the police and court from the area cannot, therefore, be definitely established. That a marked reduction in this number has occurred, however, is shown by a comparison of figures for the first half and the last half of the past year. In the 6 months from July 1 to December 31, 1938, 76 cases from the project area were referred to the police. In the succeeding 6 months only 43 cases were referred. Police referrals from other parts of the city have not shown a corresponding reduction.

The active case load of the project on June 30, 1939, was 113. Because of the small staff it has been necessary to keep down the number of cases

referred so that the case load would remain at approximately this level. The project accepted 48 cases for intensive service during the past year. This does not include minor service cases referred, of which there were 53.

A meeting of the national advisory committee appointed to assist the Children's Bureau in the development of the policies governing the project was held November 18, 1938. Consideration was given to a tentative schedule for recording and evaluating treatment methods which was prepared by the staff, and valuable suggestions were made concerning methods of evaluating the service given. Plans are being made for a W. P. A. project, which will assemble needed basic data concerning the area served from the files of schools, social and health agencies, and the City Planning Board.

Juvenile courts.

Follow-up consultation service was given in Indianapolis, Ind., in connection with reorganization of the work of the juvenile court in accordance with recommendations made by the Children's Bureau in 1938, when a study of the court was undertaken at the request of the Indianapolis Council of Social Agencies.

Work was begun on a study of trends in juvenile-court work. In recent years it has been apparent that there is need for careful review of the functions of the juvenile court in relation to administrative public-welfare agencies, State and local, and to community services for the prevention and treatment of social problems of children. The question of the court's responsibility for dependent children, which has been under discussion for several years, becomes still more important as public administrative agencies are being authorized to accept without court action children whose need is primarily economic. The rapid development of child-welfare services on a county or district basis, particularly in rural areas, inevitably brings up questions of the relationship of these services to juvenile courts. Increasingly the idea is gaining ground that the judicial and treatment functions now found in the juvenile court should be separated, the court retaining responsibility for the former and the public administrative agencies assuming responsibility for the latter. New methods of treatment of delinquent children are being developed. For example, boarding homes are being used in some communities both for detention purposes and for the care of delinquent children after court action. Should the court have administrative responsibility for this type of service?

The study, which is intended to serve as a basis for the consultation and advisory work of the staff of the Children's Bureau, will consider the relationship between child-welfare services and the court in rural areas, developments affecting the relationship between the court and other community agencies in cities, and special projects of juvenile courts. California, Oregon, Washington, Idaho, and Montana have been visited. It is apparent that there is need for further analysis of the relationship between juvenile courts and departments of public welfare. The study will be continued during the current year.

Institutional treatment.

The report of a study of plans and programs of three State training schools for girls, completion of which was interrupted by other pressing demands upon the staff, is now going forward.

The Division has continued to work with the Advisory Committee on Training Schools for Socially Maladjusted Children. Conferences have been held with the chairman of the committee and the chairmen of subcommittees. In accordance with a recommendation made by the committee in April 1938, studies of cottage life in training schools have been extended in four schools, two for boys, one for girls, and one for both boys and girls (Indiana Boys' School, Washington State Training School, State School for Girls, and Utah State Industrial School). Supplementary data were gathered in the course of visits to these schools, and advisory service was given. Assistance was given also to the South Dakota Training School in establishing a case-work service within the school and in developing an after-care program in cooperation with the Division of Child Welfare of the State Social Security Commission. Detailed data regarding specific phases of institutional care, with special reference to cottage life, classification procedure, and educational and recreational programs, obtained in earlier studies of three State training schools, were compiled as a basis for consultation service.

The report of statistics of 95 State schools, collected as of January 1, 1938, as part of the service recommended by the advisory committee, was published in a special supplement to the December 1938 number of *THE CHILD*. Work has been begun on a descriptive directory of State, county, and municipal training schools, also recommended by the advisory committee.

Community studies.—In 1938 the Commissioners of the District of Columbia appointed a Child Welfare Review Advisory Committee to consider the organization of the children's services for which the Board of Public Welfare is responsible and to review recommendations made in earlier studies. Members of the staff of several divisions of the Children's Bureau served as consultants to the committee. Arrangements were made for the employment of two experts through child-welfare-service funds made available to the District of Columbia under title V, part 3, of the Social Security Act.

At the request of the committee, the Delinquency Division assembled data regarding the population, administration, and programs of the public institutions for delinquent children and some of the related services in the District of Columbia. Staff members were withdrawn from the study of cottage life and the study of institutional treatment of delinquent girls for this work, which consumed approximately 5 months. The report of the committee with its recommendations was published by the Board of Public Welfare. It has been the basis for successful efforts to obtain increased appropriations for public child-welfare work, especially for the expansion of protective services for children.

General advisory and consultant service.—An increased number of requests for advisory and consultant services were met by field and office consultation and by correspondence. In the period from February 10 to June 30, 253 requests for information or service were received. Of these, 88 came from public or private agencies in the child-welfare field and 165 from individuals. Requests for special studies or demonstrations or filed advisory service, which had to be refused or postponed because of lack of staff, were received from Alabama, Arizona, California, Colorado, and Indiana. Field consultation service was given during the year in the District of Columbia,

Connecticut, Georgia, Missouri, Rhode Island, Tennessee, Virginia, and Wisconsin. The Division has conferred with the Child Welfare Division in the development of State child-welfare programs relating to detention homes and training schools for juvenile delinquents, and with reference to cooperation with the Federal Bureau of Prisons in the administration of the Federal Juvenile Delinquency Act.

The Director of the Division has continued to serve as a member of the National Advisory Committee on Coordinating Councils, the board of directors of the Child Welfare League of America, and the National Association of Training Schools. Members of the staff have conducted institutes or addressed meetings of State conferences of social work in six States and have participated in a number of national and local conferences.

Division of Statistical Research.

Because of changes in the organization of the Division which tended to strengthen and expedite its work, it was possible to increase substantially the output of completed work and to carry forward a special study of expenditures for health and welfare activities in 29 of the 44 urban areas cooperating with the Children's Bureau in current statistical reporting of services and expenditures. Four issues of the social-statistics supplement to *THE CHILD* were published. A series of charts and tables, prepared as basic material for the maternal and child-health part of the National Health Program was considered at the National Health Conference in July 1938, called by the Interdepartmental Committee To Coordinate Health and Welfare Activities. Material on maternal and child-health services and services for crippled children was compiled for the use of the staff of the Children's bureau in hearings on the Wagner Health Bill and amendments to the Social Security Act.

A staff committee on statistical research was appointed by the Chief of the Children's Bureau to review proposed statistical-research projects and to bring about coordinated planning among the various research divisions.

The Division of Statistical Research cooperated with the Bureau of the Census in the revision of standard certificates of birth, still-birth, and death, and in plans for the 1940 census. Cooperation was also given to the Committee on Records and Reports of the State and Territorial health officers, which is carrying on a project to improve record keeping and reporting in State and local health departments. Plans for statistical work needed in the administration of the child-labor provisions of the Fair Labor Standards Act have been developed.

Birth and mortality statistics.—An important part of the work of the special-studies section of the Division of Statistical Research consists of research in the field of birth, stillbirth, and infant- and maternal-mortality statistics. Work in this field is directed toward the development of more adequate basic information regarding the causes of death, analysis of factors underlying variations in birth and mortality rates, and the presentation of statistical information to serve as a guide for and a stimulus to the development of maternal and child-health work which may prove effective in reducing morbidity and mortality among mothers and babies.

The basic data subjected to analysis during the year have been mainly the information on births and deaths published by the United

States Bureau of the Census, but the Division is also indebted to that Bureau for the release of a great deal of unpublished information which has formed the basis of special analyses used for the National Health Conference, the hearings on the Wagner Health Bill, and the work of the Children's Bureau connected with the administration of maternal and child-health services under title V, part 1, of the Social Security Act.

At its annual meeting in October 1938, the vital-statistics section of the American Public Health Association recommended that the Children's Bureau prepare schedule forms and instructions for special studies of maternal and neonatal deaths. Forms were completed and released April 24, 1939. Six States have initiated studies using the forms for maternal deaths, and five States have used the forms for neonatal deaths. Indications are that a number of other States will use the forms during the current year. Other service has been given in local studies of infant and maternal care and material has been furnished for State conferences on maternal and child health.

Provisional statistics issued by the United States Bureau of the Census for 1938 indicate a birth rate of 17.6 per 1,000 population. This rate is 4 percent higher than that for 1937 (17.0) and 7 percent higher than the all-time low birth rate of 16.5 in 1933. No provisional maternal mortality rate for 1938 has been issued by the Bureau of the Census, but preliminary figures of the United States Public Health Service indicate that it may be as low as 44 per 10,000 live births. The maternal mortality rate for 1937 was 49. The provisional infant mortality rate for 1938 is 51 per 1,000 live births, the lowest yet reported for the United States. It is 6 percent lower than the rate for 1937 (54), the lowest rate previously reported. The provisional urban infant mortality rate is 48, and the rural rate is 54. Corresponding rates for 1937 were 52 and 57.

Studies of child health, growth, and development.—The statistician in charge of special studies on child health, growth, and development carried on in cooperation with the Division of Research in Child Development (see p. 159) was called upon for consultation service in studies conducted by other governmental agencies and a number of private organizations.

Current reports.—These include:

1. Employment-certificate statistics. Because of the importance of the employment-certificate system in the administration of the child-labor provisions of the Fair Labor Standards Act, arrangements were made for expanding the reporting area for employment-certificate statistics, especially the area that reports on minors 16 and 17 years of age. In previous years reports for this age group were received from a comparatively small area, because in many States employment certificates were not required for children 16 years of age or over.

By June 30, 1939, reports of the number of employment certificates issued were being received from all the States except 11 in which plans for State reporting were not as yet completed. In all but 3 of these 11 States reports were being received from the cities of 50,000 or more population.

It is recognized that reports of employment certificates issued do not give a complete count of the number of children entering gainful employment. They do constitute, however, a significant index of the extent and trend of gainful employment of children.

In the calendar year 1938 both factors which in the past have resulted in a decrease in the employment of children—declining industrial activity and legal regulation—were operative. The index of employment in manufacturing industries dropped from 99.3 in 1937 to 86.8 in 1938. The 16-year minimum-age provision of the Fair Labor Standards Act of 1938 became effective October 24, 1938, and this tended during the latter half of the year to discourage the employment of children under 16 in industries producing goods for interstate commerce. In the States and cities reporting to the Bureau in both years there was a decrease of approximately 37 percent in the number of first certificates issued for children 14 and 15 years of age, the number dropping from 11,701 in 1937 to 7,431 in 1938.¹⁰

A corresponding trend for boys and girls 16 and 17 years of age is shown in tabulations for States and cities reporting to the Bureau in 1937 and 1938. In this area the number of employment certificates issued for children of these ages going to work for the first time¹¹ decreased from more than 102,000 in 1937 to 76,000 in 1938, a drop of 25 percent.

2. Juvenile-court statistics and Federal juvenile offenders. Juvenile-court statistics have been compiled annually by the Children's Bureau since 1927. For the calendar year 1938 reports were received from all the juvenile courts of Massachusetts, Rhode Island, and Utah; a large number of the courts of Indiana, Michigan, Missouri, New York, and Ohio;¹² 34 courts in 20 other States, and the court in the District of Columbia. The areas served by all courts reporting in 1938 include 39 percent of the total population of the United States. Report forms used by States in reporting juvenile-court statistics on a State-wide basis were simplified substantially during the year.

The total number of delinquency cases reported for 1938 was 77,289 (64,807 boys' cases and 12,482 girls' cases). In the areas served by 28 courts¹³ that have reported to the Bureau each year since 1929, the number of delinquency cases in 1938 was 3 percent less than in 1937¹⁴ (29,971 as compared with 31,038), but 8 percent greater than in 1936 (27,848). Examination of the figures reported by these courts during the entire period shows that the number of cases declined steadily from 1930 to 1936, with marked decreases from 1931 to 1932 and from 1935 to 1936. A sharp drop in 1936 was followed by a substantial increase in 1937. However, the downward trend appeared to have been resumed in 1938. Numerous factors operate in varying degrees in the different courts to affect the number of delinquency cases reported from year to year, so that it is difficult to determine the extent to which the decrease in the number of delinquency cases dealt with by these courts during 1938 represented an actual decrease in juvenile delinquency or changes in the administrative policies of the courts.

¹⁰These figures are based upon reports from 15 States and the District of Columbia and from 89 cities of 50,000 or more population in 21 other States.

¹¹Most of these children have left school to go to work, but in some cities, where school attendance is not required beyond 16 years of age, it is not known whether all the minors reported have left school or whether some are employed only outside school hours and during vacation.

¹²The percentage of the 1930 population included in the reports from these States was as follows: Indiana, 86 percent; Michigan, 87 percent; Missouri, 97 percent; New York, 98 percent; and Ohio, 89 percent.

¹³These 28 courts, located in 17 States and the District of Columbia, are scattered over the United States. Each serves an area of 100,000 or more population. The combined areas comprise approximately 15 percent of the total population of the United States.

¹⁴In the areas served by 333 courts that reported in both 1937 and 1938 the total number of delinquency cases decreased from 74,000 to 67,000, or 9 percent.

Data regarding Federal juvenile offenders (juveniles under 18 years of age who violated Federal laws and came to the attention of Federal authorities) have been obtained annually since 1932 from the Bureau of Prisons of the United States Department of Justice and analyzed by the Children's Bureau. During the fiscal year ended June 30, 1938, 1,873 cases of juveniles under 18 years of age were reported by United States probation officers. In 11 percent of these cases the juvenile was transferred to State authorities, and in the remainder of the cases he was found not guilty, placed on probation, or committed to a jail or Federal institution.

3. Health and welfare services in urban areas. Responsibility for the collection and analysis of data regarding health and welfare services in certain urban areas was undertaken by the Children's Bureau in 1930. At the end of the fiscal year 1939, 44 urban areas of 50,000 or more population, representing about one-fifth of the total population of the United States, were submitting monthly reports on health and welfare activities. The data are collected by local organizations, usually community chests or councils of social agencies.

During the year increased interest of urban areas in the project was apparent. Special efforts were made to strengthen the project in order that the data obtained might be more useful to the cooperating areas. Additions were made to the staff, and checking and tabulating procedures were simplified somewhat to make possible more prompt and complete tabulations of data. Revision and simplification of 19 of the report forms used by the areas resulted in reduction of 32 percent in the number of items to be reported.

Consultant service to the cooperating areas was expanded during the year, two persons being assigned full time to this work. Twenty-eight of the forty-four areas were visited.

A special subcommittee of the Advisory Committee on Current Reports was appointed to review the developments of the social-statistics project and to make suggestions concerning future plans for simplification of report procedures and more prompt publication of the data collected. Two meetings of this committee were held during the year, and valuable recommendations were made which will be considered by the advisory committee at its next meeting.

The series of informal letters of information addressed to the local supervisors of the social-statistics project, which was started at the close of the preceding fiscal year, was continued during the past year. A summary of reports on dependent and neglected children as of December 31, 1937, was presented in a general letter of information issued in January 1939. The material included data for 39 of the 44 urban areas. The number of children receiving aid to dependent children increased 65 percent from December 1935 to December 1937 in 25 areas for which data for the 3 years were available. Because of the Federal program of grants-in-aid, this increase, which varied substantially from area to area, was not unexpected. There was relatively little change in the number of children receiving other special types of child care.

An analysis of group-work statistics, published in the December 1938 social-statistics supplement to *THE CHILD*, was based on reports from 182 local agencies in 27 cities. Attendance at group meetings reported by these agencies was approximately 6 percent greater in January 1938 than in January 1937.

During the last 6 months of the fiscal year a special study was undertaken of 1938 expenditures for health and welfare activities in 29 of the 44 urban areas included in the project. The areas are widely scattered throughout the United States and have an aggregate population of 14,500,000. A preliminary report was published and was presented to national regional meetings of the Community Chests and Councils, Inc.

The study indicated that the year 1938 established a high mark in urban welfare expenditures. Reports from the areas included in the study indicated that their total expenditures amounted to \$637,000,000. The total expenditure amounted to an average of \$44.01 per capita for the entire population of the 29 reporting areas. Per capita expenditures ranged from \$21.94 to \$68.10. Fifteen of the areas reported per capita expenditures between \$40 and \$50.

When the various types of services are grouped into six general classes it is seen that 72 percent of all expenditures went for family welfare and general dependency (including aid to dependent children), 17 percent for hospital in-patient service, less than 4 percent each for care of children, leisure-time activities, and health services other than hospital care, and less than 1 percent for the work of private planning and fund-raising organizations. Various types of public-assistance and work programs accounted for more than nine-tenths of the expenditures in the family-welfare and general-dependency field.

The Federal Government supplied approximately 50 percent of all funds expended, the State governments supplied 13 percent, local public administrations supplied 21 percent, and 16 percent came from private sources (including payments by beneficiaries, which provided 9 percent of all funds expended).

With regard to the auspices of the agencies administering the various programs, 83 percent of all funds were expended by public agencies, 10 percent by private agencies affiliated with the community chest, and 7 percent by other private agencies. Public agencies were responsible for 97 percent of all expenditures in the family-welfare and general-dependency field. A number of the smaller fields were largely dependent on private agencies and private funds.

4. Maternal and child-welfare activities under the Social Security Act. During the year quarterly activities report forms and instructions for their use were revised and were used in reporting for the quarters ended March 31 and June 30, 1939. Maternal and child-health services to be reported on the revised forms are limited to services administered by or under the supervision of the State health agency; services for crippled children to be reported are limited to those provided by the official State agencies and to other services, provided by other public or by private agencies, which are financed in whole or in part from Federal and matching funds included in the approved budgets of official State agencies for services for crippled children.

Plans will be made during the present fiscal year for monthly reports of child-welfare services in rural areas (see p. 140).

LEGAL RESEARCH

The Legal Research Unit in the Office of the Chief continued to collect current information on Federal and State legislation and made

special compilations of State legislation and court decisions on various subjects. An annual summary of child-welfare legislation enacted each year is prepared and published.

GENERAL COOPERATIVE ACTIVITIES

May Day—Child Health Day.

In the 1939 celebration the slogan used in the Children's Year activities of 1918 and 1919 was adopted—"The health of the child is the power of the Nation." The President signed the Child Health Day proclamation April 4, 1939. The objective of the celebration was to bring to the attention of each community—

The importance to the child's health, development, and well-being throughout life, of proper food, rest, exercise, medical care, and protection against disease;

The ways of informing parents and others how child health may be safeguarded; and

The means whereby such safeguards may be made available for all children.

It was decided that special emphasis should be placed on nutrition. Accordingly, when Suggestions for Observance, Child Health Day 1939, were sent out January 20, 1939, Suggestions for Emphasis on Nutrition and What Is Your Community Doing To Promote Good Nutrition of Mothers and Children?, an outline for a survey on nutrition, also were sent to the State May Day chairmen.

Thirty Governors and the Commissioners of the District of Columbia issued Child Health Day proclamations. May Day chairmen were appointed by State health officers in 43 States, the District of Columbia, Hawaii, and Puerto Rico. Thirty-four national organizations assisted in the celebration. Nation-wide publicity was given through newspapers, magazines, and national and State medical journals. Observance took the form of child-health conferences, school programs, exhibits, health talks, and radio broadcasts.

Other activities.

Cooperation with national organizations concerned with maternal and child welfare included furnishing speakers, preparing articles, and providing material for study kits.

The Children's Bureau presented information on maternal and child-welfare Federal-aid programs in staff-training courses conducted by the Social Security Board and on child-labor administration in staff-training courses conducted by the Wage and Hour Division.

INTERNATIONAL COOPERATION

The Director of the Maternal and Child Health Division was one of the official delegates from the United States to the meeting of the International Commission for the Decennial Revision of the International Nomenclature of Diseases held in Paris in October 1938. He presented the proposals of the United States concerning revisions of the list of causes of death relating to maternity, infancy, and stillbirths.

The Industrial Division continued to cooperate with the International Labor Organization through exchange of information concerning matters affecting the employment of children and young persons.

The Director of the Delinquency Division represented the United States at the meeting of the Advisory Committee on Social Questions of the League of Nations held in Geneva, June 19 to 30, 1939. She served on a special committee of two members of the health organization and two members of the Advisory Committee on Social Questions, which met with the Secretary General of the League to consider ways in which more effective collaboration between these committees and with the International Labor Organization might be developed. She also served on several subcommittees entrusted with responsibility for studies undertaken by the Advisory Committee on Social Questions. Annual reports on traffic in women and children and on child welfare and special reports on several subjects were prepared and forwarded to the Social Questions Section. The Bureau of Immigration and Naturalization, which is the central authority in the United States for reporting cases of traffic in women and children, strengthened its facilities for making reports on individual cases and collaborated, as in previous years, in the preparation of the annual report.

A physician on the staff of the Division of Research in Child Development and the head of the medical social work unit of the Crippled Children's Division attended the tenth conference of the Pan American Sanitary Bureau held in Bogota, Columbia, September 4 to 14, 1938, the former as an official delegate and the latter as a technical adviser.

The Chief of the Children's Bureau served as chairman of the United States Committee, of which representatives of the Public Health Service and the Office of Education were members, to plan for participation by the United States in the Eighth Pan American Child Congress, which was to have been held in San Jose, Costa Rica, in October 1939. Plans for participation by the United States were almost completed when announcement was received that the congress had been postponed.

WHITE HOUSE CONFERENCE ON CHILDREN IN A DEMOCRACY

During the past 2 years suggestions came to the President and the Department of Labor, from many sources that our goals with reference to children and the extent to which they are being realized in our civilization should be reviewed in 1939 or 1940 in a national undertaking similar to the White House Conferences which were held, with increasing breadth of approach and coverage, in 1909, 1919, and 1930. After meetings with individuals and groups and a discussion with the President, a decision was reached to organize a conference to meet in an initial session in 1939 to define major objectives, followed by a period of committee and staff work and a final session early in 1940. It was further decided that the purposes of the conference should include, in the words of the President, consideration of the "relationship between a successful democracy and the children who form an integral part of that democracy." The name "Conference on Children in a Democracy" was selected as being in harmony with such an objective.

The President suggested that a planning committee broadly inclusive of the various professions, official agencies, associations, and citizens' group interested in children be appointed to take responsibility for organizing the conference and planning its work. Such a committee, numbering 72 persons, was appointed, the Secretary of Labor being named chairman of the planning committee and conference chairman. Executive responsibility for the conference was placed in the Children's Bureau, and the Chief of the Children's Bureau was named executive secretary. The planning committee authorized the appointment of a small committee on organization to assist the staff in the development of conference plans, and a larger committee, under the chairmanship of Homer Folks, to be responsible for writing a comprehensive report for presentation to the final session of the conference.

The membership of the conference includes persons of wide interests and experience. The governor of each State and Territory was asked to designate a representative. Other members were appointed by the chairman of the conference after suggestions had been reviewed by the committee on organization. Membership was accepted by approximately 600 persons, representing every State, the District of Columbia, Alaska, Hawaii, and Puerto Rico.

The initial session was held April 26, 1939, with an opening meeting at the White House, presided over by the Secretary of Labor and addressed by President Roosevelt, Mrs. Roosevelt, the Rt. Rev. Msgr. Robert F. Keegan, and Homer Folks. After the initial session the work of the report committee was organized, with the aid of a small staff headed by Dr. Philip Klein. A grant of \$47,000 for conference expenses was made by the General Education Board, to be disbursed by the American Council on Education as fiscal agent. Regional meetings for conference members have been held in Buffalo, during the sessions of the National Conference of Social Work, at San Francisco, during the conventions of the National Education Association and the American Library Association, and in Chicago. Small group meetings have been held to discuss specific problems. The following points have been used as a guide for discussion of the various subjects: The nature of the democratic life for which we aspire in the interests of children; the needs of children and the standards of care for their welfare; opportunities and services available to children to meet these needs in different parts of the country and in the several economic strata and population groups; difficulties in the way of attaining desirable opportunities and services; and specific proposals for action.

NATIONAL HEALTH PROGRAM

Following the National Health Conference on July 18, 19, and 20, 1938, called by the Interdepartmental Committee to Coordinate Health and Welfare Activities, discussion with representatives of many national groups and organizations was continued on the proposed national health program that had been submitted to the committee by its Technical Committee on Medical Care. On January 23, 1939, the President transmitted to Congress the final report of the Interdepartmental Committee with his comment on the importance of

a national health program and his recommendation that the report be given careful study by the Congress.

On February 28, 1939, Senator Robert F. Wagner introduced a bill substantially embodying the recommendations of the Inter-departmental Committee. In addition to proposals for a Federal-State program for more adequate provision for public-health protection and prevention and control of disease, for construction and maintenance of needed hospitals and health centers, for medical-care programs, and for disability compensation, the bill proposed amendments to two parts of title V of the Social Security Act, administered by the Children's Bureau. The proposed amendments to title V, part 1, of the act provided for an expanding program of grants to the States for the extension and improvement of maternal and child-health services, including medical care during maternity and infancy, hospitalization, and aftercare. The proposed amendment to title V, part 2 (services for crippled children), provided for an expanding Federal-aid program to extend and improve services and facilities for the medical care of children and services for crippled children and other physically handicapped children in need of special care.

The subcommittee of the Senate Committee on Education and Labor held hearings on the bill, at which information was presented on what has been accomplished in the Federal-State programs for maternal and child-health services and services for crippled children under the Social Security Act of 1935 and on the need for the expansion of such services. On August 4, 1939, the Committee on Education and Labor submitted to the Senate a preliminary report on the bill.

INFORMATION SERVICES

Publications issued and distributed.

During the fiscal year 1939, 54 new publications and 3 revised publications were issued in addition to 35 charts on infant and maternal mortality and related subjects, and 4 posters. Eight publications were in press at the end of the year and 23 were in preparation.

Twelve regular issues of *THE CHILD* and four regular social-statistics supplements were published. A special supplement, *Children Under Care of the State Training Schools for Socially Mal-adjusted Children*, and an index to volume 2 were also published.

The total number of publications distributed by the Children's Bureau was 1,780,874. Distribution by the Children's Bureau of publications for parents on the care of mothers and children was as follows:

Publication	1938	1939	Since publication
Total.....	1, 121, 282	1, 210, 594	17, 814, 319
Prenatal Care.....	218, 368	232, 998	3, 928, 344
Infant Care.....	513, 401	615, 342	9, 094, 536
The Child From One to Six.....	218, 756	201, 313	3, 270, 480
Child Management.....	80, 168	77, 676	883, 486
Are You Training Your Child To Be Happy?.....	56, 769	55, 888	458, 354
Guiding the Adolescent.....	33, 820	27, 377	179, 119

Sales of publications for parents by the Superintendent of Documents for the fiscal years 1938 and 1939, and total sales since publication, were as follows:

Publication	1938	1939	Since publication
Total.....	494, 885	489, 114	4, 926, 194
Prenatal Care.....	113, 615	109, 962	1, 028, 950
Infant Care.....	157, 209	156, 890	2, 046, 120
The Child Form One to Six.....	73, 241	74, 071	909, 618
Child Management.....	68, 951	63, 707	610, 666
Are You Training Your Child To Be Happy?.....	41, 548	42, 701	183, 963
Guiding the Adolescent.....	40, 321	41, 783	146, 877

Correspondence.

The number of letters received was 323,965, an increase of 24 per cent over the previous year.

Radio talks.

Three major broadcasting companies cooperated with the Children's Bureau during the fiscal year 1939. The regular weekly program, "The Child Grows Up," was conducted every Saturday morning over the National Broadcasting Company's Blue Network. A number of special talks were broadcast over the Columbia Broadcasting System. The Mutual Broadcasting System gave time for one special talk on the White House Conference and all three companies broadcast the President's address at the opening of the conference. Fifty-seven radio scripts were prepared during the year. There has been widespread response to the talks, measured by letters and requests for Children's Bureau publications.

Exhibits and films.

Special exhibits were prepared and shown at the annual meetings of the American Academy of Pediatrics, Section I,¹⁵ the American Dental Association, the American Dietetic Association, the American Home Economics Association, the American Medical Association, the American Public Health Association, the American Public Welfare Association, the National Conference of Social Work, the National Recreation Association, the North Carolina Conference on Better Care for Mothers and Babies, the Southern Medical Association, and the Works Progress Educational Directors' Conference. In addition, requests for exhibit material were received from State and local medical, dental, health, and welfare organizations; colleges and universities; State and county fairs; industrial groups; women's groups; youth organizations; and parent-teacher associations. Copies of publications, posters, charts, and maps were furnished in connection with special exhibits, in partial fulfillment of requests when other material was not available, and in response to requests for such material for use in schoolrooms, day nurseries, and clinics. Film shipments numbered 433, an increase of 163 over 1938.

The Children's Bureau was invited by the American Public Health Association to be one of 10 organizations to prepare exhibits on a

¹⁵ Section I includes New England, the Middle Atlantic States, the District of Columbia, and Canada.

cooperative basis for the 1938 annual meeting of the association with a view to demonstrating that worth-while exhibits can be prepared at a minimum of expense. The exhibit, called "The Story of Mary J," a case history of an undernourished child, showed how the nutritionist serves the local community through the child-health conference. It was planned in consultation with Dr. Bruno Gebhardt, exhibits consultant of the American Public Health Association, who was also consultant and designer for some of the New York World's Fair exhibits. "The Story of Mary J" was used also for the Bureau's exhibit at the American Dietetic Association and the American Home Economics Association, and has been sent on request to various National, State, and local groups.

The poster, "The Health of the Child Is the Power of the Nation," originally printed in 1919 as the Bureau's Children's Year poster, was reprinted and used this year for May Day—Child Health Day. It is also available without the May Day imprint for general use. The Children's Bureau also printed for distribution the central poster from an exhibit constructed 2 years ago, entitled "The Children of Today Are the Citizens of Tomorrow," for which numerous requests had been received.

RECOMMENDATIONS

Between the time of the writing of the main body of this report and the preparation of recommendations, the long-dreaded general war in Europe has become a reality. Though we have profound faith that the children of America will be spared the terrors and tragedies of armed conflict, we know that we must prepare them to live in a world that may be hard and uncertain for years. What, then, can we do to encourage the growth in their minds and hearts of the thoughts and the courage of free citizens associated for the pursuit of common ends and the expression of common faith in the dignity and worth of man? The following are some of the ways in which we can serve children in these times.

1. We can save more lives, prevent sickness, and promote health, both physical and mental, among mothers and children, through the joint efforts of the Federal Government, the States, and local communities. The foundation that has been laid under the Social Security Act will be strengthened this year, with moderate increases in appropriations authorized. We must not delay developing more comprehensive services which will insure health supervision, medical and nursing care, and hospital care when needed, to all mothers in the entire maternity period and to all children, when adequate care is not available through family or other private resources.

2. We can save more homes for children by further strengthening the program of aid to needy dependent children administered by the Social Security Board and by extending to new areas and to more children the services of experienced children's workers who deal with situations in which the welfare of the child is threatened by adverse home conditions. This recommendation involves further amendments to title IV (aid to dependent children) and title V, part 3 (child-welfare service) of the Social Security Act.

3. We can lessen the destitution and suffering endured by children living in homes of poverty, by the maintenance and further devel-

opment of sound policies of public housing, social insurance, public assistance, and work projects for the unemployed.

4. We can extend educational opportunity for children through Federal aid to the States for education and through improvement of State and local school administration.

5. We can keep children under the age of 16 years in school and provide proper safeguards for the gainful employment of older children through completing ratification of the child-labor amendment and strengthening National and State legislative child-labor standards and administrative procedures.

6. We can strengthen Government services to children at all levels, Federal, State, and local, by—

(a) Increased Federal appropriations for basic research and administrative studies.

(b) Improved organization of child-health and child-welfare services within State and local government departments.

(c) Establishment and improvement of personnel standards, with special emphasis on merit systems of appointment, and provision for professional and in-service training of staff members.

(d) Coordination and strengthening of institutional and community services to children.

7. We can insist that the standards that have been set up and the services that have been developed at great human and financial cost shall not be relaxed as a result of demands for cheap labor of young workers or costly savings in expenditures for children.

8. We can utilize all the resources of Government, of private effort, and of public opinion, in the attainment of these goals.

9. We ourselves can live with bravery and act in the conviction that children can be prepared for the responsibilities of citizenship in a democracy dedicated to the principles of freedom and equal justice for all.

Respectfully submitted.

KATHARINE F. LENROOT,
Chief.

WOMEN'S BUREAU

MARY ANDERSON, *Director*

To the SECRETARY OF LABOR :

An indication of what will be expected of the Women's Bureau as the effects of the European crisis on American industry become apparent is the constantly increasing dependence on the Bureau as the authority and clearing house for all types of information concerning employed women and their problems. In the past year the organization carried on its advisory and consultative services to large numbers of individuals and to many agencies, public and private, in many States. Requests involving research or other assistance from educational or research organizations or from college authorities in 19 States were among those responded to during the year, as were inquiries from foreign countries and from international organizations. In addition to a large number of requests from abroad by correspondence, many persons representing foreign official or public organizations visited the Bureau in search of information. They came from eight or more European countries, several South American countries, Mexico, the Philippines, and Australia. Material relating to women's problems was brought together for the use of the United States delegates to the Eighth International Conference of American States at Lima and the delegates to the International Labor Conference at Geneva.

Bureau officials were active on the special committees on women in industry and on minimum wage of the Association of Governmental Labor Officials, and prepared material for the use of its home-work committee. These officials served also on many committees in other organizations.

Close cooperation was continued with the various divisions of the Department of Labor and with other Government departments and organizations; with State departments of labor; with the International Labor Office; with trade-unions; and with women's groups and individuals interested in the welfare of working women.

The controversy over the employment of married women in public service has been given much attention by the Bureau, which seeks constantly to prevent legislation or other action discriminating against women. Though bills were introduced in the legislatures of at least 22 States, none was passed. However, in several States and cities joint resolutions or orders of governor or mayor have effected the dismissal of some married women. This is the sort of thing that spreads, unless checked, and overnight might develop into an attack on the right of any woman to work. Fortunately, a number of notable decisions in defense of married women have been made.

Census figures for 1930, the latest available, indicate on what slight grounds the agitation was based. What they amount to, from their

various angles, seems to be not so much that more married women have entered gainful employment as that more gainfully employed women have entered matrimony. The proportion of married women who were gainfully occupied, which was only 11 percent in 1910, had risen only to 12 percent by 1930. The proportion of employed women who were married, however, had risen considerably, but a wholesome tendency of employed women to marry would seem to be a matter for general approbation rather than condemnation.

What is likely to happen to family life in this country if a prejudice against working women marrying is allowed to spread? It is certain that serious consequences will follow. Of the single women today who are the wives of tomorrow, many must continue working in order to establish a home, to have a family. Young men today have not large enough wages or salaries to enable them to get ahead and to set up a home. Are these young people to postpone marriage until they are middle-aged? Sociologists already point out the complex problems in our society due to young people being unable to marry. If girls are to lose their jobs when they acquire husbands, thousands of marriages will not take place. The plain questions before us are these: Are we going to penalize marriage? Are we going to say which groups of our society may marry and which groups may not?

Minimum-wage activities.

The annual minimum-wage conference of the Women's Bureau was held in Washington November 9 and 10, 1938. The conference was attended not only by representatives of 15 State labor departments, the District of Columbia, and Puerto Rico but by members of the Women's Bureau Advisory Committee, who represent national women's organizations. State minimum-wage inspectors were invited to the conference for the first time this year, and one session was devoted to a discussion of their problems.

As 44 State legislatures were in regular session in 1939, the Bureau responded to many calls from the States for assistance in connection with proposed amendments to existing minimum-wage laws and for advice concerning new bills that were introduced. Louisiana, which passed a minimum-wage law in July 1938, and Maine and Alaska, which took such action in 1939, have the only new laws in the fiscal year, but weakening amendments to existing laws were defeated in several States and a few laws were strengthened.

The Women's Bureau through its minimum-wage division assisted a number of States where new administrators were appointed during the year in reorganizing their administrative procedure and in preparing for wage boards and new wage orders. Assistance was given also to States whose minimum-wage laws have become involved in court cases. On the invitation of the Bureau, a number of lawyers and State minimum-wage administrators are serving as a committee to outline the standards of legal procedure that if followed should help the States to avoid legal involvements. A preliminary release entitled "Discussion of Some Simple Errors and Obstacles in the Course of Administrative Procedure and Methods of Avoiding Them" has been sent out to all State minimum-wage administrators.

In anticipation of a bulletin to be prepared by the Bureau on State minimum-wage procedure, a survey was made of the adminis-

trative procedure followed by the minimum-wage divisions of New York and Connecticut.

The Bureau is making a study of the practice of booth renting among the Negro beauty shops in the District of Columbia. About 200 shops will be covered.

In the last quarter of 1938 the Bureau made a survey of the State of Nebraska, at the request of the State commissioner of labor and the League of Women Voters, to secure pay-roll data for minimum-wage purposes. The data comprise the past year's earnings as well as those for 1 week in late 1938. More than 8,000 women, in factories, stores, offices, and the service industries, were employed in the 234 establishments visited.

The Bureau cooperated also with Utah in supervising a cost-of-living survey made by the Industrial Commission to be used in establishing minimum wages for women and minors in that State.

An analysis of the learners' provisions of all State minimum-wage orders was made. Compilations of State minimum-wage orders and summaries of their wage provisions were made for the laundry, dry-cleaning, and retail and wholesale trade industries, and are available in mimeographed form. A similar compilation for beauty shops is in progress. A summary of cost-of-living budgets for employed women living alone, prepared by the States for minimum-wage purposes, also was mimeographed for distribution. Bulletin 167—State Minimum-Wage Laws and Orders: An Analysis—is among the publications printed during the year.

As usual, a large part of the Bureau's work in connection with minimum-wage legislation was educational. The director of this work spoke before schools and colleges, organized workers and employers, women's and civic organizations, and conferences of Protestant and of Catholic social workers and of vocational teachers. Articles and reports on minimum wages were prepared for Law and Contemporary Problems, the Journal of the Law School of Duke University, for the Monthly Labor Review, and for the annual conference of the International Association of Governmental Labor Officials.

Completed studies.

Conditions in the millinery industry.

An important study that is expected to play a considerable part in the stabilizing of a most unstable industry—the manufacture of women's hats—was issued in the spring of 1939. Made at the request of the Millinery Stabilization Commission, set up jointly by employers and employees, the survey went into the details not only of employment and earnings but of management, operating costs, gross and net sales, and profit and loss for each of the 12 major production areas of the country.

The study is of special concern to women, who comprised 64 percent of the workers employed in 1937 and many thousands of whom were found on the books of the employing firm in less than 20 weeks. It constitutes an example of the need of new fields of employment for women, since stabilization eventually must result in the employment of a smaller number for a much greater part of the year, and large numbers of the extras now employed for short periods will be without even this inadequate source of income.

Owing to the excessive seasonality of the industry, the number of persons who look to it for employment of some extent during the year is very great. From the names found on the 52-week pay-roll records of the firms surveyed, nearly 32,000 persons were given some employment in 1937, though less than 18,000 were employed in the week of maximum production. In other words, though in the week of maximum employment the workers averaged only 35 to a firm, the persons given some employment during the year averaged 71 to a firm.

Not only does employment fall off drastically—the week of minimum production in 1937 provided work for only 54 percent of those employed at the maximum—but those who have work in the slack season earn less than half what they earn at the busiest time. Week's earnings, which had averaged \$32.55 for the 17,900 employees before Easter in 1937, averaged \$15.60 for the 9,700 still at work early in July.

The capital resources necessary to enter business are small, so men set up shops without adequate business knowledge or preparation. As two-fifths of the firms make three-fourths of the sales, competition among the 60 percent that make only one-fourth of the sales is excessive.

The firm members—in most cases only two or three in a shop—average small returns for their work and the risks they assume. Only when net sales exceed \$100,000 do they earn materially more than the better-paid of their employees, yet the firms that do exceed \$100,000 in net sales are only 2 in 5 of all.

Among the recommendations for stabilization suggested by the findings, most of which have to do with conditions within the industry, is the enlisting of the aid of representatives of women consumers in steadying style trends far enough in advance to permit planned manufacture.

A simplified version of the report, for popular consumption, is being prepared for printing.

Women's, children's, and infants' apparel.

The Women's Bureau was designated as the investigating division for the subcommittee on women's, children's, and infants' wear of the apparel-industry committee appointed by the Wage and Hour Administrator. Accordingly, a number of the Bureau's investigators spent 4 months in the spring of 1939 visiting factories to get information on earnings and hours, costs, policy as to learners, status as to unionization, and other matters. The report will shortly go to press.

The unit-priced dress branch of the apparel industry, that is, the branch making dresses styled especially for street or dress wear and sold as individual garments, was surveyed in 17 States. Pay-roll data were secured from 1,104 firms, which employed 52,380 factory workers. More than three-fourths of the employees (77 percent) were women. There were 430 learners and 262 handicapped workers. Excluding these, the earnings of the entire group in the week recorded averaged \$25.56. The shortest hours found were in this branch of the industry. Not quite 4 percent of the employees worked 40 hours; less than 11 percent exceeded 40, only 2 percent exceeding 44; and 86 percent worked under 40 hours, 35 percent working even less than 35 hours. Average hourly earnings for the employees as a whole were 78.2 cents.

The dozen-priced dress branch of the industry includes such dresses, sportswear, and service aprons, accessories, and uniforms as are wholesaled by the dozen. Twenty-two States were represented in the study, and pay-roll data were secured from 399 firms, employing 32,612 factory workers. Nine-tenths of these employees were women. Among the workers were 1,092 learners and 188 handicapped persons. Average earnings of all experienced employees in the week recorded were \$14.65. Twenty-three percent of the employees worked 40 hours in the week; 35 percent exceeded 40 hours, but only 5 percent exceeded 44; and 42 percent worked less than 40 hours, 3 in 5 of these working less than 35. Average hourly earnings were 38.5 cents.

Firms making blouses were surveyed in 10 States, pay-roll data being secured from 156 firms, employing 7,204 factory workers, 92 percent of whom were women. The number of learners was 179 and the number of handicapped 61. Earnings of experienced workers in the week recorded averaged \$18.35. The hours worked were short, three-fourths of the employees working less than 40 hours and almost one-third (32 percent) working less than 35. Twelve percent worked 40 hours and 13 percent exceeded 40, but hardly any—less than 2½ percent—worked more than 44 hours. Hourly earnings averaged 53.1 cents.

In corsets and allied garments, pay-roll data were secured from 100 firms, employing 10,070 factory workers. Almost 90 percent of the workers were women. Among the employees were 324 learners and 44 handicapped workers. The survey covered 11 States and the District of Columbia. Average earnings of experienced workers were \$17.90 for the week. Twenty percent of the employees worked 40 hours; 29 percent exceeded 40 hours, with 10 percent exceeding 44. More than half of all (52 percent) worked less than 40 hours, 2 in 5 of this group working less than 35 hours. Hourly earnings averaged 46.3 cents.

The underwear and nightwear branch of the industry was surveyed in 16 States. Pay-roll data were secured from 290 firms, which employed 22,459 factory workers, just over nine-tenths of them women. Learners numbered 623 and handicapped workers 98. Week's earnings of the experienced employees averaged \$15.30. Eighteen percent of the employees worked 40 hours; 26 percent worked over 40 hours, but only 4 percent exceeded 44; and by far the largest proportion, 56 percent, worked less than 40 hours, almost half of these working less than 35. The average hourly earnings were 41.5 cents.

Children's and infants' outerwear was surveyed in 14 States. Pay-roll data were secured from 238 firms, which had 16,882 factory workers, 90 percent of them women. Home workers, reported by 39 of the firms, were not visited in the survey and so are excluded from the tables, as are the 275 learners and 65 handicapped workers. Earnings of experienced workers in the week recorded averaged \$15.55. As many as 57 percent of the employees had earnings of less than \$15, 14 percent earning even below \$10. About one-fifth of the employees (21 percent) worked 40 hours in the week; 32 percent exceeded 40, but only 4 percent exceeded 44; and 47 percent worked less than 40 hours, one-half of this group working less than 35. Average hourly earnings were 41.3 cents.

Economic status of university women in the United States.

The cooperative study by the American Association of University Women and the Women's Bureau, made with the purpose of discovering the changing economic status; the occupational opportunities, and the responsibility for dependents of employed women who have had the advantages of a college education, was published during the year. The investigation was based on reports from 8,796 A. A. U. W. members, who resided in every State of the Union, and all of whom, in January 1935, considered themselves gainful workers.

In the matter of employment, the group had not been affected seriously by the depression. On December 31, 1934, only 4 percent were doing part-time work and only 6 percent were unemployed. Half of the unemployed women who gave the reasons for surrendering their last jobs had done so voluntarily for personal reasons. In fact, in the 10-year period 1925-35, though 21 percent had suffered one period of enforced idleness; only 8 percent had had more than one such period.

Somewhat under one-third of those reporting had changed their occupation during the 10 years, those in education shifting to about the same extent as those in other lines of work.

The 1934 occupational distribution of the women studied was concentrated heavily in the field of education, 69 percent working as executives or teachers in colleges, high schools, normal schools, and elementary schools. Only 3 percent were working in independent business, and the remaining 28 percent were working for an employer in noneducational occupations, such as librarian, social, health, and religious worker, secretary, home economist, clerical worker, research worker, personnel worker, and so forth.

Though in general these women had been successful in holding jobs, even through the depression years, their earnings were appallingly low in view of the maturity of the group (nearly three-fifths were at least 35) and the investment they had made in a 4-year college course and advanced training and study. Forty-nine percent reported that their highest yearly earnings at any time in the period 1925-35 were less than \$2,000, and only 15 percent had earned as much as \$3,000. Further, by 1934 the proportions earning less than \$1,500 were much larger, and the proportions earning amounts in the higher brackets were much smaller, than the corresponding figures for the 10 years. Such salaries become a matter of deep concern when it is noted that two-fifths of the women reporting supported, either fully or partially, one or more dependents, the great majority of whom were adults.

Employed women and family support.

One-tenth or more of the women in gainful work are the sole support of their families, and many others provide a considerable share of the family budget, according to various studies. This situation is much the same whether shown from very recent or from somewhat earlier data.

The Women's Bureau has contributed to the fragmentary information on this subject by an examination of unpublished data in the Bureau of the Census for some 58,000 gainfully occupied women in three cities in widely separated parts of the country: Fort Wayne, Ind., Bridgeport, Conn., and Richmond, Va. All are industrial com-

munities having 30 percent or more of their women gainfully employed in the characteristic occupation groups in which women are found in most cities. The typical working woman in Bridgeport and Fort Wayne was in a manufacturing plant; in Richmond she was more likely to be a domestic in a private home.

Omitting the women who lived alone, some 34,000 families were represented by the working women in these cities: About 4,100 of these families were supported entirely by a woman, and another 2,000 had only women and no men wage earners. Of the women who were the sole support of their families, nearly 1,700 had never been married, over 1,600 were widowed or divorced, and nearly 800 were married.

In general, more of the married than of the single women were found in types of work offering little chance for advancement or display of initiative, such as service occupations and work in their own homes. On the other hand, larger proportions of the single than of the married women had managerial, professional, and clerical jobs. Younger women filled the white-collar clerical jobs in Fort Wayne and Bridgeport more generally than they did factory jobs and those in domestic and personal service.

In Fort Wayne, 95 percent of the women workers were native white, as was the case with 75 percent in Bridgeport, and nearly 60 percent in Richmond. In Bridgeport one-fifth of the employed women were foreign born, and in Richmond two-fifths were Negro.

Of the Negro women at work in Richmond, two-thirds were in some type of domestic or personal service. Of the families of all Negro women with jobs, 25 percent were supported entirely by women, as were 19 percent of the families of employed native white women.

Men's-wear industries.

Several small studies in the men's wear survey made for the Public Contracts Division in the preceding fiscal year, but not ready for inclusion in the 1938 annual report, have been completed.

Pay-roll data for men's caps and cloth hats were secured from 64 plants in 6 States; these employed 1,585 workers, 49 percent of whom were women. The week's earnings averaged \$20.70, but 13 percent of the employees earned less than \$10. Of the 1,200 employees with hours worked reported, 27 percent worked 40 hours, 40 percent worked less than 40, and 33 percent worked more, one-eighth of the total working 48 hours or more. Average hourly earnings were 54.8 cents.

Men's neckwear was surveyed in 7 States, and 101 plants, employing 4,357 workers, supplied pay-roll data. A very great majority of the employees were women. Week's earnings of all workers averaged \$21.60, but 9 percent of the employees earned less than \$10. Hours worked were obtainable for 2,292 employees; 50 percent of these worked under 40 hours, 18 percent worked 40, and 32 percent worked a longer week, 8 percent working 48 hours or more. Hourly earnings averaged 55.1 cents.

Plants making work and knit gloves were visited in 9 States; 42 factories, with 4,642 employees, made their pay-roll records available. Eighty percent of the employees were women. Average week's earnings for all employees were \$13.95, but one-fourth of the workers earned less than \$10. Of the 3,431 employees whose hours worked were reported, a large proportion (57 percent) worked more than 40

hours, 18 percent worked 40 hours, and only 25 percent worked less than 40. Average hourly earnings were 33.3 cents.

The handkerchief industry was surveyed in 4 States, where 21 factories, employing 2,395 workers, supplied pay-roll records. All but 4 percent of the employees were women. The week's earnings averaged only \$12.80, and almost 23 percent of the workers had earnings under \$10. Of the 2,077 employees whose hours worked were recorded, 39 percent worked less than 40 hours, 17 percent worked 40, and 44 percent exceeded 40. Average hourly earnings were 32.9 cents.

Pay-roll figures for the raincoat industry were secured from 35 factories in 7 States. These employed 2,581 workers, 65 percent of them women. The average week's earnings were \$19.60, but 13 percent of the employees earned less than \$10. Hours worked, reported for 1,851 employees, were under 40 for 29 percent of them, 40 hours for another 29 percent, and over 40 hours for 42 percent. Average hourly earnings were 47.8 cents.

Thirteen States were surveyed in a study of men's leather, sheep-lined, and wool jackets. Pay-roll data were secured for 5,878 employees, at least two-thirds of them women. Average earnings in the week recorded were \$17.10 in wool jackets and \$22.45 in the leather and sheeplined product. Hours worked were under 40 for about 50 percent of the employees, 40 hours for about 21 percent, and over 40 for about 28 percent. Hourly earnings averaged 47.6 cents in wool jackets and 60.8 cents in leather and sheeplined jackets.

Job histories of women at summer schools.

Several times since 1925 the Women's Bureau has published studies by various writers of the industrial experience of women and girls in attendance at the summer schools for women workers. The latest, now in preparation for printing, analyzes the job histories of about 600 students who filled in questionnaires at some time in the 4-year period 1931-34 and of 117 for whom information was made available in 1938. Among the significant changes apparent in the most recent years reported are a decline in the proportion of foreign born, an increase in irregular employment, heavily reduced earnings, and a considerable growth in union membership.

General information on working women.

The public demand for information on a wide variety of subject matter in connection with employed women makes it necessary for the Bureau to compile and summarize much current material in easily usable form. Several types of such material were prepared this year.

A useful study—*The Woman Wage Earner: Her Situation Today*—is in press. This gives separate consideration to the more important industries employing women, showing for each the place women occupy in the labor force, the general geographic location, the general wage standard, and the trend of women's employment in the industry. This bulletin also relates women's earnings to costs of living, and discusses the extent to which women participate in labor organizations.

A revision of an earlier bulletin especially arranged for the use of groups studying women in industry was printed. This contains late information on women's occupations, the economic situation, labor

legislation, unemployment, wages; labor organization, and many other matters about which the public should be informed.

Special information on economic conditions affecting women in the South was compiled in response to demands from that section, and printed in a brief folder. Charts were made from this material and distributed on request.

Studies in progress.

Canning and dried-fruit packing.

The details of this extensive study, in which 572 fruit and vegetable canneries were scheduled in 13 States and Hawaii, are in process of tabulation at the close of the year. The pay-roll information, obtained for both men and women, comprises hours and earnings for a full week in 1938, by occupation and product; fluctuation in employment and earnings from week to week throughout 1937; and the year's earnings. From firm interviews were obtained the area of production, amount of pack, organization, source of labor supply, Government contracts, and the employment of young persons.

Preliminary figures from the Maryland survey were made available to the Maryland Unemployment Compensation Board for use at a conference on changes in the Social Security Law for seasonal industries. In relation to unemployment compensation, the Maryland survey showed that comparatively few plants packing only one or two seasonal vegetables operated long enough to be held responsible for their workers' security of employment, but practically all those with more varied products not only employed four persons in 20 weeks but employed at least eight persons for such time.

Naturally there was a definite relation between the type and number of products and the duration of the packing period. Of the 56 plants reporting on length of the packing season in 1937, those canning only seasonal vegetables averaged 10 weeks' packing, those canning both seasonal and nonseasonal vegetables packed for 33 weeks, and those canning vegetables and other products (usually fish) packed for 44 weeks. The plants canning only seasonal vegetables operated for 7 weeks if they packed only 1 vegetable, 12½ weeks if they packed 2, and 18 weeks if they packed 3 or more.

In this State, which ranks third as an employer of canning labor, wages in a busy week in 1938 averaged for men 25 or 27½ cents an hour and \$13.55 a week, and for women 20 or 22½ cents an hour and \$8.10 a week.

Pay-roll records for individual workers in 1937 show that the year's earnings of an individual from any one cannery were in most cases very small; one-half of all those reported had total earnings of less than \$35. Two-thirds of all employees worked less than 8 weeks, and only 6 percent worked more than 6 months.

The enormous labor turn-over in the industry is illustrated by the fact that about 18,000 persons were employed at some time during the year, though less than half that number—only 8,700—were employed in the week of maximum production.

Canneries and the service industries in Hawaii.

At the request of women's organizations in Hawaii, the Women's Bureau sent a representative to cooperate with the Bureau of Labor

Statistics in a study of hours and earnings in the industries of the Territory in 1939. A total of 179 establishments, all but 20 of them stores, hotels, and restaurants, beauty and barber shops, or laundries were visited to obtain pay-roll data as to hours and earnings of men and women in 1 week of 1939, and their year's earnings for 1938.

The information from 4 large pineapple canneries, also secured, is to be combined with the data from 13 States for the Bureau's extensive canning study just described. In 1930 the Bureau issued a report on the Hawaiian pineapple canneries (bulletin 82), a comparison with which in the matter of wages and hours promises to be interesting.

Women's employment and family responsibility.

A study that should serve to quiet the criticism of married women's employment is in progress in Cleveland and in Salt Lake City. It is expected to show, as all studies of the same sort have shown, how necessary to the family budget is the money contribution of wife and daughters.

Planning to make the study representative of various conditions and to cover women from all types of employment, including several of the professions, the investigators are interviewing practically all classes of women: Employed women, and those not employed (1) who are out of a job and want work, (2) who never have worked but want work, and (3) who used to be employed but do not want work. They are obtaining personal information and employment status for all members of the family and household; sources of family income; complete employment history of all women, from first to last job; and women's contribution to the family income, their household duties, and their care of children.

Industrial injuries and occupational diseases affecting women.

Industrial injuries and occupational diseases cause much suffering among employed women. The first step in prevention is to know the extent to which women are affected. The Women's Bureau seeks to stimulate State reporting by sex, according to an accepted form, and it keeps a continuous record of all data on these subjects that are made available by sex by State authorities or other sources, later issuing interpretative bulletins thereon. If industrial injuries are to be lessened, it is important to devise a method of obtaining more complete data on the causal factors. Now in progress is an analysis of recent information on the extent to which women suffer from reportable diseases due to their employment conditions.

Trends in women's employment and wages.

The latest figures in the Bureau's continuing study of employment and pay-roll trends indicate employment increases and wage advances for women. By March 1939 many of the important woman-employing industries had considerably more workers than at the same time in 1938, and weekly wages had increased in all but two of the industries reported. Due to somewhat longer hours of work, there were fewer increases in average hourly earnings.

The sample pay-roll figures that make possible such a comparison are collected twice a year from the 12 major industrial States and for all the largest woman-employing industries, and the information now is available for a full year's period for the first time. It is

hoped to develop from these data as time goes on an index of women's employment and pay rolls.

The Woman Worker.

Six numbers of this bimonthly periodical—published in printed form since January 1938 and continuing a series of mimeographed "news letters" unbroken since 1920—have been issued in the past fiscal year. This bulletin, for sale by the Superintendent of Documents at 5 cents a copy or 25 cents a year, keeps correspondents of the Bureau informed on current happenings specially affecting employed women: New laws, orders, and decisions; reports showing women's employment, wages, and hours; conferences of national organizations concerned with women's problems; activities of State minimum-wage departments and of Federal agencies having to do with women's work; and so forth.

Labor laws affecting women.

The Bureau estimates that nearly 4 million women are covered by the Federal Fair Labor Standards Act, and that a total of over 5¼ million are in occupations covered by the Federal law and State minimum-wage laws. The extent to which women are affected by labor laws and the terms of the laws and administrative orders that affect them are matters upon which this Bureau constantly receives inquiries. The Bureau also is called upon frequently to give advice in the drafting and passage of legislation for employed women, to estimate effective coverage of the law, and to furnish factual economic data to be used in support of the law.

Information as to new legislation and administrative orders affecting women must be kept current. Summaries of State laws are issued from time to time in printed form. In the past year such analyses have been published showing the State laws and orders on minimum wages for women. Unpublished summaries of laws affecting women that were prepared this year include women in the administration of penal law and State legislation covering household workers.

The Bureau has continued its detailed study of the legal status of women in the 48 States and the District of Columbia—the laws affecting women in their personal, property, and political relations. Information for 42 States is now in printed form, and a summary for the country as a whole is in preparation.

In order to be able to furnish complete information on labor legislation for women, the Bureau follows closely the progress of such legislation in the States. In 1939, 44 State legislatures met in regular session and some held special sessions as well. A great number of bills directly affecting the employment of women were introduced and new or amended laws were approved in 14 States and the Territory of Alaska.

California, Massachusetts, and Utah extended the coverage of their 48-hour laws. Massachusetts also broadened application of the act regulating the hours of continuous work, while Utah added a provision allowing overtime in emergency or peak periods under permit from the industrial commission.

Nevada regulated the spread of daily working hours; New Mexico amended the 8-48-hour law to allow a 7-day week; and North Carolina added limited seasonal exemption for one group of workers.

New Hampshire's 54-hour law was amended to permit laundries, if licensed by the labor commissioner, to employ women 60 hours a week during 3 months annually; North Dakota transferred administration of the hour law to the State department of agriculture and labor; and Pennsylvania amended the 8-44-hour and 5½-day-week law to allow 10 hours a day, 6 days, but not over 48 hours a week for women employed in non-profit-making charitable or welfare institutions.

Alaska set a maximum 60-hour week for women and girls in household or domestic service. Employed time is defined as all hours or fractions of hours when the employee is subject to call.

Massachusetts again provided for suspension of the law prohibiting the employment of women in textile industries after 6 p. m. New York exempted proofreaders, linotypists, and monotypists in commercial printing plants from the night-work prohibition, and Pennsylvania amended the law prohibiting employment of women in factories after 10 p. m. to permit work until 12 p. m. in establishments operating not over 2 shifts of 8 hours each, and not over 5 days a week.

California, West Virginia, and Puerto Rico, for the first time, passed laws to regulate industrial home work.

Maine and Alaska approved minimum-wage legislation, bringing the total of such laws to 29—26 State acts, plus those in the District of Columbia, Puerto Rico, and Alaska. The Maine law is the first to apply to one industry only.

Connecticut reenacted the minimum-wage law, eliminating the directory period, making all wage orders mandatory when issued, and extending the provisions of the law to men. Enforcement provisions of the Massachusetts act were strengthened. In Nevada the legislature fixed the minimum-wage rates for the 3-month probationary period and also set maximum deductions allowable for food and lodging.

Minnesota added to the minimum-wage law certain exemptions for telephone operators, and New York, in addition to a clarifying amendment, lengthened from 10 to 30 days the period allowed the labor commissioner for final action on a wage-board report. Oklahoma rejected a proposal to repeal the minimum-wage law of that State.

Numerous new wage orders were adopted during the year. Most of them affect workers for whom minimum rates had not previously been set, though some old orders were revised with higher rates and other changes.

Public information.

Response to ever-increasing demands for facts about women workers constituted a major Bureau activity in the past year. As usual, the Bureau presented these facts not only in bulletins, technical and popular, but in leaflets, charts, posters, maps, and motion pictures. With the growing interest in workers' education, many requests were received for material suitable for workers' use. In addition to supplying quantities of existing publications, new material was prepared and other studies were revised. The last-named includes a digest of Standards for Employment of Women in Industry Recommended by the Women's Bureau; a revision of the bulletin *Women at Work*,

which is used as a textbook in workers' education classes; and a revision of the leaflet *The High Cost of Low Wages*. Work was begun on a leaflet, *Facts About Women Workers*.

Exhibits.

Women's Bureau exhibits of one type or another were sent to 47 States, the District of Columbia, Hawaii, Puerto Rico, Peru, Australia, and Canada. The total distribution included hundreds of copies each of maps on labor laws, printed charts, and posters. Not far from a hundred hand-made charts on various phases of women's employment were prepared to meet special needs. Well over 600 sets of films were lent, the majority for temporary use but almost 100 to be circulated by university extension services or film agencies. At the request of Oglethorpe University, Georgia, a print of each of the Bureau films was deposited in the university's crypt of civilization, to be opened some centuries hence.

Fifty-one bulletin displays were sent out on request, each selected with relation to the interests of the group making the request. Exhibits were prepared for the Southern Conference for Human Welfare in Birmingham, Ala.; the Pan American Exposition in Tampa, Fla.; the National Conference of the League of Women Shoppers in Washington, D. C.; the Public Welfare Conference in Washington; the Michigan State Federation of Labor; the Convention of the International Association of Altrusa Clubs in Portland, Oreg.; and the Southern Industrial Conference of the Young Women's Christian Association at Camp Merrie-Woode in North Carolina. Two special displays on women workers were planned as part of the Federal Government exhibits at the New York World's Fair.

Services to organized labor.

Recognition by organized labor of the value of the services of the Women's Bureau is shown by a distinct increase in its requests for assistance. Among the labor groups, independent or affiliated with the A. F. of L. or the C. I. O., that requested Bureau speakers during the past year are the following: The Boot and Shoe Workers Union; the United Office and Professional Workers of America; the Central Labor Union of Kansas City; the International Ladies' Garment Workers' Union; the Laundry Workers Union, affiliated with the Amalgamated Clothing Workers; the United Candy and Nut Packers' Union; the National Conference of Women's Auxiliaries of the United Automobile Workers of America; the Interstate Conference of Illinois and Wisconsin Women's Trade Union Leagues and Committees, and branches of the National Women's Trade Union League in several cities.

In recent months union groups have cooperated with the Women's Bureau in connection with several investigations: Canning, millinery, and women's apparel. Charts on the condition of the glove industry were prepared for workers in Gloversville, N. Y. Research was done for the Amalgamated Clothing Workers in Nashville on the possible effect of the Wage and Hour Act on their industry in Tennessee.

Negro women workers.

Problems of 2 million Negro women workers received special attention: In the spring a bulletin on this subject was published, hundreds of copies of which were distributed. A study was begun of booth rent-

ing in Negro-beauty shops in the District of Columbia—a practice that creates many problems for beauty-shop workers. Members of the Bureau staff spoke before Negro groups in a number of localities, including Kansas City, Mo., Washington, D. C., and Suffolk and Hampton, Va. Charts showing occupations of Negro women were prepared and sent out on request.

Household employment.

Acting as a clearing house on various phases of employer-employee relations and working conditions in domestic service, the Bureau answered a large number of requests for material on these. Many employers, workers, and representatives of organizations visited the Bureau to consult with its experts and receive the benefit of their close observation of developments. A number of addresses on the subject were made by Bureau staff members, the most significant being An Occupational Analysis of Household Employment before the International Management Congress in Washington. Close cooperation has been maintained with women's organizations in this field, particularly the Young Women's Christian Association, but including the National League of Women Shoppers, the National Women's Trade Union League, and the National Negro Congress. Preparation was begun on a manual for discussion of problems of domestic service for the use of household workers.

Conferences.

Besides the conferences called by the Bureau or the Department, the Women's Bureau attended and participated in the conferences or conventions of the following national or international organizations:

Conference on Southern Economic Conditions; National Health Conference; American Federation of Labor; Southern Conference for Human Welfare; National Consumers' League; National Conference of Social Work; American Association of University Women; International Association of Governmental Labor Officials; International Management Congress; International Association of Industrial Accident Boards and Commissions.

Addresses were made before many organizations not national in membership, and active cooperation was continued with groups working for adult education, vocational guidance, the elimination of home work, self help, and other matters important to women.

Publications.

Ten bulletins came from the press during the year and five are in press as the year closes. The titles follow:

- No. 157. The Legal Status of Women in the United States of America. (42 States and the District of Columbia now in printed form.)
- No. 159. Trends in the Employment of Women, 1928-36.
- No. 160. Industrial Injuries to Women and Men, 1932 to 1934.
- No. 161. Women at Work: A Century of Industrial Change. Revision of Bul. 115. (In press.)
- No. 163. Hours and Earnings in Certain Men's-Wear Industries, Part 6: Caps and Cloth Hats, Neckwear, Work and Knit Gloves, Handkerchiefs. (In press.)
- No. 164. Women in Industry: A Series of Papers to Aid Study Groups. Revision of Bul. 91.
- No. 165. The Negro Woman Worker.
- No. 166. The Effect of Minimum-Wage Determinations in Service Industries: Adjustments in the Dry-Cleaning and Power-Laundry Industries.

- No. 167. State Minimum-Wage Laws and Orders: An Analysis.
 No. 168. Employed Women and Family Support.
 No. 169. Conditions in the Millinery Industry in the United States.
 No. 170. Economic Status of University Women in the United States of America.
 No. 171. Wages and Hours in Drugs and Medicines and in Certain Toilet Preparations. (In press.)
 No. 172. The Woman Wage Earner: Her Situation Today. (In press.)
 No. 173. Standards for Employment of Women in Industry Recommended by the Women's Bureau. (In press.)
 Leaflet. The High Cost of Low Wages and How to Prevent It. Revision. (In press.)

Important mimeographed material includes the following:

- State minimum-wage orders for laundry and dry-cleaning occupations. (October 1938.)
 Minimum wage since March 1937. (June 1939.)
 Decision of Supreme Court of Oklahoma in the Oklahoma minimum-wage case.
 Decision of Supreme Court of Utah in the Utah minimum-wage case.
 Discussion of some simple errors and obstacles in the course of minimum-wage administrative procedure and methods of avoiding them.
 Suggested language for a standard minimum-wage bill for women and minors (revised); also Suggested language for a standard minimum-wage bill for men, women, and minors (revised).
 State minimum-wage budgets for women workers living alone.
 Information on woman-employment in major manufacturing industries in minimum-wage and non-minimum-wage States.
 Minimum Wages—Report to annual meeting of International Association of Governmental Labor Officials, September 1938.
 Women in Industry—Report to annual meeting of International Association of Governmental Labor Officials, September 1938.
 Wages and hours in the cereal-preparations industry in 1938.
 Wages and hours in milk condenseries in 1938.
 Inter-American Commission of Women (Lima, Peru); also Lima Declaration of Women's Rights.
 Social security for household employees.
 An occupational analysis of household employment.
 Service for working women.
 Gainful employment of married women (Supplement); also Statement on democratic rights.

Recommendations.

Under emergency conditions women's work becomes increasingly important, and their standards of employment, in conjunction with those of men, must be guarded very closely. In a time of crisis there is always danger that such improved conditions of employment as have been brought about will be set aside; the clamor for abrogation of all labor standards was very great during the war of 1914-18.

If the European hostilities cause an upturn in American business, there will be a considerable demand for labor. Much of this demand will be for machine tenders, and large numbers of these will be women. Thus there will arise a condition similar to that which brought the Women's Bureau into existence, namely, an urgent necessity for the Federal Government to see that women are not exploited in the emergency. For this the country must be prepared, and the Federal agency authorized by its creative act to have this responsibility is the Women's Bureau.

Though working in close cooperation with and giving every possible assistance to the several women's bureaus that have been established in the States, the Federal Women's Bureau will have an even greater responsibility in the case of the many States that have no such organization.

For this important work, if and when it comes, obviously the Bureau will require a considerably increased appropriation and staff, and this critical situation of emergency demand and wholly inadequate financial resources is the most serious matter in my report and cannot be emphasized too strongly.

Closely related to this is the inadequacy of the funds for printing the Bureau's reports. Long before other Government agencies made a practice of gathering data on the fluctuation in employment and earnings of individuals, the number of weeks worked, and the total year's earnings—data that under the Social Security program have become essential—the Bureau reported such information for large numbers of working women. The family responsibilities of women, also, have been reported by the Women's Bureau from its earliest days. In short, the Bureau has been and is the source of information about working women that is not available in any other agency, and the wider dissemination of its reports would help to dispel the distorted ideas about women's necessity and right to work that increasingly find expression.

Nearly half a century ago—47 years, to be exact—the first Federal Commissioner of Labor, Carroll D. Wright, made this statement: "The study of economic facts by such organizations [labor] ought to be stimulated in every way, and the Federal Government, through its Congress, does not hesitate to meet this demand." It is interesting to note that the fourth report published by Commissioner Wright (1888) had been none other than "Working Women in Large Cities," of which the Commissioner said, "To my own mind, this report must be classed among the most valuable of those relating to labor."

Respectfully submitted.

MARY ANDERSON,
Director.

WAGE AND HOUR DIVISION

ELMER F. ANDREWS, *Administrator*

To the SECRETARY OF LABOR:

On June 25, 1938, the Fair Labor Standards Act, better known as the "Wage and Hour Law," joined the Social Security Act, the National Labor Relations Act, the Walsh-Healey Act, and other historic measures designed to improve and protect the welfare of the wage earners of the Nation. Shortly thereafter the Wage and Hour Division took its place in the Department of Labor as a branch of that agency in the Federal Government established "to foster, promote, and develop the welfare of the wage earners of the United States." As of June 30, 1939, the Division had been in existence approximately 10 months. A summary of its activities during this period is submitted below.

INTRODUCTION

Objectives of the act.

The Fair Labor Standards Act is based on the recognition that the existence of low living standards in any part of the Nation tends to force the spread of equally low standards throughout the Nation. The preamble to the act points out, in addition, that low living standards constitute an unfair method of competition, lead to labor disputes, and interfere with the orderly marketing of goods. Through the Fair Labor Standards Act, Congress seeks to correct and to eliminate these conditions as rapidly as possible.

The act does not attempt to establish requirements which will assure to those workers covered an income adequate to provide an American standard of living, but has as its modest objective (in addition to child-labor provisions which are not discussed here) the achievement of 40 cents an hour and a 40-hour workweek for employees engaged in interstate commerce or in the production of goods for commerce. Even these standards are to be reached slowly in order that no serious disruptions in our economy may occur. The 44-hour maximum workweek, without the payment of overtime at a time-and-one-half rate, is gradually reduced to a 40-hour standard after 2 years of operation under the act. The 40-cents-an-hour goal is to be reached after 7 years of operation. However, the act sets up a mechanism of industry committees through which the 40-cent goal may be reached within a shorter period in any industries in which that can be done without substantially curtailing employment.

The act applies only to employees engaged in commerce or in the production of goods for commerce. It was not intended to replace State activities in this field, but leaves open the opportunity for supplementary acts applying to workers engaged in purely intrastate activities.

Coverage of the act.

It will not be possible to prepare completely accurate estimates of the number of employees who are covered by the act until court decisions have set the dividing lines between employees covered by the act and those that are excluded. It was estimated as of September 1938 that approximately 10,850,000 employees were covered as of that date. At that time the number of persons receiving less than 25 cents an hour was estimated as 300,000, and the number working more than 44 hours as 1,384,000. This was the estimate of individuals who were directly affected by the standards in operation in October 1938.

Six months later, in April 1939, a survey was made by the Bureau of Labor Statistics at the request of the Wage and Hour Administrator. At that time 12,300,000 employees were estimated to be covered. Of these, 650,000 received less than 30 cents, and about 2,400,000 worked more than 42 hours. This number will be affected by the standards which will become effective October 24.

The number who will be affected by the 40-hour provision has been estimated to be about 400,000 greater than the number affected at 42 hours. The number who will benefit from the 40-cent provision was estimated in 1938 at about 1,418,000.¹

ORGANIZING THE WAGE AND HOUR DIVISION

Functions of the Division.

The functions of the Wage and Hour Division are clearly specified in the Fair Labor Standards Act. The organization adopted was developed on the basis of these functions. The basic function of the Division is enforcement of the wage-and-hour standards established in the act, as well as those established through the industry committee procedure provided by the act. The bulk of the personnel of the Division has been assigned to this enforcement task.

A second group of functions deals with the industry committee procedure—a device which may be used for achieving the objective of a 40-cent minimum wage at the earliest practicable date. This includes; Appointment of such committees; definition of their jurisdiction and procedure to be followed; provision of legal, economic, and other services to the committees; approval of the committees' recommendations or referral back for further consideration.

A third responsibility is administration of the terms of section 14, which provides for subminimum rates for learners, apprentices, handicapped workers, and messengers, to the extent necessary to prevent the curtailment of opportunities for employment.

A fourth set of functions is involved in the definition of certain terms used in the act. Most important, perhaps, is the definition of the term "area of production" which, under section 13 (a) (10), provides for an automatic exemption from both the wage and hour provisions for the processing of agricultural commodities and, under section 7 (c), a limited exemption from the hours provisions for certain types of processes. Next in importance is the definition of industries "of a seasonal nature" which, under section 7 (b) (3), are permitted to work their employees up to 12 hours a day and 56 hours

¹ These estimates are tentative and subject to revision. The number of employees affected, particularly by the hours provisions, will increase as employment in covered industries increases.

a week during 14 weeks of the year without the payment of overtime rates. Other functions involving definitions imposed upon the Administrator are related to the requirement that he must issue regulations:

- (a) On records to be kept by employers, pursuant to section 11 (c) of the act.
- (b) Determining the reasonable cost of board, lodging, and other facilities, pursuant to section 3 (m) of the act.
- (c) Defining and delimiting the terms "any employee employed in a bona fide executive, administrative, professional, or local retailing capacity, or in the capacity of outside salesman," such groups being exempted from both the wage and hour provisions of the act under section 13 (a) (1).

The organization established to discharge these functions.

Five branches were established at headquarters under the Administrator and the Deputy Administrator to carry out the responsibilities imposed by the act: The Cooperation and Inspection Branch, the Wage and Hour Standards Branch, the Legal Branch, the Information Branch, and the Administrative Branch. The field organization is in charge of regional directors who are also responsible to the Administrator.

The Cooperation and Inspection Branch is charged with the formulation and review of inspection policy and procedures. Necessary inspections and investigations are made by the staffs of the regional offices under the control and supervision of regional directors. It is the plan of these regional offices to employ a regional attorney, a supervising inspector, a number of inspectors, and necessary clerical and office personnel. Inspectors themselves generally work outside the office investigating violations and taking necessary action to prevent further violations. Regional attorneys carry out litigation activity on assignment from Washington headquarters and also advise the regional staff on legal matters.

The Wage and Hour Standards Branch is divided into three sections: The Industry Committee Section plans the organization of industry committees, assists in the definition of their jurisdiction and in the selection of members. This Section constitutes the link between the Division and the industry committees. It makes the necessary arrangements to provide committees with legal, economic, and other assistance which the act requires the Administrator to furnish.

The Economic Section is the research and statistical arm of the Division, conducting economic studies required in the administration of the act. A large part of this work consists in the preparation and analysis of data on wages, prices, labor, transportation, living costs, and other information required for the consideration of industry committees. The collection and tabulation of original wage-and-hour information has been done for the Division by the Bureau of Labor Statistics and by the Women's Bureau. The Economic Section is also responsible for furnishing economic and statistical assistance to other sections of the Division and for conducting special studies on administrative problems.

The Hearings and Exemptions Section grants special certificates under section 14 for apprentices, learners, messengers, and handicapped workers, holding such hearings as are necessary to develop regulations

governing their issuance. The Section holds hearings to determine which industries are of a seasonal nature and which come within the exemption provided by the "area of production" regulations. It is also a function of this Section to hold hearings on requests for modifications of other regulations made under the act.

The primary function of the Litigation Section of a third branch of the Division, the Legal Branch, is to represent the Administrator in civil suits to restrain violations and to assist the Department of Justice in criminal prosecutions under the act. The Opinion Section prepares replies to many thousands of inquiries as to the construction of the statute which guides the Administrator in the performance of his duties. This Section also drafts the rules and regulations promulgated by the Division, advises the Administrator on the conduct of hearings, and assists in the drafting of findings pursuant to such hearings as may be held by him. The Industry Committees Counsel Section of the Legal Branch renders advice and assistance with respect to the work of these committees, assists committees in their deliberations, and represents the committees at the public hearings held before the Administrator on the wage recommendations of the committees.

The Information Branch prepares material explaining the provisions of the act to employers, employees, and the general public. The Branch also prepares information material on the activities of the Division in response to requests from employers, employees, press, and the general public.

The Administrative Branch is concerned with the service functions of personnel, supplies, equipment, space, travel, budget, and the preparation of procedures essential to the smooth and effective functioning of a Nation-wide administrative organization.

Some early problems in organization.

Any new governmental agency of significant magnitude confronts a number of problems in beginning its work. Perhaps the most important of these is recruitment of personnel qualified to do the work for which the agency is established. Every agency also must develop an effective plan of employee training. Space and equipment must be obtained and procedures developed so that the work flows smoothly.

The Wage and Hour Division encountered not only the usual problems of a new governmental division but also several special ones. Congress appropriated \$400,000 for enforcement and administration at the time of the passage of the Fair Labor Standards Act. Of this amount, \$36,000 was expended by the Children's Bureau for administration of the child-labor provisions. An additional \$70,000 had to be allotted to the Bureau of Labor Statistics and \$20,000 to the Women's Bureau, so that collection of data for industry committee activity could get under way. Two hundred and sixty thousand dollars remained to meet other needs of the Division. This was supplemented in March 1938 by a deficiency appropriation of \$850,000.

A second factor which made the task of the Division more than usually difficult was lack of time for preparation and organization. Although 2 months elapsed between the date on which the Administrator assumed his duties in Washington and the effective date of the Act, it was necessary during this period to carry on many ad-

ministrative functions in addition to planning an organization and recruiting a staff. The Division was swamped with tens of thousands of inquiries from employers and employees. Thousands of these required not only routine information but interpretations of the statute. Regulations which the Administrator was called upon to make had to be issued prior to the effective date of the act to furnish the basis of compliance.

Recruitment of personnel also presented special problems. The act required all employees to be appointed in accordance with the civil-service laws. Special examinations had to be arranged for positions for which appropriate registers did not exist. A number of the required positions, particularly that of inspector, were such that existing registers of the Civil Service Commission did not offer the necessary type of training and experience; and despite the cooperation of the Civil Service Commission it did not prove possible to establish new registers rapidly enough to meet immediate needs.

Assistance from other agencies.

In these circumstances the Division was forced to call upon other branches of the Department of Labor and other governmental agencies for assistance. Without such assistance the Division would have been severely handicapped during the past fiscal year. Other bureaus of the Department of Labor were very helpful. The Division of Labor Standards assisted in the preparation of regulations, in organization and planning for enforcement, and in the training of new personnel. Without cooperation from the Bureau of Labor Statistics and the Women's Bureau the industry committee program would have been delayed many months.

The Social Security Board assisted by furnishing space, supplies, and equipment which enabled the Division to establish the nucleus of a field organization throughout the country; the Works Progress Administration and the Treasury Department loaned badly needed personnel, and several other agencies cooperated in various ways. For all this assistance the Division expresses its gratitude.

Progress in organization.

By the close of the fiscal year ended June 30 many of these early problems were well on the way toward solution. The budgetary situation was somewhat relieved by a deficiency appropriation of \$850,000 in March 1939; and an increased appropriation for the 1939-40 fiscal year enabled preparation for increased effectiveness of enforcement. The problem of recruiting personnel was improved considerably through a temporary arrangement with the Civil Service Commission whereby persons who were qualified to take the civil-service examination for inspector were granted provisional appointments pending the establishment of the register for this position on the basis of a Nation-wide competitive examination.

PROGRESS IN ADMINISTRATION

General information.

Hardly had the Administrator assumed his duties under the act than the Division was flooded with many thousands of requests for information. It was felt that the first obligation was to inform all employers and employees as to the terms of the law. This was done

through every means available, within the limited resources of the Division. One of the first tasks undertaken was the preparation of a general pamphlet setting forth in brief compass the principal provisions of the Fair Labor Standards Act. This pamphlet was released October 10, and in the following months, in response to requests, almost a half million copies were mailed out from the Government Printing Office and from the Division. In addition about 4,000,000 copies of the pamphlet were distributed in the course of a few weeks through the local offices of the State employment services.

The Division availed itself of every offer of cooperation in its work of bringing the terms of this new statute to the attention of every employer and employee. Such avenues of public information as newspapers, the radio, and the periodical press offered their facilities. Hundreds of releases explaining the provisions of the law and action of the Division were written and made available to representatives of newspapers and press associations. Information was supplied to trade-association journals and trade-union publications. Employers were assisted in establishing the record-keeping requirements.

Interpretations of the act.

At the very beginning the Division was faced with the problem as to whether to give advisory opinions as to the meaning of the Act or, by refusing to answer questions, leave inquirers to seek advice through other channels. The latter course is sometimes followed in an effort to avoid advisory opinions which later might prove embarrassing. This Division felt, however, that employers seeking to comply with the statute were entitled to information as to how the Administrator would interpret the statute in carrying out his duties and responsibilities. Moreover, section 16 (b) of the act gives employees the right to bring suits against employers to recover unpaid minimum wages and overtime compensation. Widespread dissemination of information as to the scope and applicability of the act appeared to be essential if this section were to be effective.

In view of the thousands of inquiries received during the early months, attention had to be paid to the practical problem of giving advice as promptly as possible. In order that opinions might be of the greatest possible service, 13 interpretative bulletins dealing with basic questions were issued during the year ended June 30. These bulletins contained basic interpretations on the questions of the general coverage of the act (bulletins No. 1 and No. 5); the applicability of the act to the District of Columbia and to Territories and possessions (No. 2); the application of section 3 (m) of the act defining "wage" to include board, lodging, or other facilities (No. 3); maximum hours and overtime compensation (No. 4); the exemption provided by section 13 (a) (2) for retail and service establishments (No. 6); exemption of forestry or lumbering operations incidental to, or in conjunction with, farming operations (No. 7); the status of collective bargaining agreements under section 7 (b) (1) and 7 (b) (2) (No. 8); the exemption provided by section 13 (b) (1) for employees of motor carriers (No. 9); the applicability of the act to farmers' cooperative associations (No. 10); the exemption provided by section 13 (a) (3) for seamen (No. 11); the exemption provided by section 13 (a) (5) for fisheries and sea-food employees (No. 12); and the determination of hours worked under the statute (No. 13).

The Division believes these interpretative bulletins have been of great value in effective administration and have assisted employers and employees in understanding the act. Thousands of inquiries could be answered by sending one or more of these bulletins. Thousands of other letters, however, had to be answered separately. Where the same question was raised over and over again the answer was put out as a release in mimeograph form and then used in that form to answer later inquiries. Experience has shown that the decision to answer inquiries was sound and that it has aided materially in achieving compliance.

Enforcement.

1. Inspection activity.

It was not contemplated, of course, that the Division's enforcement activities would be restricted to public information. Experience with State minimum-wage laws for women and children and experience of other countries such as Great Britain and Australia with more comprehensive minimum-wage statutes, has conclusively demonstrated that this type of legislation is socially productive only when it is consistently and strictly enforced. For the conscientious and complying employer, violation by competitors may be a severe competitive burden. The wide measure of support which the Fair Labor Standards Act has received from employers to date has been predicated upon their belief that the act will be conscientiously enforced.

Although the vast majority of employers have complied with the law from the beginning, the Division received 2,473 complaints alleging violations the first month the law was in effect. By the end of June more than 18,200 complaints had been received. Experience in the analysis and investigation of complaints indicates that possibly 11,758 complaints, against 9,794 establishments, would be substantiated by inspection. Despite the feeling of the Administrator that his primary obligation was to achieve complete compliance, he found it was impossible with the funds available to investigate all these complaints promptly. Only a nucleus of the organization had been recruited, but it was quite clear that even after recruiting had been completed the staff available for enforcement would be inadequate. Enforcement procedure had to be planned on the basis of these circumstances.

The cooperation of a number of State labor departments was enlisted to report violations and to distribute information and material to those requesting it, and it is believed this cooperation contributed to compliance and that enforcement was thereby facilitated. Despite lack of staff, it was imperative that action be taken to enforce the act where deliberate violations existed. Only by such action could the Division expect continued compliance on the part of some employers. To take effective action it was necessary to investigate complaints and analyze pay-roll records to determine the extent of the violations. All complaints were carefully reviewed and classified, and those clearly indicating violations were segregated for investigation. Where the complaint was not complete or specific, correspondence was entered into with the complainant to obtain additional information.

During this early period enforcement activity was based, to a very large extent, on the follow-up of these complaints. Investigation of complaints will always continue to be an important activity of the Division, but the emphasis will be shifted as rapidly as recruitment

of trained staff permits to the more systematic practice of regular pay-roll inspection of the records of employers. The Division has received requests from employers and trade associations that regular pay-roll inspections be inaugurated as soon as possible in order that employers themselves may be assured they are operating in conformity with the law. The goal of the Division in this respect is an annual inspection of the pay rolls of each covered employer, a goal which may not be reached in the course of the first few years but which should be achieved as soon as possible in fairness to both employers and employees.

One of the earliest and most acute problems confronting the Division was the selection and training of personnel, and the first inspectors had to be hired on a provisional basis. The first training class for these inspectors was held in the latter part of November, and at that time 33 persons were assigned to the field as inspectors, senior inspectors, or supervising inspectors. In December a second training course was completed and 12 additional inspectors were assigned. The third training course was completed at the end of January and the fourth at the end of February. After the third course was completed, 48 new inspectors were added, and 21 additional inspectors were added at the end of February, making a total of 114 who received training in these courses and were then made available for inspection work. By June 30, however, several resignations and transfers had reduced the total number to 110.

Inspectors in the field during the fiscal year averaged three inspections a month, or an inspection every 8 days. However, approximately 40 percent of their time was spent on necessary work other than inspection assignments, such as office interviews, organizing and supervising the work of the office, conferences with other agencies, and service to employers in acquainting them with provisions of the statute. Although this type of activity may be expected to continue, an increasingly large part of the work of the Division's inspection and field staff necessarily will have to do with periodic examinations of pay rolls of employers and investigations of complaints and reported violations. Taking the above-mentioned supplementary duties into account, the actual average number of inspector-days required for an inspection was nearer 4 than 8. With the increasing efficiency of the staff and assignment of inspectors in such a way as to keep travel time to a minimum, the number of inspector-days required for each inspection probably will decrease. On the average, each inspector spent approximately 46½ hours a week on the job, or 7½ hours of overtime a week.

For the purpose of enforcement during the first few months, the United States was divided into four temporary areas. The States comprising these areas were serviced by field offices located at strategic points, with branch offices at other locations. There were 16 field offices and 12 branch offices; the latter reporting to the field offices in the first instance. These 4 temporary areas were then replaced by 16 regions, each with a regional office; 12 branches of regional offices; and 2 territorial offices.

This first period of organization and planning may be said to have ended March 31. This period was characterized chiefly by the setting up of the organization. Nevertheless, enforcement activity was well started and a number of cases were carried to the courts. Of

the 2,123 cases referred for investigation up to this time, 647 had been investigated and 60 closed or dropped. Ten injunction suits had been entered and criminal prosecution was started in 3 cases. From March 31, 1939, to June 30, 1939, notable improvement was evidenced. In this 3-month period, 812 inspections were made, bringing the total number through June 30 to 1,459, as indicated in the table below.

TABLE 1.—*Summary of inspection activity as of June 30, 1939*

<i>Item</i>	<i>Number</i>
Complaints received -----	18,201
Complaints presumed valid ¹ -----	11,758
Establishments requiring inspection ² -----	9,794
Inspection reports submitted -----	1,459
Cases closed or dropped -----	298

¹ Based on the proportion of complaints found valid to the total analyzed as of June 30, 1939.

² Based on the number of inspections required by the complaints found valid as of June 30, 1939.

2. Litigation.

One factor delaying litigation activity was the dependence of litigation in the first instance upon successful completion of investigations of complaints. Lack of an adequate investigating staff resulted in some delay in the preparation of cases suitable for legal action. Then, too, settlements have been accepted in order that employers might not be brought into court for unintentional violations.

On January 27, 1939, the first civil suit under the Fair Labor Standards Act was filed in the District Court of the United States for the western district of North Carolina against a concern in Fayetteville, N. C., engaged in the manufacturing of silk and rayon piece goods. A consent decree was entered February 23 enjoining this company from violating the minimum-wage and maximum-hour provisions of the act, from keeping inadequate records in violation of the regulations of the Administrator, and from falsifying its pay-roll records. From January 27 to June 30, a period of about 5 months, the Division instituted 23 civil suits for injunctions in 13 Federal judicial districts. Of these suits, 18 were closed by consent decrees, the remainder pending as of June 30. In each case the decree permanently enjoined the respondents from violating the act. In no case was any compromise made with the provisions of the act, and in each case where a decree was entered complete compliance is assured.

It has been the policy of the Division in adjusting civil suits for injunction by consent decrees to endeavor to obtain for the employees involved restitutions of back wages due them. The Division has been successful in this policy in most cases and in many of them has obtained, as one of the bases of settlement, stipulations for the payment of back wages due.

In addition to the civil suits undertaken by the Division's legal staff, 47 cases have been referred to the Department of Justice for criminal prosecution. The Division has not adopted inflexible standards for determining whether civil or criminal proceedings shall be instituted, but the general policy is to refer to the Department of Justice cases in which the investigation discloses flagrant and widespread violations of the minimum-wage or maximum-hour provisions,

coupled with deliberate falsification of pay-roll records in order to conceal the violation. The first case was referred to the Department of Justice on January 28, 1939. Since that time the Department of Justice has instituted 19 criminal prosecutions. Two of these have been upon the return of information by district attorneys. The remaining 17 were referred to grand juries, which is the usual method of initiating prosecution. Indictments were granted in 15 cases. In 9 the defendants pleaded guilty. The remaining 6 for which indictments were granted were pending trial at the end of June 1939. In passing sentence the district courts assessed a total of \$94,500 in fines.

In criminal prosecutions, as well as in civil suits, an effort was made to obtain restitution of wages due employees. This has been accomplished in substantially all the cases prosecuted. The courts have cooperated by suspending collection of a portion of the fines upon the condition that the defendants make restitution of wages due.

Litigation activity has been highly successful in the cases actually taken to the courts. The weakness has been primarily in the inability to present to the courts a larger number of violators. With the coming of the new fiscal year and with additional funds available, a substantial increase in litigation activity may be expected.

Establishment of cooperative relationships with other agencies.

From the very beginning, the Wage and Hour Division has been conscious of the fact that it is not the only agency engaged in the enforcement of labor standards. Within the Department of Labor itself there was a Division administering the Walsh-Healey Public Contracts Act, which established wage-and-hour standards for firms supplying the Government. Also in the Department of Labor was the Children's Bureau, to which was entrusted the administration of the child-labor provisions of the Fair Labor Standards Act. State labor departments for many years have been enforcing various types of legislation, such as workmen's compensation laws, minimum-wage laws for women, and child-labor laws. All these agencies dealt, to some degree at least, with the same employers with whom the Wage and Hour Division necessarily has to deal. The Division recognized that sound relations with employers demanded every effort be made to minimize the number of contacts, particularly the number of inspections.

The Division early took steps to effectuate those provisions of the act which authorize the use of State labor departments for inspections and investigations. An outline of a plan of cooperation was presented at the Fifth National Conference on Labor Legislation in November 1938.

The Division next consulted with a number of representatives of State labor departments in perfecting details of the proposed plan of cooperation. This was done jointly with the Division of Labor Standards and the Children's Bureau. Even though the plan agreed upon was not put into effect prior to the beginning of the new fiscal year, the States have cooperated to the extent of referring complaints, distributing informational material, and making available to the Division information from their files.

Relationships with the Children's Bureau had been worked out to avoid duplication of activity. Very early an agreement was reached whereby Wage and Hour Division inspectors would check for child-

labor as well as for wage-and-hour violations, and refer reports of such violations to the Children's Bureau for special investigation. After further experience, the Division has agreed to carry out inspections for, and investigations of, child-labor violations for the Children's Bureau.

The problem is somewhat different with reference to the Division of Public Contracts. The two laws differ substantially, both as to terms and coverage. Nevertheless, arrangements were made whereby Public Contracts Division inspectors going through plants covered by the Fair Labor Standards Act report to the Wage and Hour Division any violations of the act that they may discover. Similarly, the Wage and Hour Division notifies the Public Contracts Division of complaints which involve public contractors. In this way duplication is reduced to a minimum, and the effectiveness of the work of both divisions is increased.

Regulations and exemptions.

Three types of regulations are provided for by the act. First, the Administrator is called upon to define certain terms which automatically grant complete or limited exemptions from the wage-and-hour standards. These terms include "area of production," "seasonality," employment in "administrative, executive, professional . . . capacity." Second, section 14 calls for regulations designed to establish standards and procedures through which special certificates may be granted for the employment of messengers, apprentices, learners, and handicapped workers at less than the applicable minimum-wage rate. Third, certain regulations are provided for, not as a basis for exemption but to facilitate the operation of the act.

The most important general regulation is that required under section 11 (c), prescribing records which must be kept by employers in order to provide a basis for determining compliance with the act. These regulations impose minimum requirements, and cognizance is taken of existing bookkeeping practices of employers as well as requirements of the Social Security Act and other legislation. No serious objections have been raised with respect to these regulations.

A problem did arise, however, as to the suitability of the general record-keeping requirements with respect to industrial home work. After a hearing which covered all aspects of the application of the act to home work, additional regulations were drawn in order to make the act more effective for these workers. These regulations require employers to enter in handbooks issued to each home worker a record of the amount of work done, piece rates paid, earnings, and hours worked.

Reasonable cost of board, lodging, or other facilities.—Under section 3 (m) of the act the Administrator is empowered to determine the reasonable cost to the employer of furnishing employees board, lodging, or other facilities if these facilities are customarily furnished by such employer to his employees as part of their wages. Few problems have arisen in connection with the application of these regulations.

Industry committee program.

The Administrator is charged, under section 5 (a) of the act, with the responsibility of appointing, as soon as practicable, an industry

committee for each industry engaged in commerce or in the production of goods for commerce. These committees must be composed equally of representatives of employers, employees, and the public. Industry committees may recommend minimum-wage rates up to 40 cents an hour prior to October 24, 1945, when the 40-cent rate becomes effective for all employees covered by the act. Thereafter an industry committee may recommend that a lower rate, but not less than the statutory rate, be applicable where necessary in a particular industry to prevent substantial curtailment of employment.

It was manifestly impossible to appoint at once industry committees for all covered industries, since in order that such committees may function effectively it is required that the Administrator shall furnish legal, economic, and clerical assistance. Moreover, the act requires that the committees, in their deliberations, shall consider a number of factors, such as competitive conditions as affected by transportation, living, and production costs. In order that consideration may be given to such factors, it was essential that each committee have available to it relevant data. Preparation of such data is a time-consuming task, particularly if a field survey is required. Hence it was necessary for the Administrator to proceed slowly.

Up to June 30, 1939, industry committees were appointed for the following seven industries: Textiles, wool, apparel, hosiery, hats, millinery, and shoes.

Among the criteria which have been used in the selection of industries for the appointment of committees, perhaps the most important is the character of the wage structure prevailing in the industry. A secondary factor is the availability of detailed statistical information bearing on the wage structure. If the wage structure of an industry is of such a character that relatively few workers earn less than 40 cents an hour, the formation of a committee for that industry is not a matter of pressing importance. At the other extreme are industries which, because of exceptionally low wage standards, might require substantial increases in costs in order to meet the 25-cent and 30-cent minimum statutory provisions of the act. It was felt that adjustment to these basic minimum-wage levels might be all that reasonably could be expected for the present from these industries:

Once the decision to appoint a committee is made, the next step is the definition of the industry. In formulating industry definitions the Division has adopted the policy of avoiding the practice of breaking up an industry into relatively small segments, which was a source of considerable confusion and difficulty during the N. R. A. period. Thus, in the case of textiles, all of the spinning and weaving industries, with the exception of wool and carpets and rugs, were placed under the jurisdiction of a single committee. The comprehensive definition adopted for the apparel industry also stands in sharp contrast to the treatment accorded the industry under the N. R. A.

After the definition of an industry has been formulated, the selection of committee members must be made. In addition to the requirement that there shall be equal representation to employers, employees, and to the public, the act requires that in appointing persons representing each group the Administrator "shall give due

regard to the geographical regions in which the industry is carried on." Every effort is made to secure public members who are not only disinterested, in the sense that they have no personal stake in the outcome of the committee's deliberations, but who also are in a position to contribute positively to the work of the committee. While every effort is made to give adequate representation to the various branches and wage interests that may exist in the industry, at the same time it is important that the size of the committee be not too large for efficient functioning. Despite the difficulties involved, it is believed that representation on industry committees has been apportioned fairly and with a reasonable degree of accuracy among the geographic regions in which the industries are located.

Once a committee has been appointed and organized, a great variety of duties fall upon the Division in assisting the committee to complete its task as rapidly as possible. The time and place of its meetings must be arranged; correspondence relating to the committee must be handled; if hearings are to be held, interested persons must be notified and their appearances scheduled; reports of various kinds to the committee members must be circulated; a member of the legal staff must be available at all times to answer questions.

One of the most important services is the preparation for each industry committee of a comprehensive report, including information as to the location of the industry, marketing and price policies, productive capacity in relation to demand, transportation and living costs, trends in employment and wages, and the estimated effect of various possible minimum-wage recommendations upon wages, costs, and prices.

In the preparation of these reports, reliance is placed as much as possible upon information obtained by various fact-finding agencies of the Government. The Bureau of Labor Statistics is most useful in this respect, but the Women's Bureau and other agencies have assisted in making information available. It is a basic function of these reports to present a well-rounded, factual, accurate account of the economics of the industry.

The status of each committee's work as of June 30, 1939, is as follows: On May 22 the Textile Committee recommended a 32½-cent minimum wage by a vote of 13 to 6 and submitted its report to the Administrator. As of the close of the fiscal year the Administrator was conducting public hearings to consider proponents as well as opponents of the industry committee recommendation as required under the act. On February 18 the Wool Committee made a tentative recommendation of a 36-cent minimum wage by a unanimous vote. This was re-voted by a 9-to-4 vote after the jurisdiction of the committee had been finally established. On March 30 the Hosiery Committee voted unanimously to recommend a 32½-cent minimum wage for the seamless branch of the industry and a 40-cent minimum wage for the full-fashioned branch. Beginning on June 12 the Administrator held the hearing necessary to determine whether the recommendation should be approved. The record of this hearing was under consideration of the Administrator as of June 30.

At its first meeting, held during a period of 3 days from May 31 through June 2, the Millinery Committee recommended a minimum wage of 40 cents an hour by a 14-to-1 vote. The Apparel Committee

voted a series of 29 wage recommendations covering that many branches of the industry on June 16. The two remaining committees had not made recommendations prior to the close of the fiscal year.

Thus by June 30, 1939, after 8 months of operation under the act seven committees, covering industries employing more than 2 million workers had been appointed and wage recommendations had been made by committees covering about 1,750,000 workers. If all wage recommendations made by industry committees as of June 30 were to be approved by the Administrator, the wages of at least 480,000 workers would be raised, according to the Division's preliminary estimates. These tentative and preliminary estimates are presented in the following table:

TABLE II.—*Preliminary estimate of number and percentage of wage earners directly affected by establishment of minimum-wage rates recommended by industry committees*

Industry and branch	Recommended minimum hourly wage (cents)	Number of wage earners in industry ¹	Estimate of wage earners directly affected	
			Number	Percentage
Textile (cotton, silk, rayon, jute, flax).....	32.5	650,000	175,000	26.9
Wool.....	36.0	150,000	12,000	8.0
Millinery.....	40.0	21,600	3,500	16.3
Hosiery.....		‡ 144,708	‡ 45,739	31.6
Seamless.....	32.5	‡ 60,089	‡ 20,322	48.8
Full-fashioned.....	40.0	‡ 84,619	‡ 16,416	19.4
Apparel ²	32.5 to 40.0	650,000	200,000	30.7
Total.....		1,761,016	481,977	27.4

¹ Based on 1937 Census of Manufactures unless otherwise specified.

² Based on National Association of Hosiery Manufacturers' Statistical Bulletin.

³ The Apparel Committee made wage recommendations for 29 divisions of the industry. Four of the recommendations were for 32½ cents, 15 for 35 cents, 1 for 37½ cents, 8 for 40 cents, and the statutory rate (30 cents after Oct. 24, 1939) was recommended for Puerto Rico.

⁴ The statutory rate (30 cents after Oct. 24, 1939) was recommended for the Puerto Rico division of the industry.

It is believed that experience thus far with the industry-committee process amply demonstrates the value of this type of approach to the problem of minimum-wage determination. The use of this procedure promotes flexibility in the attainment of the wage objectives of the act, assures a factual approach in the increase of rates above the statutory minimum, and introduces a valuable element of democracy to the process of achieving minimum-wage standards in industry.

The essential problem in the attempt to reach the 40-cent objective of the act is one of measuring the rapidity with which this can be achieved without causing unnecessary dislocations of production and employment. Industry committees, two-thirds of whose members represent employers and employees in the industry, are particularly well adapted to gauge the capacity of the industries they represent to reach the 40-cent minimum-wage objective without substantial curtailment of employment.

Industry committee procedure is also well adapted for the purpose of according the factual approach to the problem of wage-rate fixing. Experience thus far reveals that the voluminous information gathered by industry committees serves to make the process of wage recommendations more than a matter of bargaining on the basis of precon-

ceived opinions. Facts serve to modify opinions and tend to produce sound action on the basis of realistic evaluation of possibilities.

Through industry-committee procedure achievement of a measure of democracy and the creation of minimum-wage standards in industry is made possible. Full importance of this aspect of industry-committee work will not be felt until the program has been in operation over a period of years. It is difficult, however, to overestimate the potential value for the mutual understanding of common problems that should result from the collaboration of employers, employees, and public representatives in the industry committee tasks.

PROBLEMS AND PLANS

Organization.

The problem of recruitment and of training personnel remains one of the continuing problems of the Division. Although the inspectors' examination was announced in February, the final register was not yet available at the close of the fiscal year. Arrangements for provisional appointments pending establishment of the final register will enable the Division to carry on during a transitional period, however.

Another aspect of the organization problem is that of achieving the best utilization of the present staff of the Division. Any new agency must experiment with organization, and constant study has been made of means for achieving better results. Prior to the close of the fiscal year plans were put into effect for greater decentralization of enforcement and litigation activities and also of certain administrative actions, such as the granting of handicapped workers certificates. More effective enforcement and more satisfactory administration may be expected to result.

Enforcement.

For some time to come the enforcement staff necessarily will have to concentrate on following up and investigating complaints of violations.

A major problem in enforcement is the tremendous amount of clerical work involved in inspecting establishments and in recording data necessary for further action. This has seriously limited the number of inspections possible for a limited field staff and has resulted in an excessive length of time for inspection. The Division has undertaken three approaches to this problem. First, procedures are being put into effect to simplify the calculations of back wages due in relatively minor violations in which the employer wishes to make restitution. Second, in the recruitment program which was to begin in the new fiscal year plans were developed for a staff of pay-roll examiners at lower salary levels than those of inspectors to take over from inspectors the primary burden of copying pay-roll data. Third, the Division is giving attention to the possibility of developing photographic equipment suitable for the purpose of photographing pay-roll records. Success in this effort should result in a significant reduction in cost of pay-roll inspections.

During the course of the next fiscal year the Division plans to effectuate a number of agreements with State labor departments whereby such labor departments will carry out inspection activity under the act.

Regulations and exemptions.

Some persons have suggested that regulations issued have been too restrictive in their scope, particularly with respect to regulations on industries of a seasonal nature and the regulations defining "area of production." In developing these regulations the Division has been conscientious in its effort to carry out the purposes Congress had in mind in providing for exemptions, and prior to their issuance an intensive study was made of the legislative history of these provisions. The Division has made every effort to study the effect of its regulations and to provide modifications wherever they appear to be essential. It is important that hasty conclusions not be reached on the basis of insufficient experience. Any period of adjustment to new legislation is likely to involve some difficulties, and it is not at all unusual to expect that these difficulties will be exaggerated by those affected. The Division will continue to study the effect of these regulations but will not take hasty action toward revision.

Respectfully submitted.

ELMER F. ANDREWS,
Administrator.

Statement of the Secretary of Labor before the House Judiciary Committee, Wednesday, February 8, 1939

House Resolution 67, which is before your committee, charges that I, as Secretary of Labor, James L. Houghteling, as Commissioner of Immigration and Naturalization, and Gerard D. Reilly, as Solicitor of the Department of Labor, have entered into a conspiracy to refuse to enforce the deportation laws of the United States (more particularly the act of October 16, 1918, as amended by the act of June 5, 1920), and to defraud the United States by not deporting one Harry Bridges.

At the outset I want to make it clear that whatever action has been taken in Washington by the Department of Labor in the Bridges and in the Strecker cases there has been no "conspiracy." The action has not been pursuant to an agreement, combination, or conspiracy. The responsibility for the action of the Department of Labor rests directly upon me and cannot properly be placed upon those whom the law makes subordinate to me—that is to say, Mr. Houghteling and Mr. Reilly.

In appearing voluntarily before you today I have three objectives: First, to state to you briefly the principles in the light of which I view my duty to enforce the immigration laws with respect to persons who engage in subversive activities; secondly, to state the precise facts with respect to the case of Harry Bridges referred to in the resolution before you; and, finally, to state the precise facts with respect to the case of Joseph George Strecker, also referred to in the resolution before you and now pending in the Supreme Court of the United States.

The first point that I want to make clear is this: I believe that the Government should take immediate and effective steps against any person or any organization which offers a clear and present danger to the Government of the United States. Treasonable conduct in subversive action can evoke no sympathy, and I am certainly in favor of the punishment or deportation of anyone who engages in such conduct. And I think this is compatible with a truly American viewpoint in regard to freedom of thought.

I also wish to emphasize that I am not in accord with the principles of the Communist Party. I do not share the economic or political views of the Communists. I regard many of their tactics as an impediment to the efficient functioning of the Government as well as of society at large. I find in their insistence on party authority and their emphasis on class struggle, their conception of a dictatorship of one class and their oft-repeated contempt for religion, the negation of that individual liberty and that development of the human personality for which this country and every democracy must stand.

I turn now from these general remarks to a consideration of the nature of my duties under the immigration laws of this country. And I begin by reminding you of the solemn character of the task that has been entrusted to me. It is not commonly realized that the power which is vested in the Secretary of Labor under the immigration law is in many respects the most serious and the most drastic administrative power vested in any executive officer in our Government. While other officers and commissions are entrusted with the power of decision in respect to matters of property, the Secretary of Labor stands virtually alone

among executive officers in his right to restrict personal liberty and freedom of individual action of human beings. The Secretary of Labor has the power, in certain specific situations, not even involving a crime, to issue a warrant for the arrest of any alien in the United States; he has the power virtually to imprison that person; and he has the power to order that person to be sent back to the country of his nationality even though he recognizes that in some circumstances this is tantamount to sending an alien to his death. The Secretary is investigator, prosecutor, jury, and judge. No court tries the case or can intervene except on application for habeas corpus, and then can only review the point of law involved, not the finding of fact.

This unusual and broad authority is exercised by the Secretary of Labor upon average people, not upon people of peculiar strength, power, or malevolence. It is a power which is susceptible of exercise without adherence to those elementary standards of due process of law that are at the heart of our Constitution. Indeed, the serious abuses which have occasionally existed in immigration deportations were reviewed only 7 or 8 years ago by President Hoover's so-called Wickersham Commission. The testimony collected by that commission and the report written by it bear ample witness to the necessity of proceeding with restraint and with due regard for historic safeguards against executive absolutism in all cases where this tremendous power over human liberty and human life is exercised.

It is because of the scope of the power and the extent to which it has been abused occasionally that a person charged as I am with the enforcement of the immigration laws must proceed with a sense of the importance of the judicial duty cast upon him. I have imposed restraints upon the arbitrary use of this power and I have sought to build and maintain confidence in our institutions by proceeding in all cases with scrupulous fairness.

And now one more general word before I come to the specific details of the Bridges and Strecker cases. I have sworn to uphold the Constitution of the United States. I took that oath without reservation and I have carried it out to the best of my ability. I have tried to do justice both to citizens and aliens so far as in me lay. I have spent most of my adult life in the service of the people of my country working to improve their living and laboring conditions and at some sacrifice of personal comfort. I have done what I could in time to make this great country of ours a little nearer our conception of the City of God. For 18 years I have served in public office where my record is an open book. I have consistently favored not only enforcement of law, but also a firm adherence to the basic American standards of fair play. I feel confident that whether examined minutely or at large my record as Secretary of Labor will show a consistent purpose not merely to support the ideals of democracy, of orderly government, and of freedom, but a purpose to assure all persons subject to the Government, whether citizen or alien, that those ideals are being carried forward in actual day-to-day practice. I have applied this to my administration of the immigration law and to the case in point.

I turn now to consider the Bridges case and the Strecker case.

Bridges came from Australia to the United States on April 12, 1920. So far as I am aware, no suggestion was made until 1934 that he was subject to deportation under the immigration laws. In 1934, during the longshoremen's strike, some informal requests for his deportation did reach the Department, but these requests were not buttressed by any evidence. For the most part they did no more than ask for the removal from the American scene of a person believed by them to be an undesirable labor agitator. Our investigation showed that Bridges had led up to that time an uneventful life, without a police record

either here or in Australia. He was active in the International Longshoremen's Union, beginning in 1934, but he had done nothing forbidden by law. On this state of facts no step could lawfully be taken to deport Bridges.

As I need hardly say to you, as Secretary of Labor I have no general commission or power to remove an alien merely because I believe him to be "undesirable," or because he is believed to be or is in fact a labor agitator. I can and am required to direct deportation upon certain grounds specified by Congress, such as that the alien involved has entered the United States unlawfully, or that he has become a public charge, or that he has been sentenced for a crime involving moral turpitude, or that he himself advocates the overthrow of the United States by force or violence, or belongs to an organization which so advocates. In 1934 there was no substantial evidence indicating that Bridges fell within these or similar categories.

Indeed, it appears from page 54 of the resolution which is before you that the author of the resolution does not suggest that the conspiracy which he believes exists occurred until long after 1934, to wit, in September 1937. However, I am trying to give your committee a full report and not a mere technical answer to the charge before you. Therefore, I am giving you my complete recollection of the Bridges case. On this basis of full disclosure I shall proceed.

Between 1934 and 1937 there were a number of inquiries directed to the Department of Labor with the purpose of finding out what the facts so far as we knew them were respecting Bridges. In connection with these inquiries, I asked the Immigration and Naturalization Service to prepare for me a memorandum setting forth the facts in our possession. Such a memorandum was prepared and material in it was used to compile a reply which went from this Department to any person who inquired about the Bridges case. The memorandum set forth that there was at that time no evidence that Bridges was a member of the Communist Party or that he believed in or advocated the overthrow of the Government of the United States.

It is entirely likely that Bridges may have seen one of these letters at some time as they were sent to anyone who wrote making inquiry, and several hundreds of such inquiries were received. The memorandum was not in any sense confidential but was prepared for general correspondence. This is the only information with regard to the content of the case that Bridges ever had.

R. P. Bonham, District Director of the Immigration and Naturalization Service at Seattle, Wash., on September 22, 1937, made application to the central office in Washington of the Immigration and Naturalization Service for a warrant for the arrest of Harry Bridges on various grounds. Supporting this application there were four depositions which had been taken in Seattle.

When this application arrived in Washington, the case was referred to the Solicitor's Office for an opinion. The problem it presented was in many respects unusual. It is rare indeed that in a case where an individual is alleged to be a radical who seeks the overthrow of the United States by force or violence all the testimony comes elsewhere than from the alien's own mouth or from written documents which he has prepared or circulated. In the light of the nature of the evidence and of the sources from which it emanated, Mr. Houghteling, the Commissioner of Immigration and Naturalization, felt the need of corroborative or documentary evidence. The Solicitor of the Department of Labor, Mr. Gerard D. Reilly, and I, after reviewing the depositions, were in doubt if the deponents were trustworthy, and, if they were not, whether their testimony could be otherwise corroborated. The bitter factional fight between maritime unions on the Pacific coast had resulted in so many charges and counter charges of a derogatory nature that we thought caution indicated in

the evaluation of this evidence. To determine these questions it seemed best to me to instruct Mr. Reilly to proceed to the West Coast, there to interview the deponents:

Mr. Reilly did go to the west coast and there held hearings. He then returned to New York, on October 18, 1937, to obtain a deposition from Bridges himself. This deposition while squarely denying some of the allegations of the depositions taken on the west coast, did not put the matter at rest either in Mr. Reilly's or in my mind.

It was while the Department of Labor was reviewing the case following clues and seeking further evidence in an investigation by R. P. Bonham and others that the Senate Committee on Commerce, then considering general maritime legislation, became interested in Bridges.

On January 22, 1938, in response to an inquiry from a member of the Committee, Senator Arthur H. Vandenberg, of Michigan, I wrote a letter summarizing the course of the Bridges case up to that date. Then in February 1938 the Solicitor, Mr. Reilly, and I testified with respect to the Bridges matter before the same Senate Committee on Commerce. I am told that at that time Mr. Reilly stated that under the decisions as they *then* were it appeared as though a prima facie case could be made out against Bridges.

Information as to what Mr. Reilly had testified before the Senate committee immediately became available to the public through newspaper channels. This prompted Bridges, on February 3, 1938, to ask for a specific bill of particulars of any charges we might make against him. To this letter I, on February 8, replied that it was our regular practice to set forth in the warrant the specific charges on which the proceedings in immigration matters are predicated and that we should follow our usual procedure.

On March 5, 1938, Leon R. Fouch, Acting District Director of the Baltimore District of the Immigration and Naturalization Service, in accordance with instructions from the Central Office, served upon Bridges a warrant for his arrest. Acknowledgment of that service was made by Bridges, and the case was set down for hearing in San Francisco on April 25, 1938.

There is some suggestion, particularly at pages 19 and 20 of the resolution before you, that Bridges threatened me and others in the Department of Labor with violence and showed us a want of respect, which led to our following a procedure out of the ordinary. As a matter of fact, I have never heard of any threats of violence to myself or other officers of the Department of Labor in connection with the Bridges case, and I am quite unaware of any impertinence shown by Bridges to officials of the Department. I say this merely to indicate that neither through fear nor cowardice were any officials of the Department of Labor at any time swayed from their duty in connection with the Bridges matter.

There has been an implication that in the case of Bridges the accusations made against him not only charged membership in the Communist Party, but also accused him of personally advocating the overthrow of Government by force and violence. No evidence is cited in support of this and, as a matter of fact, there is no such evidence. It is possible that the author of the resolution had in mind the same extracts from two or three affidavits which Congressman Dies drew to my attention in open letter on August 30, 1938. These consisted of certain uncorroborated remarks attributed to Bridges in private conversation by two or three of the affiants. These quotations consisted of a derogatory statement with respect to battleships, contemptuous remarks with regard to the President, threatening and intemperate remarks with respect to rival union factions, all of them falling far short of amounting to advocacy of the overthrow of the United States Government by force and violence.

Although the Department of Labor had planned to hold hearings in the Bridges case on April 25, there occurred on April 6, 1938, an event which was not foreseen when Mr. Reilly testified before the Senate Committee on Commerce. The United States Circuit Court of Appeals for the Fifth Circuit, sitting in Louisiana, delivered its opinion in the case of *Kessler v. Strecker*. This opinion, by one of the Nation's most distinguished jurists, Judge Hutcheson, was to the effect that an alien who was acknowledged to have been a member of the Communist Party was not on that ground deportable under the immigration laws. I was advised by competent counsel that if Judge Hutcheson's opinion in that case was sound it would be impossible to deport Bridges or other Communists on evidence of party membership. Judge Hutcheson's opinion (taken together with recent rulings of the Supreme Court of the United States in the Herndon and DeJonge cases) led to serious doubt as to whether older cases under the immigration law were still a guide, and whether they applied to the Communist Party as it now functions. In view of this, the legal advisers provided for me by law, the United States Attorney in the Fifth Circuit and Solicitor, recommended that the so-called Strecker case should be appealed from the Circuit Court of Appeals for the Fifth Circuit to the Supreme Court of the United States. This recommendation was transmitted to the Department of Justice. In that Department the Solicitor General, after study of the case, determined to seek review. The petition for review was filed, and was granted by the Supreme Court, thus indicating that in the Court's opinion as in the opinion of Government counsel the issues raised by the Strecker case were difficult and important and constituted a conflict of opinion in the lower courts. I might also point out that the decision of the Fifth Circuit Court of Appeals was regarded by the press and public as an important opinion. Newspapers interpreted it as holding that Communists were not deportable under the immigration laws. Letters and telegrams were received from civic organizations and veterans' organizations urging an appeal in the Strecker case.

Despite the action of the Supreme Court in granting the application for certiorari, the resolution before you impugns the good faith of the Government in seeking a review. The resolution makes certain insinuations which so far as I, who am not a lawyer, can I should like to discuss:

(1) The resolution states that in the Strecker case the circuit court of appeals did not make a final determination in favor of the alien, but merely directed that the case should go back to the district court with instructions to the district judge to hold a hearing de novo to determine what the nature of the Communist Party is. Therefore, the resolution implies that the case did not have to be appealed. But the truth is that the direction by the Circuit Court of Appeals to the District Court far from being a reason for *not* appealing to the Supreme Court was an *additional* reason for seeking Supreme Court review. The circuit court's order in effect transferred from an administrative agency to a Federal district court the duty of receiving evidence and determining the facts with respect to an alien and his deportability. District Judge Borah, to whom the order was directed, told the United States attorney his court had no jurisdiction to do this.

As the Government noted in its brief, this order seems to be contrary to the immigration statutes and seems to be a novel departure from the usual canons of administrative law. On that administrative law issue alone, I am told that the case is of such moment that it should be appealed to the Supreme Court of the United States.

(2) The resolution implies that the Strecker case was not so definitely in conflict with decisions of other courts that the case should have been appealed

to the Supreme Court of the United States. The Solicitor General of the United States takes a different point of view from the author of the resolution. He determined that a petition for certiorari should be filed with the Supreme Court, and it seems to me that the Supreme Court of the United States in granting the writ of certiorari has, in fact, agreed with the Solicitor General that there was a serious conflict between the circuits which required decision by the Supreme Court itself.

It is interesting to note that the considered opinion of the Solicitor General after his analysis of the case in determining that a petition for certiorari should be filed coincided with the views of the United States attorney at the time the Circuit Court of Appeals handed down its decision, since he wrote to the Attorney General a few days later recommending the case be carried to the Supreme Court. In his letter he stated that while the Circuit Court of Appeals had made an attempt to distinguish the case before it from the holdings of the Seventh Circuit and the Ninth Circuit, that a fair reading of those cases would show that the opinion of the court was contrary to those holdings and therefore "it may be fairly said that there is a conflict between the circuits involved on the question of whether the Communist Party of America is an organization within the terms of the statute."

(3) The resolution implies that the Government of the United States by failing to introduce certain so-called "stock exhibits" with respect to communism in this particular case deliberately weakened the presentation of the issue to the Supreme Court. There are no "stock exhibits" used by the Department in the preparation of deportation cases where communism is an issue. This was apparently a phrase which the author of the resolution extracted from the Solicitor's letter to the Attorney General but the resolution fails to quote what the Solicitor went on to say, namely; that "I have analyzed the documentary evidence at some length in the foregoing cases in order to show that the proof advanced in these cases, to show that the Communist Party advocated forcible overthrow of the United States Government and circulated printed matter advising the same course of action, did not differ in any material degree from the documents which the Fifth Circuit Court of Appeals may have regarded as insufficient." I think a comparison of the documents introduced as evidence in the Strecker case, which are set out in pages 33 to 41 of the Government's brief in the Supreme Court with the documents quoted in appendix B of the brief (pp. 80 to 92, inclusive), will bear out the accuracy of this statement.

There was evidence presented before the Department in the Strecker case which showed the teachings of the Communist Party inasmuch as that it included typical Communist documents containing language and phraseology which in the past had been regarded by the courts as an adequate basis for deportation. Even if additional evidence had been presented, it is doubtful whether it could be called other than cumulative testimony. In the end, the question is whether membership in the Communist Party is membership in an organization that teaches and advocates the overthrow of the Government by force or violence. And Judge Hutcheson's opinion in the Strecker case raises and discusses this point in such a way as to compel the attention of administrative officers determined to act lawfully.

As for the charge that the case was deliberately weakened, I should like to draw the attention of the committee to the following facts. The warrant for Strecker's arrest was issued on November 25, 1933, many years before the Bridges case began. The hearing on the warrant occurred on January 23, 1934, where evidence was presented showing that a Communist Party membership

book had been issued to the alien and that he had made certain admissions under oath to an immigration officer on October 25, 1933. The examining inspector recommended deportation. The Board of Review ordered the case reopened for introducing into the record exhibits or literature to show that the Communist Party advocated the overthrow by force or violence of the United States Government. At this second hearing the inspector apparently preferring to present evidence bearing on the current teachings of the Communist Party rather than relying on historic documents which might have been challenged as obsolete, read into the record extracts from a magazine entitled "The Communist" dated April 1934, Eighth Convention issue, "A Magazine of the Theory and Practice of Marxism, Leninism, published monthly by the Communist Party of the United States of America." Neither I nor the Commissioner of Immigration and Naturalization nor the Solicitor's Office had anything to do with the presentation of this case, and the deportation order was not brought to the Secretary's office for signature until August 14, 1934. My personal attention was not brought to the case until the decision of the Fifth Circuit Court of Appeals, since it was handled in the lower courts as a purely routine matter between the District Director and the local United States attorneys. The district courts which first passed on the case apparently regarded the evidence as adequate to support the deportation order since a writ of habeas corpus was not only denied by Judge Borah in the District Court for the Eastern District of Louisiana (the order subsequently reversed) but also by Judge Martineau in the United States District Court for the Eastern District of Arkansas.

Whether the case was the strongest possible case which could have been presented on the issue of the significance of Communist Party membership under the immigration laws is a question upon which I, since I am not a lawyer, cannot pass judgment. I can only say that the widely reported opinion of Judge Hutcheson certainly made it clear to me as an administrative officer that the ordinary interpretation placed upon the statute by the Department had been disapproved by his court on such broad grounds that it was impossible to continue to place such construction upon the statute in the Fifth Circuit and made it very dubious as to whether Communist Party deportations would be sustained in other circuits until the Supreme Court had clarified the issue. An administrative officer is in no position to select an ideal test case for the highest court. He can only obtain a Supreme Court ruling on cases still actually pending which have already run the whole gamut of administrative hearing, administrative order, district court review, and circuit court of appeals decision.

(4) The resolution states that the petition for certiorari in the Strecker case was drafted in the office of the Secretary of Labor. This is not true. The petition for certiorari was drafted in the Department of Justice and was never submitted to me for approval or disapproval. I do not mean to say that I have any criticism of the Department of Justice's procedure in this regard, for the preparation of such a document does not fall within my duties or privileges.

(5) The resolution states that there has been a failure to present to the Supreme Court of the United States an important issue in the Strecker case which was particularly raised by the warrant of deportation signed by Turner W. Battle, Assistant to the Secretary of Labor. That issue is whether Strecker is subject to deportation on the ground that he personally believes in and has advocated the overthrow of the United States by force or violence. As a matter of fact, the issue which is alleged to have been kept from the Supreme Court of the United States is squarely presented in the brief filed by the Govern-

ment in that Court, pages 50 to 55. The Solicitor General, on behalf of the United States, there argues that: "There was evidence in the record before the Secretary of Labor to support the finding in the deportation warrant that respondent (i. e. Strecker) believes in and advocates the overthrow by force or violence of the Government of the United States." The issue of membership in the Communist Party was raised particularly as it was the one raising a conflict between circuit courts.

Summarizing the foregoing, I think it fair to say that there is substantial reason to believe that the Strecker case presents fundamental issues which arise in the interpretation of the Immigration Act of October 16, 1918, as amended by the act of June 5, 1920.

The resolution implies that the Bridges and other similar cases should not have been postponed pending the decision of the Supreme Court in the Strecker case, even though the decision of the Circuit Court held that membership in the Communist Party was not legally grounds for deporting an alien.

This action in postponement was taken on the advice of competent legal advisers, and it is the usual administrative practice in order to prevent unnecessary expense and effort in conducting litigation which may turn out to be useless or inadequately developed after the Court has made a decision in a case on appeal.

Also I want to point out to you that there is no hazard to our population or institutions involved in these postponements because of the fact that if Bridges or any other alien at anytime takes any action to overthrow the Government of the United States by force or by violence, or if he commits any crime, he can and will be promptly arrested, tried, and punished or deported under the terms and requirements of law.

In this statement I have tried to explain clearly the principles upon which I have acted and the details of the administrative action in the Bridges and Strecker cases. The problems which the immigration laws present are serious, intricate, and of the highest public importance. They affect principally the lives of human beings rather than property. The administration of these laws, because so few restraints on procedure are imposed by law, calls for the most scrupulous application of the principles of fairness, justice, and impartiality inherent in our constitutional democracy. Any miscarriage of justice in human affairs which cannot be corrected is unendurable to the American mind. It is of the utmost importance to see that no such suspicion of injustice is possible. The immigration laws have peculiar significance to the future of our country, and it is incumbent upon those who administer them to aim at certain important goals; to preserve for this country its institutions, its ideals, and its Government safe from any foreign forces which present a clear and present danger to the continuance of our way of living; to improve rather than harm the economic and social and moral stability of our population; to promote the assimilation or Americanization of such foreign-born people as lawfully become permanent residents; and to demonstrate to such foreign born who, together with their families, are likely soon to become our fellow citizens, that our American institutions operate without fear or favor and in the spirit of fair play to the stranger within our gates as well as to the native born. It is out of this demonstrated capacity of our institutions that is born that confidence, that hope, that self-discipline, that admiration, which has resulted in the passionate love of country and devotion to its way of life which characterizes both native and foreign-born Americans. The intensity and personal character of this devotion to our country is almost unique in world history and rests upon man's voluntary and almost consecrated association of himself with the ideals of fairness and respect for human personality which he experiences in daily realistic practices of our Government and our society.

It is because I share the confidence of other Americans in the capacity of our institutions to protect me against injustice that I have satisfaction in the consideration of these charges, and my denial of them, by this committee of Congress now considering them. I recognize the right of anyone who has valid evidence of wrongdoing to attack my record or my character and particularly in public office, and I have no resentment. This is also a part of our democratic method to safeguard against administrative absolutism. But I have entire faith and confidence in the capacity and intent of those who are in charge of the operation of our institutions, not only the courts, but the Congress and its committees, to protect me and to secure my rights and my reputation if I have done no wrong. Americans are sensible, steady people and have lively faith that no excitement and no political pressures and no questions of the popularity or unpopularity of a case can interfere with the operation of justice, and that only intelligence and faithfulness will move those persons who stand sworn to be for us, by our consent, judges an office fraught with a deep sanctity. This faith exists and must be confirmed daily by those of us who hold high office so that liberty may not perish from the land.

○