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TWENTY-SIXTH ANNUAL REPORT
OF THE
SECRETARY OF LABOR

FOR THE FISCAL YEAR
ENDED JUNE 30

1938

STATISTICS



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1938

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

LETTER OF TRANSMITTAL

DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington, D. C., November 15, 1938.

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, 1938.

Respectfully submitted.

FRANCES PERKINS,
Secretary of Labor.

TWENTY-SIXTH ANNUAL REPORT OF THE SECRETARY OF LABOR

The Department of Labor was established by an act of the Congress, passed March 4, 1913, "to foster, promote and develop the welfare of the wage earners of the United States, to improve their working conditions and to advance their opportunities for profitable employment." All these objectives we have been striving to accomplish since 1933 and succeeding in a measure, which is a source of constant and growing satisfaction.

Of particular significance in this fiscal year was the passage of the Fair Labor Standards Act, applying in interstate industries and putting a floor under wages, a ceiling over hours of work, and ending child labor in those industries. While it is too early to evaluate fully the effect of this measure, there is no reason to doubt its ultimate contribution to the social and economic betterment of these United States. Early reports indicate the increase in employment in the affected industries as was anticipated, and further stabilization of employment can be expected.

This legislation is as definitely in the interest of wage earners as is other legislation passed in previous years. Personal and family security has been provided in some degree through the Social Security Act with its old-age insurance accounts, unemployment insurance, cash aid to old people who are in want, assistance for dependent children, and provision for the blind. The National Labor Relations Act guaranteeing the ancient and constitutional right to organize for collective bargaining has also brought with it protection of the civil liberties of workers in connection with this.

Such social legislation is primarily in the interest and for the improvement of life of American wage earners but its influence goes far beyond that group. Its real benefits are not confined to one group of our social order but are and will be shared by management, farmers, and investors through an increase in the purchasing power of so many of our people and the increased stability of our social and economic life. As millions of workers have more money to spend in the years to come, farmers will gain in income, manufacturers in sales, employers in earnings, and investors in profits.

Already the beneficial effects of these policies have been shown in the marked economic gains made since 1933 and shared in by workers, owners, and farmers. Weekly factory pay rolls, for instance, rose from \$72,697,000 in March 1933 to \$134,271,000 by June 1938, a gain of

\$61,574,000 or 85 percent, and in the same period there was an advance in nonagricultural employment from 25,946,000 to 31,781,000, a rise of 5,835,000 or 22 percent. Building construction in cities with a population of 2,500 and over went up from \$287,739,000 in the first half of 1933 to \$782,697,000 in the first half of 1938, an increase of 172.0 percent.

SERVICE TO WAGE EARNERS

I comment briefly on some of the activities of the United States Department of Labor on behalf of the Nation's wage earners. The Wagner-Peyser Act set up the reorganized United States Employment Service in the Department of Labor in July 1933, and from that date through June 1938 this Service made 23,118,499 job placements. Of this number, 19,531,296 were men and 3,587,203 were women. Of the total number of placements 7,619,452 were in private employment and all were made on the basis of careful personal interviews seeking to place each person in the job best suited to his experience and needs. During the fiscal year 2,900,056 job placements were made, of which 1,962,765 were in private industry. The Department, which has selected nearly 2,000,000 young men for enrollment in the C. C. C. camps since they were established, selected 253,776 of them during the fiscal year.

The Department, through its Public Contracts Division, is charged with administering the Walsh-Healey Act of 1936, which provides that Government contracts in excess of \$10,000 can only be awarded to bidders who pay wages not less than a prevailing minimum found by the Department of Labor, observe a 40-hour week and 8-hour day, and provide safe working conditions. Since the act took effect in September 1936, through June 1938, 8,381 contracts, amounting to \$472,741,386.62 have been awarded under the terms of this act. During the fiscal year, 5,306 contracts amounting to over \$302,000,000 were awarded. Compliance with this act is general, and the method of fixing the minimum wage after consultation with a panel of the industry and after ample study and hearings has met with cooperation by employers and workers.

Under the Social Security Act, the Secretary of Labor is authorized to make payments to States for maternal and child-health services. Since the act took effect in 1936 some \$8,000,000 has been made available to the States for the very worth-while service of aiding mothers in the care of the health and well-being of their children.

An apprentice-training program, under the Department of Labor, has been adopted to develop and maintain mechanics' standards of skills and to permit the thorough training of apprentices where needed and under proper safeguards, instead of flooding the market with thousands of half-trained helpers. This is done under the auspices of a committee of workers and employers.

COOPERATION WITH STATES

Annual meetings of representatives of the different State governors have been held since 1933 under the auspices of the United States Department of Labor upon the request of the States so as to bring about cooperation for a desirable program of State labor legislation in the interest of wage earners.

Since the time when these conferences were first begun 5 years ago, the picture of labor and social legislation in the United States has changed considerably. Standards governing hours, wages, child-labor terms of employment, and physical working conditions have been set in many new fields and materially raised in others by State labor legislation; compensation for accidents and industrial diseases has been extended and compensation for other types of income loss such as unemployment and old age have been introduced and given wide application.

Within the last 6 years 14 States enacted minimum-wage laws, 8 States enacted the 16-year basic minimum age for employment; 8 States and the District of Columbia adopted the 8-hour day for women; and 7 States the 48-hour week or better; 2 States have passed workmen's compensation laws; 10 States adopted occupational disease compensation; 8 States have moved toward the abolition of industrial home work; 5 States have by law provided the machinery for promoting the training of apprentices under the general standards set by the Federal Committee on Apprentice Training. In six States the labor commissioners have been given the authority to accept assignment of wage claims in order to assist the workers in collecting wages from defaulting employers; nine States have reorganized and materially strengthened their agencies for administering these and other types of laws, and now we have the very great advantage of Federal minimum standards on wages, hours, and child labor upon which can be built more firmly the State regulatory structure during the coming year.

It would be too much to claim for these conferences all of the credit for all of this progress, but as a matter of fact all of these new laws were discussed in embryonic form in these conferences, and the agreement of the conference representatives upon the needs for such legislation as well as upon the standards and forms it should take has furnished much of the impetus required for enactment.

The general acceptability of the labor legislation adopted in recent years is due in a great measure to the fact that in these conferences the initial proposals were well thought out, realistically discussed, both as to general principle and the salient features of application. Moreover, through its standing committees, which have been set up from time to time, there has been rendered important technical service

by charting specific patterns for various types of legislation, all the more valuable because the committee membership embraced practical and experienced persons who have made special studies of minimum-wage and hour legislation, wage payment laws, industrial home work, and other measures.

OTHER NEEDS OF WORKERS

All the progress of recent years, encouraging as it is, must be balanced against needs still outstanding. On the debit side we still have 23 States without minimum-wage legislation, 30 States without a legal limit of 8 hours, even for women, and 26 States with a legal weekly limit in excess of 48 hours (including 8 States with none at all). We have to face the fact that most hours laws fall short of covering all workers, and that the various exceptions and omissions are based, not so much on the nature of the work, as on the pressure of special interested groups.

Twenty-eight States still leave occupational diseases uncompensated under workmen's compensation laws—and very few of such laws as we have compensate for all diseases arising out of employment. Yet coverage of a few diseases only, named in the law, is unfair both to the employer and the employee who are not covered, for it exposes the former to damage suits and leaves the latter without regular income provision at the time he most needs it.

Perhaps most disconcerting of all is the fact that while workmen's compensation is our oldest form of major social legislation, and 46 States have such acts, actually today not more than half of our workers enjoy the protection of these laws. One of the reasons for this is that many of the acts are elective rather than compulsory, and another is the generally prevailing practice of exempting particular industries, as well as establishments with small numbers of employees. In some instances, these numerical exceptions run as high as 10 and in one State 16.

Possibly our greatest lack at the moment is one that is extremely difficult to dramatize to voters and taxpayers. We need State agencies adequately staffed and financed to administer the State labor laws fairly and thoroughly. A law that is not thoroughly enforced is unfair to someone. Adequate enforcement means adequate staff insured by an adequate appropriation.

The Bureau of Labor Statistics has been so developed since 1933 that it now furnishes information to thousands of wage earners on problems of vital importance to them and gathers statistics and makes studies of value to workers, employers, bankers, investors, and Federal and State legislators.

INDUSTRIAL RELATIONS

The Department, through its Conciliation Service, has been increasingly successful in maintaining good relations between wage earners and employers. In this fiscal year it handled 4,231 industrial disputes involving 1,618,409 workers. In this connection I can report that industrial relations in the United States are being put on a more and more stable and practical basis. There are probably in existence today more voluntary contracts between employers and their workers than at any time in the history of our country. About 75 percent of these contracts have been arrived at without stoppage of work. This is a tribute to the intelligence and good feeling both of employers and workers.

Eighty-five percent of all the agreements negotiated by this Department carry a clause to provide for the adjustment of any dispute during life of contract by some agreed method without stoppage of work. Forty-five percent of them provide for arbitration through the Department of Labor. The Conciliation Service of the Department is called upon by employers as well as workers, and the procedure is so informal as to make it helpful in a wide variety of problems. The most difficult and troublesome disputes in the past year have been those that involved both A. F. of L. and C. I. O. unions in introducing their standing difference into a dispute. In cases of this sort the employer is placed in a most unjustifiable position, and the good-will of the public toward labor is impaired.

If the two groups cannot presently make a general peace between them they will at least have to make a truce with regard to precipitating and aggravating disputes among themselves when sound relations to an employer is imperiled. There is overwhelming evidence that the vast majority of union members of both factions want peace and desire to cooperate with each other. In fact, it is a striking observation that in many areas, cities, States, and so forth, the two groups do act as though there were no breach, cooperating in a multitude of ways for the improvement of labor conditions. When this behavior in the field is so well established, peace between the officers and at the top cannot be far behind.

A careful canvass of the situation leads me to the conclusion that there are no very difficult intellectual problems and no insurmountable organization problems in the labor peace situation. Only the will to peace needs to be deeply and personally felt by leaders to realize reunion and the strength and progress that go with it.

Phillips Brooks once gave some advice to a newly-married couple as follows: "Practice unity in large things, liberty in small things, charity in all things." Perhaps this maxim is needed in the field of labor as well as in most American life today.

The last 5 years have shown great improvement in the understanding of the wisdom of definite and clearly stated agreements between organized workers and their employers. This increase in understanding has included many of our most successful American employers.

The early period of recovery from the depression was marked, quite naturally, by a larger number of industrial disputes over hours, wages, and the rights of organization than had marked the years of depression or even the years of peak prosperity. This increase, however, was in no way proportionate to the increase in the number of workers who were employed in industry for wages, nor was the seriousness or length of these strikes comparable to those of earlier years.

The number of strikes in the United States in the calendar year 1937 was 4,700. In the year 1903, when we first began to keep figures on these matters, there were 3,600 strikes, about a thousand fewer. The number of persons employed in 1937 for wages, however, was 38 million, exclusive of agriculture, while in 1903 the number so employed was 19,900,000. In other words there was an increase of 90 percent of the gainfully employed in industry since 1903 and an increase in strikes of only 30 percent. The number of strikes has not kept pace with the increase in the industrial population, which reflects better labor relationships and better working conditions and greater intelligence applied to this factor of our common life.

Records have been kept, since 1907, of the man-days lost in strikes, that is, the number of men on strike multiplied by the number of days they were out of work. These records show that in 1927 there were 707 strikes but the man-days lost were only 8 percent less than the man-days lost in 1937, when the number of strikes was 4,700. In other words, the strikes of 1937, though numerous, were short and involved relatively few people. Forty percent of the strikes in 1937 lasted less than a week and more than half the strikes of that year involved less than 100 workers. I cite these as indicating that this type of social strain and tension is today more responsive to reason, justice, and fair play.

IN CONCLUSION

In order to achieve a goal of balanced progress, we need to continue in our American system a set of economic and social principles which are in accord with our traditional and national purposes and adjusted to changing conditions. Common social purpose combined and corrected by varied types of self-interest can and will give us a practical and desirable democratic cooperation. Included in these objectives as seen from the vantage point of the Department created to promote the welfare of the wage earners of the United States are:

1. High wages on a national basis;
2. Continuity of income;
3. Stability of employment;

4. Reasonable profits;
5. Opportunity for investment of savings in expanding industries and in new industries; and
6. The conservation and adequate utilization of natural resources, including human life and happiness.

Organized labor, which has had such a remarkable growth in membership and public significance in recent years, has every incentive to assist in bringing about a realization of this program. Labor now has a certain security against unfair interference and coercion by employers and has in turn a desire to develop responsibility for informed participation with employers and the country generally to achieve and stabilize an expanding national prosperity. Labor unions can build up self-disciplined, self-educated organizations for this purpose. It is part of a labor union's job to develop a broad understanding on the part of all workers of the problems and pattern of the industry. The productive capacity of American wage earners is high and they are proud of their skill and stamina. Status in our society derives from this skill its significance for the well-being of the Nation. This status now largely recognized will inevitably develop statesmanship in the field of employer-employee relations. This is a challenge to the labor movement and to employer groups and it will be met realistically. We cannot arrive at a perfect way of life overnight, but the signs are clear in American life that intelligent, patriotic, and farsighted employers and informed, patriotic, forward-looking labor are already building the structure of an American way of labor relations of which we will be proud, because it will be effective, productive, and democratic.

FRANCES PERKINS,
Secretary.

APPENDIX

CONDENSED REPORTS OF THE ACTIVITIES OF THE BUREAUS AND SERVICES OF THE DEPARTMENT OF LABOR FOR THE FISCAL YEAR ENDED JUNE 30, 1938

UNITED STATES CONCILIATION SERVICE

J. R. STEELMAN, *Director*

To the SECRETARY OF LABOR:

In carrying out the functions delegated by the Secretary of Labor to the United States Conciliation Service, that is, to act as mediator in labor disputes whenever the interests of industrial peace require it, the Service has, during the fiscal year ended June 30, 1938, disposed of 4,231 situations formally referred to it. These involved 1,618,409 workers. Of this number of situations, 2,319, involving 1,460,795 workers, are classified as "labor disputes," which include strikes, threatened strikes, lock-outs, and controversies. The remaining situations classified as "other services rendered" include arbitration, conducting consent elections, technical services, conferences with labor and management for promotion of industrial harmony, and the handling of numerous complaints.

During the fiscal year 1938 we handled an increase of 59.4 percent over the number of disputes handled during the previous year.

Geographically, we have been active in every State of the Union, the District of Columbia, Alaska, Puerto Rico, and the Virgin Islands. Pennsylvania had the largest number of situations, totaling 721, involving 223,298 workers. Industrially, situations were handled in every major industry, with textiles accounting for the largest number, 819, involving 255,150 workers. Of the 2,319 labor disputes disposed of by the Service, 90 percent were terminated on a basis that was mutually satisfactory to labor and management. Also 95 percent of the 4,231 situations referred to us during the fiscal year were disposed of in a manner satisfactory to all parties interested. In only six instances were the services of this agency declined.

The outstanding accomplishment of the Conciliation Service during the fiscal year was the prevention of 339 threatened strikes involving 230,565 workers. With an average of 20 workdays lost per striking employee, as computed by the Bureau of Labor Statistics, the number of threatened strikes averted equals a potential saving of 4,611,300 man workdays.

In order to render effective service to the public in answering the many demands for assistance, our Commissioners of Conciliation were on duty 7 days a week during the year, and in no instance did any Commissioner take leave of absence.

The Service operated during the year on a total appropriation of \$373,000, including the allowance for travel granted by the Department, which, when compared with the 4,231 cases averaging 383 workers each, reveals a cost of \$88.16 per average situation, or 23 cents per single employee involved.

During the year the Service has been called upon in many instances either to appoint an arbiter or to assign a Commissioner to act as arbiter. Arbitration as a basis for settling labor disputes is increasing. In order to keep abreast of this change, we have designated two of our Commissioners to handle arbitration matters exclusively.

In addition to the regular work of our permanent staff, it was necessary in some instances, due to the peculiar nature of the situation, to appoint special commissioners or special boards to handle these assignments.

Numerous situations which we have disposed of called for a certain amount of technical investigation. The majority of these have been in the textile industry, because many of their problems arise over the question of machine load and job assignment, referred to as "stretch-out." In order to cope with this type of problem, we have found it necessary to carry on a certain amount of technical work which, in all instances, has proven to be an effective basis for the termination of a situation.

In the early part of the year we undertook an analysis of the various requests received. This analysis clearly indicated the necessity for a broader classification of the matters submitted to us. We found that it had been the practice to include only as "situations handled" labor disputes, that is, strikes, threatened strikes, lock-outs, and controversies. These classifications, however, accounted only for a portion of the activities of the Service. Our analysis revealed that we were handling complaints, supplying technical data, answering requests for information and the like; these services were classified as "other situations."

In reporting the details of the "other situations" disposed of by the Service, we have been very conservative in recording the number of workers involved. In many instances we reported only one person for a situation, whereas the specific conference may have had some bearing in the prevention of a strike affecting a large number of workers. For example, a conference with one labor leader and a plant manager prevented a strike of 20,000 workers, but it was reported merely as a conference involving two people.

We have had occasion to use the facilities of other agencies within the Department and have used information prepared by them. In every case we have found them most helpful indeed. We have made numerous contacts during the year in various fields, and it has been very gratifying to find people interested in the promotion of industrial peace willing to volunteer their assistance in bringing a designated controversy to a satisfactory conclusion.

Due to the exigency of entering an actual or apprehended conflict promptly, it has been necessary to travel by air. It was in an airplane disaster that the Service lost one of its ablest men, Commissioner C. L. Richardson, who met his untimely death in line of duty on February 6, 1938. By his death this Service has lost one of its most untiring and respected men.

We anticipate that with the ever-increasing demands for our assistance, it will be but a short time before the Conciliation Service will be

called upon to have a representative present to participate in the drawing up of new agreements or the handling of labor relations problems as they arise.

Years ago a labor dispute was mainly a local matter. Due to the close relationship between labor and industry and in part to the recent increase of Federal and State regulatory statutes, we are finding the plant in a small town no longer isolated and operating on a purely local basis. Today, labor and management are familiar with labor conditions in other plants and in other areas. Our Commissioners, therefore, properly to handle a situation, whether in a small town or in a larger industrial center, find that facts are essential. In other words, in addition to drawing upon his experience in the field of industrial relations, a Commissioner of Conciliation must be fully cognizant of competitive conditions in the industry. In order to take full advantage of this changing trend, we are endeavoring through our Washington staff to supply each Commissioner with factual data and material that will be helpful to him.

In reviewing our work we find that the working conditions, wages, and hours of employees are more and more being embodied in written agreements. The details of these agreements are increasingly more clearly defined. Whereas formerly a typical collective agreement consisted of but a few sections, today it contains some 20 major clauses defining precisely the relationship between labor and management and the obligations each owes the other.

We know that labor and management are, in the majority of instances, endeavoring to work together more closely. This is clearly evidenced by the conferences we have held during the year with representatives of both labor and management. On such occasions, a better understanding of their mutual obligations helped more firmly to establish harmonious relationships. Both are realizing that the Conciliation Service is in a position to render a service built upon experience and impartiality.

In the following appendices the total situations disposed of by the Service during the year are classified as to major issues involved, basis of their disposition, labor disputes and other situations by States, labor disputes and other situations by industries, and typical situations handled by the Service.

APPENDIX A.—*Situations disposed of classified as to major issues involved, July 1, 1937, to June 30, 1938*

Issues	Situations	Workers involved
Labor disputes:		
Strikes.....	1,262	777,735
Threatened strikes.....	422	271,629
Lock-outs.....	85	33,362
Controversies.....	550	378,069
Subtotal.....	2,319	1,460,795
Other situations:		
Arbitration matters.....	80	39,187
Conferences.....	253	1,493
Complaints.....	565	12,512
Investigations.....	124	72,783
Requests to conduct consent elections.....	4	666
Requests to verify union membership.....	4	1,495
Requests for special services of Commissioners.....	25	11,075
Requests for information.....	838	2,806
Technical services.....	19	15,597
Subtotal.....	1,912	157,614
Grand total.....	4,231	1,618,409

APPENDIX B.—Situations classified as to disposition, July 1, 1937, to June 30, 1938

Disposition	Situations	Workers involved
Signed agreements.....	781	592,422
Exchange of letters.....	41	29,210
Verbal agreements.....	669	528,655
Unable to adjust.....	221	80,713
Plant closed indefinitely.....	37	5,924
Conditions corrected.....	76	80,269
No action necessary.....	264	58,269
Conciliatory efforts exhausted—referred to National Labor Relations Board.....	227	49,184
Alleged violations of Wagner Act—referred to National Labor Relations Board.....	155	747
Referred to other departmental agencies.....	14	765
Referred to other governmental agencies.....	131	11,388
Referred to nongovernmental agencies (union officials and others).....	127	3,387
Referred to National Mediation Board.....	69	69
Agreed to reinstate employees.....	56	28,016
No jurisdiction.....	75	812
Consent election held.....	14	4,480
Conciliation declined.....	6	2,457
Outside party appointed as arbiter.....	15	9,417
Union membership verified.....	5	1,635
Investigation completed.....	106	70,365
Complaint withdrawn.....	9	1,112
Information furnished.....	1,051	4,348
Commissioner furnished as requested.....	59	40,974
Technical service rendered.....	23	13,791
Grand total.....	4,231	1,618,409

APPENDIX C.—Situations disposed of, classified as to labor disputes and other situations, by States, July 1, 1937, to June 30, 1938

States	Labor disputes		Other situations		Total	
	Number	Workers involved	Number	Workers involved	Number	Workers involved
Alabama.....	61	17,417	52	3,352	113	20,769
Alaska.....	—	—	2	2	2	2
Arizona.....	6	1,045	9	9	15	1,054
Arkansas.....	10	1,540	8	20	18	1,560
California.....	107	133,868	137	2,649	244	136,517
Colorado.....	34	1,560	11	28	45	1,588
Connecticut.....	32	10,256	17	2,251	49	12,507
Delaware.....	2	160	5	754	7	914
District of Columbia.....	56	14,898	240	1,883	296	16,781
Florida.....	18	36,340	23	9,897	41	46,237
Georgia.....	24	7,931	33	2,935	57	10,866
Idaho.....	4	406	11	16	15	422
Illinois.....	109	24,100	131	2,410	240	26,510
Indiana.....	68	25,012	44	3,374	112	28,386
Iowa.....	30	6,665	10	19	40	6,684
Kansas.....	1	510	13	112	14	622
Kentucky.....	24	5,853	17	17	41	5,870
Louisiana.....	31	7,650	20	1,900	51	9,640
Maine.....	7	613	5	5	12	618
Maryland.....	28	15,513	28	674	56	16,187
Massachusetts.....	49	40,744	55	25,373	104	66,122
Michigan.....	39	211,668	38	204	77	211,872
Minnesota.....	56	31,990	23	217	79	32,207
Mississippi.....	6	555	10	1,157	16	1,712
Missouri.....	70	56,094	52	540	122	56,634
Montana.....	15	624	13	32	28	656
Nebraska.....	3	1,049	4	17	7	1,066
Nevada.....	1	80	4	4	5	84
New Hampshire.....	—	—	6	964	6	964
New Jersey.....	70	28,394	61	4,500	131	32,894
New Mexico.....	—	—	2	2	2	2
New York.....	167	132,962	265	38,428	432	171,390
North Carolina.....	37	17,476	48	8,098	85	25,574
North Dakota.....	1	473	1	1	2	474
Ohio.....	159	100,339	113	885	272	101,224
Oklahoma.....	10	415	4	227	14	642
Oregon.....	15	16,741	33	1,312	48	18,053
Pennsylvania.....	608	207,127	113	16,171	721	223,298
Puerto Rico.....	1	75,000	—	—	1	75,000
Rhode Island.....	28	15,556	25	6,456	53	22,012
South Carolina.....	6	3,326	45	7,438	51	10,764

APPENDIX C.—*Situations disposed of, classified as to labor disputes and other situations, by States, July 1, 1937, to June 30, 1938—Continued*

States	Labor disputes		Other situations		Total	
	Number	Workers involved	Number	Workers involved	Number	Workers involved
South Dakota.....	3	4,473	2	2	5	4,475
Tennessee.....	90	42,865	28	6,903	118	49,768
Texas.....	32	22,239	29	1,032	61	23,271
Utah.....	3	500	5	7	8	507
Vermont.....	1	250	4	1,235	5	1,485
Virginia.....	50	19,804	30	2,005	80	21,809
Washington.....	38	69,589	42	1,020	80	70,609
West Virginia.....	46	9,077	17	594	63	10,271
Wisconsin.....	61	23,416	21	385	82	23,801
Wyoming.....	1	32	3	3	4	35
Virgin Islands.....	1	16,000	-----	-----	1	16,000
Grand total.....	2,319	1,460,795	1,912	157,614	4,231	1,618,409

APPENDIX D.—*Situations disposed of, classified as to labor disputes and other situations, by industries, July 1, 1937, to June 30, 1938*

Industries	Labor disputes		Other situations		Total	
	Number	Workers involved	Number	Workers involved	Number	Workers involved
Agriculture.....	19	27,422	32	310	51	27,732
Automobile.....	134	224,635	33	1,702	167	226,337
Building trade.....	176	74,149	178	2,344	354	76,493
Chemical.....	41	9,175	6	693	47	9,868
Communication.....	17	19,985	22	1,836	39	21,821
Domestic and personal services.....	139	23,428	58	7,117	197	30,545
Foods.....	212	209,880	133	3,392	345	213,272
Iron and steel.....	156	78,844	56	125	212	78,969
Leather.....	55	22,955	24	489	79	23,444
Lumber.....	156	50,831	22	1,449	178	52,280
Machinery.....	71	58,389	35	383	106	58,772
Maritime.....	80	219,471	70	4,360	150	223,831
Mining.....	27	4,380	24	639	51	5,019
Motion picture.....	2	4	14	22	16	26
Nonferrous metals.....	30	20,737	12	6,669	42	27,406
Paper and printing.....	86	25,000	39	1,133	125	26,133
Petroleum.....	21	5,298	16	4,319	37	9,617
Professional services.....	26	13,211	20	806	46	14,017
Rubber.....	26	26,541	19	447	45	26,988
Stone, clay, and glass.....	57	15,472	25	12,508	82	27,980
Textiles.....	497	177,437	322	77,713	819	255,150
Tobacco.....	8	8,490	12	20,079	20	28,569
Trade.....	127	44,018	66	490	193	44,508
Transportation.....	120	63,439	162	6,056	282	69,495
Transportation equipment.....	9	19,657	3	400	12	20,147
Utilities.....	8	15,201	5	5	13	15,206
Unclassified.....	19	2,846	504	2,038	523	4,884
Grand total.....	2,319	1,460,795	1,912	157,614	4,231	1,618,409

APPENDIX E.—*Typical situations handled by the Conciliation Service, July 1, 1937 to June 30, 1938*

1. *American Hardware Co., Petersburg, Va. Threatened strike over hours and wages.*

When the Commissioner of Conciliation took up the case, a conference was held immediately, at which time the questions at issue were discussed and a settlement appeared possible. However, negotiations were broken off when the employers refused to concede the union's demands. A deadlock on the issues resulted, but the Commissioner finally got the parties together. The situation was terminated by a signed agreement covering preferential shop, arbitration, and no wage reduction. There were 1,800 employees involved, and the controversy lasted 13 days.

2. *Food industry, Buffalo, N. Y. Threatened strike over a proposed reduction in wages.*

At the time the old agreement expired the employers announced a desire to continue operations at the old wage rates. In order to avert the strike, which was apparent when the employees demanded increased wages, the expiration date was extended so the parties could meet in conference and negotiate a new agreement. The employers were willing to grant a closed shop, continue the old wage scale, but would not agree to increased wages, check-off, Saturday half holiday, vacation with pay, nor a helper on all trucks.

The strike was averted when the union accepted the employers' terms (closed shop, if the industry would be completely organized by the union), and an agreement to that effect was signed by all parties. There were 17,000 workers involved and the negotiations lasted 8 days.

3. *Master Bakers Association, Pittsburgh, Pa. Strike over seniority, vacation with pay, and closed shop.*

Four employee organizations were involved, including drivers, bakers, engineers, and bakery workers, and the situation affected all bakeries within a radius of 60 miles of Pittsburgh. Several conferences were held, with little progress being made toward settlement before the Conciliation Service entered the picture.

After concessions on both sides, the strike was settled by a signed agreement covering the issues for which the unions struck. It involved 5,500 workers and the controversy lasted for 11 days.

4. *Greyhound Bus System, Cleveland, Ohio. Strike over increased wages and closed shop.*

The bus drivers' union struck after the management refused an increase in wages and a demand for a closed shop. Conferences by the Commissioner of Conciliation were held with both sides, separately and jointly. There was some violence, and much notoriety in the press.

The situation was settled by a signed agreement covering an increase in wages and arbitration of grievances. The strike involved approximately 4,000 workers throughout the entire country and lasted 6 days.

5. *Sun Telegraph Publishing Co. and Pittsburgh Press, Pittsburgh, Pa. Strike over closed shop and wage increase.*

Twenty-three hundred workers struck at the two publishing companies in an attempt to effect a wage increase, also demanding a closed shop.

The Commissioner of Conciliation, after many conferences, brought the parties to a settlement, and the workers returned to work under a signed agreement. The terms of the agreement provided, in part, union recognition, minimum-wage guarantee, vacation with pay, and an established grievance procedure. The strike lasted 8 days.

6. *Sanitary Grocery Stores, Richmond, Va., and Washington, D. C. Threatened strike over union recognition, wages, and working conditions.*

The company refused to grant the union's demands until it was established that the union represented the majority of workers. Assistance from the Conciliation Service was requested.

It held a consent election to determine the proper bargaining agency. This was done, and a settlement was reached that resulted in a signed agreement, the terms of which were not made public. Workers to the number of 1,800 were involved, the strike lasting 23 days.

7. *Postal Telegraph and Cable Co., New York, N. Y. Controversy over union recognition.*

After two sit-down strikes, the Conciliation Service was requested to assist the parties in an effort to negotiate a collective bargaining agreement on a national basis between the company and the union.

During the interim the company was reorganized. A consent election was held, the controversy being settled by a verbal agreement which recognized the union as the sole bargaining agency. There were 15,000 workers involved, the controversy lasting 8 weeks.

8. *Chrysler Corporation, Detroit, Mich. Strike for union recognition.*

The strike was called after the company refused to bargain collectively with the union. Violence and bloodshed followed. Upon the intervention of the Conciliation Service, order was restored and the parties brought together in conference. As a result, a settlement was reached, the plants were reopened, and the men returned to work.

The verbal agreement, which terminated the strike, provided for the extension of the old contract for 1 year and included union recognition. There were 21,000 workers in the 18 plants involved, the strike lasting about 6 weeks.

9. Longshoremen on the Atlantic and Gulf coasts. Strike over wages and hours.

A general strike was called by the seamen's union in the southern ports after the shippers refused to increase wages. It soon spread over the entire eastern coast, including the Gulf. All ports were tied up. A Commissioner of Conciliation brought the parties together in conference, the first one of which found the parties deadlocked over issues involved. A threatened sympathy strike by clerks and checkers of all steamship lines was averted.

Settlements were finally made with the individual companies concerned in nine seacoast ports, which consisted, in part, of wage increases, union recognition, establishment of hours of work and seniority privileges. Approximately 15,000 seamen were involved, the strike lasting 21 days.

10. Olinger Chevrolet Co., Coshocton, Ohio. Arbitration case; issue: wages and seniority clause.

Both the union and the company agreed to submit the issues to an impartial arbiter. A Commissioner of Conciliation was selected as the arbiter. A hearing was held, at which time both parties submitted briefs. The arbiter made an independent investigation of working conditions in the industry in the State of Ohio.

After considering all facts and angles at great length, the arbiter set the minimum wages for garage mechanics and allowed the establishment of a seniority clause in the labor contract. Both parties accepted the decision, the case being closed without the necessity of any strike action. The case lasted 3 days, the decision affecting the wages of all the garage mechanics in Coshocton.

11. Silk industry: New York, New Jersey, and Pennsylvania. Strike over wages and hours.

A strike of from 45,000 to 50,000 silk workers in New York, New Jersey, and Pennsylvania was called over a demand for union recognition and increased wages. As a result, approximately 450 mills and throwing establishments were closed down. In order to have the cooperation of management and labor, the Secretary of Labor appointed a special Commissioner of Conciliation to handle the situation, who with the assistance of the Pennsylvania Mediation Board, after many weeks of negotiations, finally brought about a settlement.

The strike was settled by agreements with the individual establishments, the first of which represented a group of New York manufacturers. Many other employers in the three States affected by the strike did the same. As a result, collective bargaining and uniform agreements were established for the first time in a considerable portion of the silk industry. The strike lasted 3 weeks.

12. Jones-Laughlin Co., Republic Steel Corp., Youngstown Sheet and Tube Company, and Inland Steel Corp. Strike over union recognition and wages.

The four companies mentioned above were involved in a strike which began with the 36-hour strike at the Jones-Laughlin Co. plant. This was settled after a consent election was held, resulting in the recognition of the union. The Conciliation Service participated in the negotiations that followed.

The strike against the other three companies over the same issues involved some 90,000 workers and extended throughout seven States. It was marked by violence, which resulted in the death of at least 15 strikers. Most of these plants were reopened without a formal agreement.

Respectfully submitted.

J. R. STEELMAN, *Director.*

UNITED STATES EMPLOYMENT SERVICE

W. FRANK PERSONS, *Director*

To the SECRETARY OF LABOR:

The United States Employment Service, established under the provisions of the Wagner-Peyser Act (48 Stat. 113) of June 6, 1933, is charged with the responsibility of promoting the establishment and maintenance of a national system of employment offices for men, women, and juniors who are legally qualified to engage in gainful occupations. The act further stipulates that the United States Employment Service shall assist in establishing and maintaining systems of public employment offices in the several States. In addition, the act requires the maintenance of "a veterans' service to be devoted to securing employment for veterans," a farm placement service, and a public employment service for the District of Columbia. The present State-Federal system of public employment offices began active operation on July 1, 1933, succeeding a former organization, also called the United States Employment Service, which operated on a somewhat different basis from its establishment in 1918 until 1933.

A national system of public employment offices.

In every State and in the Territories of Alaska and Hawaii, public employment offices are in operation and serving every locality. At the close of the fiscal year there were 1,606 offices and 1,766 additional itinerant points operated by the public employment service throughout the country (see table I).

TABLE I.—*Number of operating offices, June 1933*

State	Total (not including itinerant points)	Admin- istrative	District	General branch	Divi- sional	Special		Itinerant points
						Regular	Tempo- rary	
United States.....	1,606	53	436	928	59	112	18	1,766
Alabama.....	23	1	8	19	0	0	0	43
Arizona.....	19	1	4	9	4	1	0	24
Arkansas.....	15	1	7	7	0	0	0	0
California.....	77	1	15	47	6	8	0	64
Colorado.....	37	1	6	29	0	1	0	30
Connecticut.....	19	1	10	8	0	0	0	12
Delaware.....	5	1	2	0	2	0	0	0
Florida.....	16	1	6	9	0	0	0	0
Georgia.....	17	1	14	2	0	0	0	1
Idaho.....	21	1	6	14	0	0	0	0
Illinois.....	58	1	30	24	3	0	0	66
Indiana.....	44	1	9	34	0	0	0	70
Iowa.....	33	1	9	23	0	0	0	68
Kansas.....	23	1	6	16	0	0	0	0
Kentucky.....	15	1	12	1	1	0	0	0
Louisiana.....	26	1	7	16	2	0	0	65
Maine.....	17	1	5	11	0	0	0	47
Maryland.....	13	1	11	1	0	0	0	22
Massachusetts.....	53	1	0	37	0	7	3	32
Michigan.....	59	1	8	33	1	16	0	81
Minnesota.....	55	1	10	29	12	3	0	70
Mississippi.....	25	1	5	17	0	0	0	67

TABLE I.—Number of operating offices, June 1938—Continued

	Total (not in- cluding itinerant points)	Admin- istrative	District	General branch	Divi- sional	Special		Itinerant points
						Regular	Tempo- rary	
Missouri.....	37	1	10	26	0	0	0	0
Montana.....	49	1	9	28	0	10	1	9
Nebaska.....	24	1	6	16	1	0	0	64
Nevada.....	10	1	9	0	0	0	0	0
New Hampshire.....	14	1	0	12	0	1	0	0
New Jersey.....	23	1	11	9	2	0	0	6
New Mexico.....	16	2	5	7	2	0	0	19
New York.....	125	2	9	90	0	24	0	1
North Carolina.....	56	1	10	35	10	0	0	162
North Dakota.....	50	1	8	4	0	137	0	8
Ohio.....	35	2	31	2	0	0	0	0
Oklahoma.....	16	1	7	8	0	0	0	1
Oregon.....	25	1	9	13	1	0	1	51
Pennsylvania.....	92	2	12	74	4	0	0	0
Rhode Island.....	14	1	7	0	1	1	4	5
South Carolina.....	20	1	5	14	0	0	0	27
South Dakota.....	14	1	8	5	0	0	0	0
Tennessee.....	30	1	5	21	3	0	0	113
Texas.....	116	1	12	103	0	0	0	148
Utah.....	8	1	4	3	0	0	0	10
Vermont.....	9	1	3	5	0	0	0	75
Virginia.....	35	1	7	27	0	0	0	105
Washington.....	25	1	9	11	1	0	3	51
West Virginia.....	32	1	10	17	1	3	0	38
Wisconsin.....	35	1	26	6	2	0	0	120
Wyoming.....	14	1	6	6	0	0	1	11
District of Columbia.....	1	0	1	0	0	0	0	0
Alaska.....	4	0	4	0	0	0	0	0
Hawaii.....	2	1	1	0	0	0	0	0

¹ Includes 16 offices operated by unpaid personnel and 19 offices operated on contributed funds.

² As of Apr. 30. No later information has been received.

At the beginning of the fiscal year 1937-38, 41 State employment services were affiliated, according to the terms of the Wagner-Peyser Act, under agreements with the United States Employment Service. During the year, six more State employment services and the Territorial employment services in Alaska and Hawaii became affiliated, making, as of June 30, 1938, a total of 47 State employment services and two Territorial services affiliated with the United States Employment Service. The United States Employment Service continues to be administratively responsible, as required by the Wagner-Peyser Act, for the District of Columbia Employment Center.

The National Reemployment Service.

The National Reemployment Service, a temporary Federal agency conducted as a division of the United States Employment Service, was established in 1933, primarily to register and refer workers to public-works and work-relief projects. From time to time, the functional scope of the Service has been enlarged either by Executive order or by administrative necessity.

At the beginning of this emergency service the Director of the United States Employment Service announced that, in any State in which there were available appropriated funds for the extension of the State employment service, the offices and positions in the National Reemployment Service would be relinquished to that State. This adjustment has been brought about fully in 24 States and the District of Columbia; and, under the present program, will have been completed in all but two of the States prior to January 1, 1939, and, in those two States, prior to July 1, 1939.

Employment service and its relation to unemployment compensation

The major developments and the problems of greatest importance to the Employment Service during the past year have been those arising out of the participation of the Service in the joint program of unemployment compensation and employment service. A close relationship between the administration of these two has been found in all European precedents and has been advocated by all serious students of social security as a fundamental basis for effective operation.

The purposes of such a relationship have been: First, to provide a convenient opportunity for registering the proof of unemployment of a benefit claimant and for testing his willingness to work and his inability to obtain suitable employment; and, second, to operate as a conserving influence upon expenditures from the unemployment-reserve funds through the placement of benefit claimants. The advantages of an administrative relationship between the two programs are not limited to the side of unemployment compensation. As a result of a close link between these two functions of government, the Employment Service receives among its applicants all unemployed workers in insured occupations and industries, thus building up the active files of local employment offices both in quality and quantity. Moreover, because of the interest of employers in the conservation of the unemployment-reserve funds, there exists an increased motivation for the use of employment offices by employers.

The necessity for a close relationship between the activities of unemployment compensation and employment service was recognized in the Federal Social Security Act, which provided in title III, and again in title IX, that State systems of unemployment compensation could receive the approval of the Social Security Board and would be eligible to receive grants for their administration, only if provision were made for "payment of unemployment compensation solely through public employment offices in the State or such other agencies as the Board may approve."

In this provision of the Federal Social Security Act, the Congress evidently anticipated a procedural relationship, but, unfortunately, did not provide specifically for the administrative relationships to give effect to the procedure. Administration of Federal phases of unemployment compensation was placed by the Social Security Act under the Social Security Board; whereas, under the earlier enactment of the Wagner-Peyser Act the Congress retained administration of Federal phases of the public employment service in the Department of Labor.

Early in the program it became evident that a close integration of these two programs, which by law were placed in two separate Federal agencies, was essential, if the objectives of the joint program were to be achieved in actual operation in the States. The basis on which integration of the two programs was undertaken between the Federal agencies, is found in an agreement of coordination entered into between the Secretary of Labor and the Social Security Board under date of March 30, 1937, and in a resolution dated May 19, 1937, adopted by the coordinating committee which was established by the agreement. The resolution provided *inter alia* that:

In order to achieve integrated Federal action in rendering assistance to the States in the administration of State employment services, the Social Security Board, through the Bureau of Unemployment Compensation, and the Depart-

ment of Labor, through the United States Employment Service, shall act as if they were a single agency, jointly and concurrently, with respect to all matters affecting a State employment service, including detailed plans of such State employment service financed under the Wagner-Peyser Act and the Social Security Act.

The first major problem in the joint administration of this program was the establishment of financial arrangements to provide for a complete and adequate system of State employment services. The appropriations authorized under the Wagner-Peyser Act provide for a normal annual apportionment among the States, on a basis of population, totaling \$3,000,000, to be matched by an equal amount of State and local moneys. For the operation of the United States Employment Service, the normal annual appropriation is \$1,000,000, from which the United States Employment Service defrays not only its administrative expenses in Washington, but also maintains a Veterans' Placement Representative in each State, Farm Placement Supervisors in many States, and the District of Columbia Employment Center. During each of the 4 fiscal years from July 1, 1933, to June 30, 1937, the Nation-wide Employment Service in the United States had cost, not the \$7,000,000 in Federal and matching State and local funds contemplated in appropriations authorized under the Wagner-Peyser Act, but a total of \$18,602,449 in the fiscal year 1936-37; \$16,536,928 in 1935-36; \$9,163,605 in 1934-35; and \$2,889,550 in 1933-34.¹ The difference between the funds provided under the Federal-State matching program of the Wagner-Peyser Act and these much larger totals was provided through allocation of funds from emergency-relief appropriations for the operation of the National Reemployment Service.

Although the combined operations of the National Reemployment Service and the State employment services attempted to provide Nation-wide coverage through district plans of administration and through the use of itinerant service, employment offices were not located in an adequate number of communities; they were neither sufficiently staffed nor were they housed in premises adequate to meet the increased load which inevitably comes to the offices with the inauguration of the payment of unemployment compensation benefits.² Financial arrangements for supplementing Wagner-Peyser and State and local matching funds were the first requirement for the expansion of the Employment Service to meet its new and added responsibilities in the joint program.

In February 1937 the Social Security Board announced a policy which provided for grants to be made by the Board to State agencies responsible for the administration of unemployment compensation and employment service, to supplement funds available from State and Federal sources under the Wagner-Peyser Act, and to provide for the necessary expansion of the State employment services to meet the needs of the unemployment-compensation program.

¹ Section 5 (a) of the Wagner-Peyser Act provided an appropriation of \$1,500,000 for 1933-34, to be increased to \$4,000,000 for each fiscal year thereafter up to and including the fiscal year ending June 30, 1938.

² Each State unemployment compensation law indicates the date on which benefit payments are to begin in that State. Six months in advance of that date, it is customary to begin the expansion of the State employment service to meet the anticipated needs of claims procedure in local offices. The only State in which benefit payments had been inaugurated prior to January 1, 1938, was Wisconsin, where benefit-paying procedure began on July 1, 1936. On January 1, 1938, 21 States and the District of Columbia began benefit payments. During the first 6 months of the fiscal year 1937-38, these State employment services were in process of expansion. Two States began benefit payments on April 1, 1938. Payments begin in 3 additional States on July 1, 1938; in another on September 1, 1938; in 16 more States and 2 Territories on January 1, 1939; and in the 2 remaining States on July 1, 1939. Expansion of all State employment services will therefore be completed during the 1938-39 fiscal year.

Under the provisions of this policy, the Nation-wide Employment Service was financed during the 1937-38 fiscal year by \$4,032,404 from State and local sources, \$3,737,782³ in Wagner-Peyser Federal moneys for matching State and local funds, \$770,452 for the administrative expenses of the United States Employment Service, and \$12,720,424 granted by the Social Security Board. The National Reemployment Service was continued at a total expenditure during the 1937-38 fiscal year of \$6,418,498, thus bringing the total cost of the Nation-wide Employment Service during the 1937-38 fiscal year to \$27,679,560.

Table II summarizes expenditures for public employment service in the United States from July 1, 1933, to June 30, 1938.

TABLE II.—*Fiscal summary of the Nation-wide Employment Service to June 30, 1938*

Fiscal year	Wagner-Peyser administrative expenses	Wagner-Peyser grants to States	State and local funds	National Reemployment Service funds	Social Security board grants	Total for fiscal year
1933-34.....	\$346,620	\$614,124	\$1,136,586	\$792,220	-----	\$2,889,550
1934-35.....	696,405	1,312,773	1,738,372	5,416,555	-----	9,163,605
1935-36.....	739,340	2,048,517	2,371,756	11,377,315	-----	16,536,928
1936-37.....	743,873	2,324,612	2,573,802	12,960,162	-----	18,602,449
1937-38.....	770,452	3,737,782	4,032,404	6,418,498	\$12,720,424	27,679,560

Problems of dual administration.

The agreement of coordination, the administrative arrangements established to give effect to the purposes envisaged in the agreement, and the financial provisions cited above, have represented sincere attempts on the part of those connected with the Federal phases of the administration of these two programs properly to relate them in actual practice, despite the lack of formal and legal relationship between the Social Security Act and the Wagner-Peyser Act.

Any system of dual administration may be expected to present practical difficulties. The arrangement for joint administration of the public employment offices of the Nation is no exception. State agencies charged by their respective State laws with the responsibility for administering both the unemployment compensation and employment service programs, have, of necessity, been required to deal with two Federal agencies.

It was necessary that the Comptroller General of the United States hand down a decision regarding the expenditure of Social Security Board funds for Employment Service purposes. The summary paragraph ending the text of this decision, which was transmitted to the Chairman of the Social Security Board on July 17, 1937, is as follows:

The Social Security Act authorizes grants to the States in such amounts as the Social Security Board determines to be necessary for the proper administration of approved State unemployment compensation laws, and it appears competent for the Board to determine—as apparently it has determined in the statement of policy in its letter of February 27, 1937, *supra*—that such necessary State administrative expenses include the cost of expanding and maintaining State employment services to the extent necessary for the proper performance of duties imposed on such State agencies by State unemployment compensation statutes over and above the cost of maintaining a proper State employment service in the absence of unemployment compensation legislation. The method stated for

³ The excess of this figure over the normal annual apportionment of \$3,000,000 for matching with State and local funds, represents the accumulated reserve from unused apportionments of earlier years, according to section 5 (b) of the Wagner-Peyser Act.

administratively determining such additional costs is not unreasonable in view of the circumstances appearing, and accordingly, I have to advise you that on the basis stated herein this office would not be required to object to expenditures so made, if otherwise correct and proper. It is to be understood, however, that it is the duty of the Social Security Board to see that the amounts so granted by it do not in any case include, for use in connection with the State's employment service, any amount not necessary to carry out the purposes of the Social Security Act.

The employment service envisaged by the Wagner-Peyser Act is intended to be available for all workers and all employers who seek its service. The coverage of all State unemployment compensation laws excludes agricultural workers and domestic servants; and, in most States, employees are not covered in establishments of small size (less than eight in some States and less than four in others). In actual operation, no distinction is made in local employment offices between the service rendered covered workers and that rendered uncovered workers.

Experience in the administration of the joint program indicates clearly that the financial arrangements for the support of State employment services should be substantially revised to provide an adequate service based upon potential employment service opportunities rather than primarily upon unemployment compensation needs.

Officials of the United States Employment Service and the respective State employment services have been concerned since the inception of the joint program lest the activities of local employment offices be submerged in the routine detail of benefit-claims work. A tremendous mass of claims, and consequently of new registrations for employment, was anticipated at the beginning of the benefit-paying period in each State. The number of such claims and registrations was accentuated by the business recession which developed late in 1937.

Strong efforts were made by administrative officials both in Washington and in the States to maintain current activities of each State employment service in terms of employer contacts and placement of applicants. Toward this end, a conference of the directors of the State employment services where benefit payments were to begin on January 1, 1938, was held in Washington in December 1937. Despite these efforts, the claims load of many local offices during the early weeks of the benefit-paying period forced an almost complete cessation of regular employment-service activities and an entire preoccupation with the unemployment-compensation program.

As rapidly as was administratively possible, however, normal employment-service activities were resumed; and, by June 30, 1938, some attention was being given by most State employment services to the placement function, although generally the volume of activities had not yet approached its former level. In several States little administrative attention was paid to what is clearly recognized as the responsibilities of the public employment service; hence, functions of the local employment office were smothered in the mass of unemployment-compensation procedure.

How the joint program affects local offices.

The volume of work carried on in a local employment office has been greatly augmented and new functions have been added, because of the introduction of unemployment compensation activities in these

offices. Heretofore, an applicant came to an employment office seeking public or private employment. Now, in those States where benefits are being paid, a covered worker comes to a local office with a dual purpose: First, in search of a job; and, second, to claim his benefit rights under the State unemployment compensation law.

The benefit-claims procedure requires much more frequent appearance at the employment office (a claimant customarily reports once each week) than has been required for the maintenance of an active application for employment (an applicant reports once each month). This continued-claim procedure means that great numbers of benefit claimants must call once a week at local employment offices for a routine procedural operation.

This situation calls for close attention to problems of local-office administration and office lay-out, in order that the basic function of an employment office as a job-finding agency may not be submerged in the clerical routine of benefit-claims procedure. Emphasis must be placed upon finding jobs rather than upon paying benefits, and this emphasis should be evident in the physical lay-out in the organization and in the procedure of the local office. When an applicant comes to an employment office, he should be made to feel that he is coming in search of work and that he will not receive benefits except when the system fails to offer him a job.

Placement totals for 1937-38 fiscal year.

A total of 1,962,765 placements of workers in private employment was made during the 1937-38 fiscal year—a decrease of 6.6 percent over the total of 2,100,606 private placements reported for the 1936-37 fiscal year. During the 1937-38 fiscal year, 894,760 placements were made in public employment, that is, on projects of the Public Works Administration, the Bureau of Public Roads, and other nonrelief governmental work. This total represents a decline of 51.5 percent over the total of 1,846,269 public placements reported for the previous fiscal year. Assignment of workers to relief-works projects declined to 42,531 for the 1937-38 fiscal year, as against 284,930 placements of this type for the previous fiscal year, or a decrease of 85.1 percent.

Three influences were operative to reduce the placement totals for the 1937-38 fiscal year from the high totals previously reported for the 1936-37 fiscal year. The first great influence was the business recession which became noticeable in the autumn of 1937 and became increasingly evident throughout the winter. A second influence was the increasing demands upon the energies of personnel of the State employment services because of the inception of benefit-paying procedure in 21 States and in the District of Columbia. A third influence resulted from a change in procedure on the part of the Works Progress Administration, whereby the division of employment of that agency in nearly every State now arranges for both the original certification to W. P. A. work and for the transfer of workers from one project to another.

In January 1938, immediately after the inception of benefit procedure in 21 States and the District of Columbia, the volume of new applications received by employment offices rose to the highest point since early 1934. Table III summarizes the activities of the Nationwide employment service by quarters.

TABLE III.—Major activities, by quarter years, July 1937–June 1938

Activity	July 1937–June 1938		July–September 1937		October–December 1937	
	Number	Percent change from July 1936–June 1937	Number	Percent change from July–September 1936	Number	Percent change from October–December 1936
Total applications.....	12, 014, 183	+43. 1	1, 878, 106	-22. 1	2, 344, 821	+7. 4
New.....	6, 546, 101	+68. 9	857, 585	-24. 6	1, 042, 323	+3. 8
Renewed.....	5, 468, 082	+21. 1	1, 020, 521	-19. 8	1, 302, 498	+10. 4
Total placements.....	2, 900, 056	-31. 5	1, 045, 143	-20. 1	706, 181	-31. 7
Private.....	1, 962, 765	-6. 6	675, 174	+62. 2	497, 305	-1. 4
Public ¹	937, 291	-56. 0	369, 969	-58. 6	208, 876	-60. 5
Field visits.....	1, 474, 885	-13. 9	489, 013	+82. 8	352, 758	-9. 9
Active file.....	7, 830, 943	+56. 1	4, 636, 744	-32. 2	4, 874, 631	-22. 8

Activity	January–March 1938		April–June 1938	
	Number	Percent change from January–March 1937	Number	Percent change from April–June 1937
Total applications.....	4, 067, 926	+113. 5	3, 723, 330	+96. 6
New.....	2, 498, 130	+198. 4	2, 148, 063	+139. 2
Renewed.....	1, 569, 796	+46. 9	1, 575, 267	+58. 1
Total placements.....	445, 844	-43. 3	702, 888	-36. 3
Private.....	313, 402	-36. 7	476, 884	-30. 4
Public ¹	132, 442	-54. 5	226, 004	-45. 9
Field visits.....	266, 040	-50. 1	367, 074	-29. 5
Active file.....	6, 784, 276	+23. 5	7, 830, 943	+56. 1

¹ Includes all placements on work relief projects made by the Service.

The active file shows the effect of varying placement rates and registrations during the fiscal year. As of June 30, 1937, the active file stood at 5,016,023. In October 1937 the file had declined to 4,393,092. By June 30, 1938, the file had risen to 7,830,943, representing a gain of 56.1 percent over the number reported 1 year earlier. The average increase in the active file of benefit-paying States was 72.2 percent, while in the nonbenefit-paying States, the active file gained 35 percent during the year. Table IV summarizes activities by States for the entire fiscal year.

TABLE IV.—Major activities by States, July 1937—June 1938

State	Applications			Placements				Field visits	Active file, June 30, 1938
	Total	New	Renewed	Total	Private	Public	Relief		
United States.....	12, 014, 183	6, 546, 101	5, 468, 082	2, 900, 056	1, 962, 765	894, 760	42, 531	1, 474, 885	7, 830, 943
New England.....	882, 448	539, 808	342, 640	102, 095	68, 528	32, 737	830	105, 042	769, 013
Maine.....	115, 271	54, 888	60, 383	13, 699	5, 075	8, 624	0	7, 240	46, 461
New Hampshire.....	81, 011	42, 015	38, 996	13, 231	9, 399	3, 780	52	7, 332	44, 876
Vermont.....	44, 479	10, 881	24, 598	10, 889	6, 722	4, 159	8	3, 698	20, 944
Massachusetts.....	298, 060	199, 164	98, 896	24, 407	16, 562	7, 786	59	66, 447	381, 516
Rhode Island.....	89, 558	58, 073	31, 485	8, 888	6, 911	1, 619	358	9, 438	89, 698
Connecticut.....	254, 069	165, 787	88, 282	30, 981	23, 859	6, 769	353	10, 887	185, 518
Middle Atlantic.....	2, 850, 711	1, 763, 082	1, 087, 629	368, 287	259, 864	96, 530	11, 893	163, 852	2, 121, 642
New York.....	1, 576, 786	1, 035, 524	641, 262	198, 663	150, 952	43, 456	4, 255	47, 472	634, 284
New Jersey.....	260, 000	146, 763	113, 237	44, 795	39, 249	5, 362	184	27, 585	239, 193
Pennsylvania.....	1, 013, 925	580, 795	433, 130	124, 829	69, 663	47, 712	7, 454	88, 795	1, 248, 165
East North Central.....	2, 398, 778	1, 213, 842	1, 184, 936	538, 239	414, 440	109, 903	13, 896	280, 533	1, 514, 403
Ohio.....	590, 842	289, 611	301, 231	146, 907	108, 928	34, 514	3, 465	62, 931	437, 053
Indiana.....	334, 899	201, 197	133, 702	52, 904	45, 627	7, 174	103	34, 664	189, 493
Illinois.....	546, 567	236, 279	310, 288	201, 909	163, 833	35, 792	2, 284	103, 182	344, 321
Michigan.....	506, 453	318, 832	187, 621	65, 647	44, 686	15, 170	5, 791	57, 163	406, 933
Wisconsin.....	420, 017	167, 923	252, 094	70, 872	51, 366	17, 253	2, 253	22, 593	136, 603
West North Central.....	1, 012, 512	421, 042	591, 470	339, 544	202, 874	132, 866	3, 804	194, 372	687, 868
Minnesota.....	256, 703	121, 391	135, 312	75, 743	54, 453	20, 413	872	50, 359	211, 900
Iowa.....	186, 665	69, 057	117, 608	79, 039	47, 431	29, 238	2, 370	45, 596	86, 554
Missouri.....	247, 945	112, 254	135, 691	55, 493	34, 525	20, 948	20	42, 331	203, 816
North Dakota.....	60, 486	23, 869	36, 617	36, 147	28, 960	7, 166	21	10, 670	30, 659
South Dakota.....	68, 171	17, 616	50, 555	23, 456	7, 865	15, 416	175	7, 039	39, 718
Nebraska.....	98, 599	38, 342	60, 257	39, 759	14, 740	24, 972	47	25, 376	54, 129
Kansas.....	93, 943	38, 513	55, 430	29, 907	14, 895	14, 713	299	13, 001	61, 092

South Atlantic.....	1,431,654	807,999	623,655	359,401	188,022	167,948	3,431	151,009	949,067
Delaware.....	33,445	12,441	21,004	13,852	10,930	2,867	55	4,514	13,499
Maryland.....	185,469	116,112	69,357	28,258	16,640	11,612	6	16,890	92,673
District of Columbia.....	95,094	46,953	48,141	25,119	22,718	2,401	0	2,701	43,984
Virginia.....	198,485	112,225	87,260	53,931	27,469	26,044	418	21,069	89,707
West Virginia.....	259,644	164,411	95,233	30,594	14,665	14,675	1,254	9,908	228,610
North Carolina.....	290,936	171,068	119,898	81,051	50,297	30,682	72	22,537	162,206
South Carolina.....	99,612	50,488	49,124	35,067	13,614	21,327	126	25,286	83,222
Georgia.....	202,629	98,675	103,954	71,971	29,058	42,864	49	42,927	145,506
Florida.....	65,340	35,626	29,714	19,558	2,631	15,476	1,451	5,177	89,660
East South Central.....	719,757	388,801	330,956	172,435	73,132	98,418	885	63,128	518,311
Kentucky.....	153,511	68,278	85,233	34,914	15,168	19,353	303	13,741	120,990
Tennessee.....	156,066	83,266	72,800	44,275	23,298	20,977	0	16,409	159,698
Alabama.....	246,776	144,962	101,814	43,267	29,456	13,448	363	24,054	174,721
Mississippi.....	169,404	92,295	71,109	49,979	5,210	44,640	129	8,924	62,902
West South Central.....	1,026,369	571,829	454,540	508,915	417,347	90,181	1,387	284,559	462,983
Arkansas.....	83,880	41,169	42,411	34,169	27,345	6,259	565	24,872	71,174
Louisiana.....	200,881	117,858	83,023	38,714	28,573	10,076	65	21,067	110,674
Oklahoma.....	119,243	52,080	67,163	46,905	32,495	14,347	63	13,273	36,944
Texas.....	622,665	360,722	261,943	389,127	328,934	59,499	604	225,327	244,791
Mountain.....	494,649	185,942	308,607	185,785	107,084	76,671	2,030	75,092	206,953
Montana.....	61,255	19,243	42,012	26,963	10,402	15,777	784	13,299	37,887
Idaho.....	66,810	20,953	45,857	21,694	13,623	8,046	25	12,868	10,703
Wyoming.....	34,653	10,443	24,110	14,674	5,893	8,089	692	3,630	8,448
Colorado.....	138,471	52,405	86,066	49,342	31,690	17,455	197	13,081	58,951
New Mexico.....	40,297	18,184	22,113	22,549	8,165	47	47	14,472	29,330
Arizona.....	57,760	29,514	28,246	22,599	13,225	8,452	222	6,083	29,510
Utah.....	73,800	26,486	47,314	17,530	11,369	6,100	61	6,124	28,205
Nevada.....	21,603	8,714	12,889	10,434	5,845	4,587	2	5,635	3,919
Pacific.....	1,187,869	644,980	542,889	319,291	230,677	87,968	646	156,031	593,490
Washington.....	165,196	73,400	91,796	41,832	21,775	19,788	269	21,690	119,250
Oregon.....	147,612	94,478	53,134	40,439	25,024	14,229	286	19,831	98,132
California.....	875,061	477,102	397,959	237,020	182,978	53,951	91	114,510	376,108
Alaska ¹	3,019	2,585	434	2,173	328	519	1,326	582	1,983
Hawaii ²	6,517	6,191	326	3,891	469	1,019	2,403	685	5,230

¹ Operations inaugurated January 1938.

² Operations inaugurated February 1938.

Specialized services.

Under the provisions of the Wagner-Peyser Act, the United States Employment Service is charged with the responsibility for rendering specialized service to particular groups, such as veterans of the wars of the United States, agricultural labor, junior workers, and the physically handicapped.

Veterans' Placement Service.

The Veterans' Placement Service continued to function, during the fiscal year ended June 30, 1938, without change from the basic plan of operation inaugurated in July 1933 in accord with that provision of the Wagner-Peyser Act, which requires the United States Employment Service "to maintain a veterans' service to be devoted to securing employment for veterans."

The plan of operation provides for the appointment of a Veterans' Placement Representative in each State and in the District of Columbia, whose duty it is to foster the employment interests of veterans registered in public employment offices in his State. In addition, a local veterans' representative, a veteran himself whenever possible, has been designated to serve the interests of veterans in each local employment office. He locally performs duties similar to those of the State Veterans' Placement representative. The entire Veterans' Placement Service operates under the guidance of a director attached to the administrative staff of the United States Employment Service. In the formation of its policies, the Service has the advice and assistance of the Veterans' Committee of the Federal Advisory Council. During the past 3 years, General Frank T. Hines, Administrator of Veterans' Affairs, has acted in the capacity of chairman of the committee.

During the 1937-38 year, the Veterans' Placement Service accepted 245,693 new applications and made 162,322 placements of veterans. The active file as of June 30, 1938, stood at 443,198. Of the placements, 86,506 were with private employers. In every month of the fiscal year, the ratio of placements to the number of applicants currently carried in the active file was higher for veteran than for non-veteran men. Thus was continued the record of higher placement rates for veterans, which has been consistently shown since statistics allowing a comparison became available early in 1935. With the exception of a single month in the 1937-38 fiscal year, veterans enjoyed a higher placement rate in private jobs during the fiscal year than did nonveteran men. The maintenance of this record of veterans placement is particularly notable when it is realized that the average age of nonveteran men in the April 1938 inventory was 33.36 years, while the average age for veterans was 43.95.

Probably the most outstanding development during the year was the cooperation of the Veterans' Placement Service with the major veterans' organizations in an intensified national job campaign. Proposed at a meeting of the veterans' committee of the Federal Advisory Council, the veterans' groups, through their extensive media of publicity, decided to urge all unemployed veterans to register with the Employment Service during the months of March and April 1938. The Director of the United States Employment Service instructed affiliated State employment services to send renewal cards to all veterans whose registrations were of doubtful status in the active files, and to all veterans whose registrations were in the inactive files.

The registration campaign was part of a general program designed to contact employers in behalf of older workers, especially veterans. Public response to the drive was satisfactory beyond expectation. New applications of veterans increased 96.3 percent during March; and the active file of veterans reached a high of 451,448 at the end of April. Placement of veterans increased steadily during March, April, and May, with the June figures showing a slight decline in total placements but an increase in private placements. It is believed that the campaign did much to awaken public understanding of the problems confronting workers over 40 years of age.

There was considerable development during the year of cooperation between local employment offices and local units of veterans' organizations. Under mandate from their national conventions, each of the three major veterans' organizations made employment a major objective, second only to rehabilitation. Employment committees, formed in local posts and chapters, worked closely with the local employment-office managers and local veterans' placement representatives in the development of job opportunities for veterans.

As in past years, the Veterans' Placement Service continued to cooperate with the United States Veterans' Administration, with State vocational-rehabilitation agencies, and with service officers of the veterans' organizations, in efforts to assist disabled veterans whose employment problems require special attention. The Service also worked closely with the Veterans' Administration in connection with the enrollment of veterans in camps of the Civilian Conservation Corps.

The fourth annual conference of Veterans' Placement Representatives was held in Washington, March 14-17, 1938.

Farm Placement Service.

Under the terms of the Wagner-Peyser Act, the United States Employment Service, in addition to providing employment-office facilities to farm workers and employers in the regular employment offices throughout the country, maintains a special Farm Placement Service in the States where large numbers of workers are needed for highly seasonal crops. Placement of agricultural workers is handled essentially as an employment-office problem; and specialized methods and procedures have been developed only where they are made necessary by unusual local conditions.

In those States where migratory agricultural labor is a major problem, special supervision of employment offices is provided. In 15 of the western States, covering a total area of over half the United States, Farm Placement Supervisors are assigned to guide and assist Employment Service personnel in planning and organizing their work.

Farm Placement Supervisors—responsible for the accumulation of data designed to assist in surveying and predicting demands for farm labor in terms of the total number of workers required—keep in constant touch with farmers and agricultural associations, county agricultural agents, chambers of commerce, newspapers, and city and county officials. Comprehensive surveys are made to indicate when the various crops will require additional labor, and how many workers will be needed.

Within the past year, relief problems in California have been greatly complicated by the migration of farm workers from the drought States. During the first 3 months of 1938, 21,773 people migrated to

California, as compared with 16,772, during the same period in 1937. In April 1938 a campaign was initiated by the Farm Placement Service in California; and, through the cooperation of State Employment Services in the Middle West, publicity was released warning people that there was a large oversupply of farm workers on the Pacific coast and that, under no circumstances, should they go there without first contacting their local public employment office. During April and May 1938 a total of 10,790 people migrated to that State, as compared with 13,854 for the same 2 months in 1937—a decrease of 22.1 percent.

During the past fiscal year, placement of farm workers in States which have Farm Placement Supervisors has increased greatly beyond any preceding year, the increase indicating that growers are finding the Employment Service helpful, and indicating also that farm workers registered with public employment offices have a better source of information and greater opportunity for securing employment than they have through aimless wandering in search of work. It is frankly impossible to obtain complete records of activities in connection with the direction of seasonal agricultural workers to jobs with private employers, since a great many of these transient workers are not formally registered with employment offices; hence, statistics of the Employment Service do not fully reflect activities in farm-placement work.

A regional conference of Farm Placement Supervisors was held in Salt Lake City, Utah, on July 26 and 27, 1937, and was attended by the Supervisors located in the Rocky Mountain and Pacific Coast States.

Junior placement.

Every public employment office registers junior workers who are legally qualified to engage in gainful work, and attempts to place them in suitable positions. Among all the applicants who register for work with the public employment service, approximately 9 percent are juniors under 21 years of age. Of the total placements made by the Employment Service, approximately 14.6 percent are filled by junior applicants. Because young workers usually have little or no work experience, it is recognized that, whenever possible, a specialized division of the local employment office should be established to aid them.

During the 1937-38 fiscal year the number of State Employment Services operating their own junior divisions was increased to 14, a total of 71 cities having junior units of this type in operation. This marked increase in the number of State Employment Services maintaining special junior facilities, and the substantial increase in the number of communities so served, are indicative of increasing consciousness of responsibility for the occupational welfare of young workers.

In certain other States where the State Employment Service does not as yet directly administer junior divisions, various cooperative plans are in effect:

A. The public schools of Philadelphia, Providence, and Los Angeles continued to operate junior employment services in affiliation with their respective State employment services.

B. The Seattle, Wash., public schools conducted a junior employment service in coordination with the public employment office of that city.

C. A cooperative agreement with the division of guidance and placement of the N. Y. A. has been continued and has resulted in the operation of junior units

in public employment offices in 39 cities of 19 States. These junior units, which are staffed with junior counselors of the N. Y. A., are under the administrative control of the State employment services.

D. In 6 other States, junior units are jointly conducted in 30 public employment offices by personnel of the division of guidance and placement of the N. Y. A. and the State employment services.

These various types of junior services cooperated with psychological clinics, vocational-training agencies, and other community organizations established for the benefit of youth. The opportunities for the placement of juniors have been limited; but the field work of junior counselors in contacting employers and determining the occupations in that community which are open to youth, has established the basis for a more effective placement service for both junior workers and their employers.

Placement of the physically handicapped.

The requirements of the Wagner-Peyser Act for cooperative relationships with State vocational-rehabilitation administrations have been met through agreements for cooperation between each State employment service and the respective State rehabilitation agencies. The general purpose of these agreements has been to provide the assistance of the Employment Service in the placement of physically handicapped workers, and the establishment of channels for the referral to the rehabilitation agency of handicapped applicants in need of rehabilitation. In several States personnel on the pay roll of the rehabilitation agency have been assigned to employment offices to give particular attention to the placement needs of handicapped persons.

In March 1938 a conference was held between officials of the Federal Vocational Rehabilitation Service of the Office of Education, Department of Interior, and the United States Employment Service, to consider means of making more effective these cooperative relationships with State agencies.

Activity of divisions of the United States Employment Service.

In reporting on the activities of the various divisions of the United States Employment Service, it is pertinent to mention that, in keeping with the principles and spirit of the Wagner-Peyser Act, it is constantly kept in mind that the Employment Service in this country is not the United States Employment Service in Washington; rather the Employment Service is, from coast to coast, the hundreds of local offices, which are in daily contact with the public, in a confederation of State-controlled employment services acting in cooperation with the United States Employment Service. In accord with these facts of organization, it is emphasized that, although the following reports of divisional activity may be phrased in terms of what the United States Employment Service has done, such activity is almost invariably effected in cooperation with the officials responsible for the administration of the various State employment services.

Division of Operations.

The responsibilities of the Division of Operations include public relations and liaison with State officials involved in Employment Service work, and extending aid to the States in the operation of the State systems of public employment offices. The Division is also responsible for the Federal administration of specialized activities for junior applicants and for physically handicapped workers.

The introduction of the unemployment-compensation program has extraordinarily increased the volume of conferences with State officials and representatives of other Federal agencies, inasmuch as the division has been charged with the responsibility of carrying on the greater part of the clearance between the Bureau of Unemployment Compensation of the Social Security Board and the United States Employment Service. Thus the major policy change within the Division of Operations during the past fiscal year has been adjustment to meet the requirements of the joint program for unemployment insurance.

Many matters involved in the joint program have called for decisions for which no precedent existed; and, based upon experience, there have been frequent changes in policy. Numerous changes in plans and budgets have thus been necessary, and joint clearance between the United States Employment Service and the Bureau of Unemployment Compensation was effected in all such changes. During the past fiscal year, 503 necessary deviations from plans or budgets which had already been approved and were in force, were jointly reviewed and acted upon by the Division and by the Bureau of Unemployment Compensation. The volume of work has been greatly increased by the adoption of a system of quarterly budgets, in addition to the annual budget agreed upon with each State employment service.

The expansion of existing State employment services and the establishment of new State employment services, have necessitated an enlargement of the field staff of the Division of Operations, who assist State officials in the solution of technical and administrative details of operation, personnel administration, staff training, and the problems arising in connection with the handling of unemployment-compensation claims in public employment offices.

Advice has also been given State officials in such matters as adherence to the terms of agreements of affiliation, preparation of budgets, and the assistance rendered to public-works projects for which labor is recruited and supplied by public employment offices. The field staff has been of considerable assistance in the review of plans and budgets.

A small portion of the field staff has been engaged in encouraging and assisting in the development of training programs in the State employment services. As a result of the activities of this group, training programs have been established or intensified in 31 State employment services and in the District of Columbia.

Field training supervisors have not only assisted officials of the State employment services in the development and conduct of training programs for both new and in-service personnel, but they have also assisted in the preparation of State training manuals and have aided materially in fostering a better understanding of the objectives and techniques of training.

Division of Standards and Research.

The Division of Standards and Research is responsible for promoting uniformity of standards and for the improvement of methods used in local employment offices, through the development and refinement of forms, procedures, and working tools. The Division is also responsible for gathering, interpreting, and publishing statistical information concerning Employment Service operations and employ-

ment and unemployment conditions as reflected in Employment Service reports.

During the fiscal year 1937-38 a major change of policy was effected in the Division of Standards and Research, to relate research activities more closely to field demonstration. In occupational research there was a shift from industry-wide coverage to community-wide coverage through various strategically located field centers. Procedural research and development have been more closely integrated with study of active operating problems in local employment offices.

The American Youth Commission, a division of the American Council on Education, became interested during the 1937-38 fiscal year in promoting cooperative experiments involving the participation of the Employment Service and the schools, and in developing community counseling and placement services for young people. The Commission and the Division of Standards and Research accordingly joined in plans for the development of four research and experimental centers. In each center four activities are emphasized. Job descriptions are being completed for all occupations in the community. Studies of the occupational abilities of workers are made in leading occupations. Some effort is devoted to measuring occupational trends and the number of job opportunities in various fields of work. A counseling and placement service for youth is set up involving cooperation between the schools and the Employment Service—such service using all of the materials mentioned above in an effort to relate the training and guidance programs to the occupational needs and possibilities of the community. The procedural unit in a research center, in addition to the development of junior services, is conducting studies of regular employment-office procedures in cooperation with the local-office staff of the State employment service.

The research and developmental program of the Division was thus conducted, during the fiscal year 1937-38, both in the Washington headquarters and through these regional centers at Providence, Baltimore, and St. Louis, as well as in smaller outpost offices, supplemented by special activities carried on in cooperation with individual State employment services. As of June 30, 1938, plans were virtually complete for the fourth regional research center in Dallas.

During the 1937-38 fiscal year the Division devoted special attention to the improvement and simplification of forms; to the problems of premises, lay-out, and equipment; and to the study of registration and filing problems. Work was completed on a digest of rules, regulations, and procedures of the United States Employment Service, codifying all official releases from 1933 through 1937.

The preparation of industrial and occupational information, to assist local employment offices in their work, has been continued during the year. Job descriptions have been prepared and published for the industries most widely encountered in Employment Service work, and material on a large number of important industries is in process. In preparation during the year was the manuscript for an occupational dictionary, which will be used for direct reference in the operating employment offices and will contain over 18,000 definitions of about 35,000 job names.

Advances have been made in the development of techniques and methods to aid interviewers in estimating the skills and abilities required of workers for success in various occupations. Trade ques-

tions to aid in the classification and referral of experienced applicants, were developed and validated for about 40 occupations; and various techniques to aid in the classification of inexperienced applicants were worked out for certain groups of clerical occupations. Further studies were made in the determination of similarities in jobs in various industries. Assistance was given during the year to five State employment services in developing personnel-rating systems.

Studies have been conducted to provide details concerning trends in economic conditions of key industries and occupations with which the local employment offices are particularly concerned. Employment Service operating statistics are studied to provide information about Nation-wide Employment Service activities and general employment and unemployment conditions.

The statistical program provides accurate information concerning Nation-wide Employment Service operations. Reporting procedure was simplified, emphasis being placed upon efficiency and economy in reporting operations. Standard reports indicate currently the number of new registrations of men, women, and veterans; the number and characteristics of placements; and the number of persons actively seeking work at the end of each reporting period. In July, November, and April of the fiscal year ending June 30, 1938, the regular statistical reports of the United States Employment Service were supplemented by three detailed inventories of the characteristics of the job seekers actively registered in the files of the State employment services. Special consideration was given during the year to the adequate development of joint research and statistics units in States paying unemployment-compensation benefits, in cooperation with the Bureau of Research and Statistics of the Social Security Board.

Division of Business Administration.

The Division of Business Administration is principally concerned with the necessarily rather complicated financing of the Nation-wide, State-Federal Employment Service and the National Reemployment Service, and with the business management of the United States Employment Service.

A manual entitled "Fiscal Rules and Regulations for State Employment Services Affiliated with the United States Employment Service and Aided by Grants from both the United States Employment Service and the Social Security Board," has been prepared for the guidance of the State employment services; and fiscal letters amending and supplementing this manual have been issued from time to time.

There has also been prepared a manual outlining a revised accounting procedure for State employment services, which includes recommendations for the maintenance of all records relating to activities commonly coming under the jurisdiction of a division of business administration or management, such as equipment inventory, perpetual inventory of consumable supplies, salary payment, and time and leave records.

During the fiscal year 1937-38, 185 budgets totaling \$21,096,960 were submitted by State employment services for analysis by the Division. Received and examined were 190 financial reports detailing the expenditure of the funds approved in these budgets. Records have been kept showing costs in each State employment service, as stated in the quarterly financial reports submitted by the State employment services. With the exception of the State employment

services of Maryland, Nevada, and Wisconsin, audits were made during the fiscal year 1937-38 of the accounts of all State employment services maintained during the fiscal year ended June 30, 1937, in those States affiliated with the United States Employment Service during the fiscal year ended June 30, 1937.

In addition to the work relating to fiscal policies and procedures of State employment services, accounts have been maintained for expenditures totaling almost \$15,000,000 by the United States Employment Service and the National Reemployment Service for the 1937-38 fiscal year.

A system of accounting for office equipment belonging to the United States Employment Service was perfected during the fiscal year 1937-38. Records have also been established showing equipment belonging to the States in offices of the State employment services. A considerable quantity of office equipment used in field offices of the National Reemployment Service, which were absorbed by State employment services, was either shipped to Washington or transferred to other Federal agencies in the field having need for it.

The stenographic pool, messenger service, mail service, and files are maintained by the Division for the administrative headquarters of the United States Employment Service.

Division of Personnel Administration.

The Division of Personnel Administration is responsible for personnel activities of the United States Employment Service and for setting up and maintaining personnel standards for the affiliated State employment services. The efficiency of the public employment service is recognized to depend largely upon the quality and impartiality of personnel in the Service. The merit principle for the selection and tenure of employees is maintained throughout all of the State employment services, in order to assure uniformly high personnel standards.

The merit principle has heretofore been given effect in State employment services either through established State civil-service agencies, or through merit-system examinations conducted by the United States Employment Service, which approves appointments from resulting eligible registers.

During the fiscal year 1937-1938 the Division of Personnel Administration conducted 28 examination programs to establish registers of candidates eligible for appointment in 24 of the State employment services. For these examinations, 61,854 candidates filed applications; 21,682 were admitted to written tests; and 9,667 candidates attained standings on registers.

By the end of the fiscal year 1937-1938 initial merit or civil-service examinations had been completed in all the 48 States and the District of Columbia for the selection of Employment Service personnel. In 38 States and in the District of Columbia initial examinations had been conducted directly by the United States Employment Service. In 9 States civil-service agencies conducted the examinations, in most instances with the technical cooperation of the United States Employment Service. In one State, examinations were conducted by the State unemployment compensation commission.

As original registers have become exhausted or have expired, additional merit-examination programs have been administered by the United States Employment Service, with the result that a total

of 69 different examination programs have been conducted between 1934 and June 30, 1938. In this cumulative program, a total of 151,273 applications were filed for admission to the examinations; 65,648 written tests have been administered; and 31,365 candidates have attained standings on registers.

At the end of the fiscal year 1937-38, a significant change was made in the organization and in the policy of merit-system administration. This change was reflected in an extensive revision of the manual entitled, "Personnel Standards of the United States Employment Service," released under date of July 1, 1938. It has been the purpose of the United States Employment Service to administer merit examinations only in those States which were not equipped with civil-service agencies adequate to conduct their own examinations; and it has been the further purpose of the United States Employment Service to encourage the establishment of State merit systems of personnel administration.

The Division maintains complete personnel records for all employees in the United States Employment Service, the National Reemployment Service, and the affiliated State employment services. Heretofore, all appointments in State employment services operating under the merit system of the Federal Service have been submitted to Washington for review, to determine concurrence with the minimum standards and proper usage of eligible lists. Thus, the United States Employment Service has, in effect, performed the function of certification which under civil service is customarily performed by the State civil-service agency.

In accordance with the change in policy discussed previously in reference to examinations, a State agency may also request the approval of the United States Employment Service for the performance of the certification function by its State merit-system agency. This change will also make possible a reduction in the volume and cost of this activity in the Federal Service, but will call for closer attention to the maintenance of personnel standards on the part of the field staff of the Federal Service.

The Division of Personnel Administration conducts several additional activities. Letters of inquiry regarding employment and employment opportunities that are addressed to the White House, the Secretary of Labor, the United States Employment Service, or other Federal agencies are answered by this Division. During the fiscal year 1937-38 a total of 21,442 such inquiries were answered, not including letters from veterans, which were handled by the Veterans' Placement Service. The volume of employment inquiries decreased slightly from the total of 21,756 during the preceding fiscal year.

Publication of the Employment Service News represents another responsibility of the Division. The News is becoming more and more the professional journal of the public employment service in the United States, and an effort is being made to make it a sounding board for all activities of the Nation-wide Employment Service. The News is distributed primarily to employees of the State employment services and the National Reemployment Service, and to administrative officials of State unemployment compensation agencies. A limited number of copies are distributed to libraries and organizations having some direct interest in the work of the Service. Copies of the Em-

ployment Service News are available for private subscription at \$1 a year through the Superintendent of Documents, Government Printing Office.

A third miscellaneous responsibility of the Division is the development and maintenance of the file of information concerning the public employment service. This file is indexed in such a manner that all available facts concerning placement work and related activities are easily accessible for the information of all officials of the Service.

District of Columbia Employment Center.

The District of Columbia Employment Center is operated directly as one of the divisions of the United States Employment Service under the terms of the Wagner-Peyser Act, and serves as the only public employment service for the District of Columbia. Funds necessary for the operation of the Center are provided by the United States Employment Service, the Social Security Board, and the District of Columbia government.

Unemployment compensation benefit payments were begun in the District of Columbia on January 3, 1938; and the outstanding activities of the Center for the past fiscal year have been the enlargement of the office by the addition of space and new personnel, the research and planning of the entire unemployment-insurance program as it affects the Center, and finally, the taking of original and continued claims. Because of the unique industrial situation in Washington, there was no established precedent to follow in preparing the unemployment-insurance program for the District. Wisconsin was the only State which, at that time, was paying benefits; and Wisconsin's experience was used, as far as possible, as a general guide.

During the first full week of January 1938, 8,299 persons filed original claims for unemployment insurance. During the period January 3 to June 30, 1938, a total of 31,852 persons filed original claims.

During the past fiscal year an intensive campaign was conducted to acquaint employers with the activities of the Center, and included a daily radio program, field visits to employers, street-car and bus signs, monthly bulletins to employers, and articles in newspapers and magazines—all of which have shown gratifying results in a wider employer use of the Employment Center. The total number of field visits made during the fiscal year was 2,701, an increase of 32.4 percent over field visits made during the previous year.

During the fiscal year 1937-38, 46,953 new applications were taken, and 25,119 placements were made. Although this figure is 19.1 percent less than last year's placements, this decrease compares favorably with the 31.5 percent average decrease in placements for the country as a whole. Of the 25,119 total placements, 22,724 were in private industry and 2,395 in public works.

Publications of the United States Employment Service.

During the fiscal year 1937-38 the following publications of the United States Employment Service were prepared and released. The symbol in front of each title indicates the type of circulation accorded each publication.

#Wagner-Peyser Act (48 Stat. 113). Text of act of June 6, 1933, as amended June 29, 1938. "To Provide for the Establishment of a National Employment System and for Cooperation with the States in the Promotion of such System, and for other Purposes."

See footnote on p. 36.

#Survey of Employment Service Information, 200 pp., 1937.

#Survey of Employment Service Information, 142 pp., 1938.

*Employment Service News. Official periodical of the United States Employment Service, containing articles on all subjects pertaining to Employment Service work and related fields (a sample copy will be sent upon request). Subscription \$1 a year, 10 cents a copy.

*Job Descriptions for Job Machine Shops, 1 volume, 75 cents.

*Job Descriptions for the Retail Trade, 3 volumes, total cost \$3, sold only in sets.

*Job Descriptions for Job Foundries, 1 volume, \$1.25.

*Job Descriptions for the Laundry Industry, 1 volume, \$1.25.

× Personnel Standards of the United States Employment Service.

× Fiscal Rules and Regulations for State Employment Services Affiliated with the United States Employment Service and Aided by Grants From Both the United States Employment Service and the Social Security Board.

Amendment to the Wagner-Peyser Act.

A change in the fiscal provisions for the administration of the United States Employment Service was effected by an amendment to the Wagner-Peyser Act passed on June 29, 1938, by the Seventy-fifth Congress. As originally enacted in 1933, the act specified that 75 percent of all Federal funds annually appropriated to the United States Employment Service must be allocated among the States, on the basis of population, for the operation of State employment services. As amended, the act authorizes the Congress to designate, in each year's appropriation, the proportion of the total appropriation which is to be apportioned among the States, for the operation of affiliated State employment services, and the proportion which may be used for administrative and other expenses of the United States Employment Service. Under existing financial arrangements, the total to be apportioned to the States is fixed by precedent (though not by law) at \$3,000,000. The effect of this amendment is therefore to make possible larger appropriations for the United States Employment Service. This revision of the act has been sorely needed because of the withdrawal of the proportionate share of total expense which has been covered by emergency funds granted for the operation of the National Reemployment Service. By the end of the fiscal year 1938-39, it is probable that State employment services will be established and financed on a permanent basis, without supplementation by the National Reemployment Service.

Respectfully submitted,

W. FRANK PERSONS;
Director.

May be obtained free upon request from the Information Section, United States Employment Service, U. S. Department of Labor, Washington, D. C.

* May be obtained only by purchase from the Superintendent of Documents, Government Printing Office, Washington, D. C., at prices indicated. Stamps are not acceptable in payment.

× For limited distribution only to State and Federal officials.

CIVILIAN CONSERVATION CORPS SELECTION

W. FRANK PERSONS, *Departmental Representative*

To the SECRETARY OF LABOR:

Since the passage of the act of June 28, 1937 (Public, No. 163, 75th Cong.), establishing the Civilian Conservation Corps for a period of 3 years, it is increasingly apparent that the responsibility of the Department of Labor in this program—the selection of the young men who provide nine-tenths of the enrollee man-power of the Corps—is much more than an emergency undertaking. There is implication in the new law that the work of the Corps, which was established in 1933 and which is now carried on in 1,500 camps throughout the United States, must be accepted as a governmental function not confined to periods of acute economic distress.

Today, too, there is general agreement that the Civilian Conservation Corps must continue “work-centered” and “youth-centered,” and that it must emphasize the conservation of *human* resources equally with the conservation of natural resources. The experience of the past year under the new law, and more than 4 years of operation under the original legislation of March 31, 1933, have convinced officials of the Corps, as well as the general public, that these cornerstones of policy are wise.

The C. C. C. camp-work program is now furnishing gainful employment to an important segment of the group of unmarried male citizens of the United States between the ages of 17 and 23. Approximately 1 out of every 20 youths who turned 17 years of age in the past year sought and gained the opportunity of C. C. C. enrollment, while many others in this group could not be enrolled because of the limited number of replacements necessary to restore at quarterly intervals the legally authorized strength of the Corps. These young men entered the Civilian Conservation Corps chiefly to gain work experience and training. In most instances they did not have any sustained record of previous employment. Many of those enrolled at older age levels likewise reported little or no previous work history.

During the fiscal year, 252,196 young job seekers were selected and enrolled to fill vacancies in the membership of the organization. The following table indicates, State by State, the number of these junior enrollees.

TABLE 1.—Total juniors selected and enrolled during the fiscal year 1938

United States	Juniors enrolled, July 1937	Juniors enrolled, October 1937	Juniors enrolled, January 1938	Juniors enrolled, April 1938	Total juniors enrolled, fiscal year 1938
Alabama.....	499	4,290	100	256	5,145
Arizona.....	126	380	100	300	906
Arkansas.....	934	5,807	103	950	7,794
California.....	2,700	2,677	1,292	2,408	9,077
Colorado.....	275	1,090	100	580	2,045
Connecticut.....	626	623	336	802	2,387
Delaware.....	71	212	120	160	563
Florida.....	513	3,163	100	448	4,224
Georgia.....	472	4,404	140	323	5,339
Idaho.....	332	339	151	300	1,122
Illinois.....	3,930	5,482	3,100	3,768	16,280
Indiana.....	1,446	2,450	1,009	1,637	6,542
Iowa.....	959	1,648	250	1,038	3,895
Kansas.....	445	905	250	1,111	2,711
Kentucky.....	398	5,142	100	1,112	6,752
Louisiana.....	327	3,253	100	567	4,252
Maine.....	262	540	243	363	1,408
Maryland.....	539	1,013	247	854 ¹	2,653
Massachusetts.....	3,035	3,188	1,431	2,161	9,815
Michigan.....	1,978	2,678	1,804	2,162	8,622
Minnesota.....	1,672	2,395	198	1,442	5,707
Mississippi.....	657	4,087	130	205	5,089
Missouri.....	915	5,809	100	2,648	9,372
Montana.....	487	768	54	575	1,784
Nebraska.....	478	1,440	181	745	2,844
Nevada.....	26	48	27	36	137
New Hampshire.....	140	207	86	186	619
New Jersey.....	2,585	3,554	1,100	2,450	9,689
New Mexico.....	100	1,540	100	410	2,150
New York.....	4,364	6,207	2,887	4,792	18,340
North Carolina.....	486	3,382	200	862	4,930
North Dakota.....	399	1,941	100	1,122	3,562
Ohio.....	3,142	5,142	1,838	3,748	13,870
Oklahoma.....	1,300	6,931	100	2,420	10,751
Oregon.....	387	692	222	364	1,666
Pennsylvania.....	4,175	6,026	2,125	4,484	16,811
Rhode Island.....	420	493	226	192	1,331
South Carolina.....	445	1,962	100	186	2,693
South Dakota.....	521	916	100	483	2,020
Tennessee.....	787	3,351	140	885	4,663
Texas.....	1,473	9,570	100	2,880	14,023
Utah.....	424	404	118	176	1,121
Vermont.....	85	126	58	97	364
Virginia.....	766	2,359	200	438	3,763
Washington.....	1,066	1,207	437	630	3,400
West Virginia.....	644	2,043	351	622	3,960
Wisconsin.....	1,057	1,641	677	1,285	4,670
Wyoming.....	109	232	114	202	657
District of Columbia.....	230	223	100	126	679
Total.....	49,207	124,145	23,244	55,600	252,196

The age grouping of these men was as follows:

TABLE 2.—Age distribution of juniors selected and accepted during the fiscal year 1938

Age group	Juniors selected, July 1937		Juniors selected, October 1937		Juniors selected, January 1938		Juniors selected, April 1938		Total juniors selected, fiscal year 1938	
	Number	Per cent	Number	Per cent	Number	Per cent	Number	Per cent	Number	Per cent
17.....	22,225	44.76	40,424	32.39	7,945	33.99	19,424	34.71	90,018	35.47
18.....	11,942	24.05	31,210	25.01	5,144	22.01	12,614	22.54	60,910	24.00
19.....	6,155	12.40	20,210	16.19	3,770	16.13	8,740	15.62	38,875	15.32
20.....	3,641	7.33	13,322	10.68	2,555	10.93	5,966	10.66	25,484	10.04
21.....	2,725	5.50	10,021	8.03	1,960	8.38	4,597	8.22	19,303	7.61
22.....	1,733	3.59	6,670	5.35	1,309	5.60	3,083	5.51	12,845	5.06
23.....	1,046	2.09	2,818	2.26	651	2.78	1,332	2.38	5,847	2.31
24 and over (exempted men)	140	.28	113	.09	42	.18	199	.36	494	.19
Total.....	49,657	100.00	124,788	100.00	23,376	100.00	55,955	100.00	253,776	100.00

¹ Number actually enrolled was 252,196 (see table 1); difference represents number of acceptees lost through rejection due to physical disability and other reasons, between date of acceptance and date of enrollment

Developments in selection operations.

The fiscal year ended June 30, 1938, gave impetus in the States to an expanding concept of C. C. C. selection as part of an important and continuing program of service to young men in search of work experience at the threshold of their active vocational years. The following policies in effect during the year emphasized the importance of the selection assignment:

1. *Formal agreements with State agencies.*—In section 13 of the basic C. C. C. law (act of June 28, 1937) it is provided that:

The Director, and, under his supervision, the cooperating departments and agencies of the Federal Government are authorized to enter into such cooperative agreements with States and civil divisions as may be necessary for the purposes of utilizing the services and facilities thereof.

Acting under this authority, the Department of Labor requested each State selecting agency to submit at the outset of the fiscal year a detailed plan of its proposed C. C. C. operations. The plans were prepared in accordance with specifications published by the Department, with the approval of the Director of the Corps. Following review and acceptance of these plans, formal agreements of cooperation were executed jointly on behalf of the Department and each State selecting agency. The work of the State selecting agencies was greatly definitized and stabilized by such a procedure.

2. *Conferences of State selecting agencies.*—A series of training conferences, bringing together the representatives of all State C. C. C. selecting agencies on a corps-area basis was inaugurated during the fiscal year. These conferences were designed specifically to accomplish the following purposes:

a. To acquaint selection officials fully with the legal and administrative requirements governing eligibility of enrollees under the new law.

b. To bring selecting agents into closer contact with C. C. C. representatives of the War Department and the Departments of Interior and Agriculture—Departments having active responsibility for the administration of the camp and work program.

c. To exchange procedural experience.

d. To urge upon selecting agencies the desirability of extending their scope to include collateral activities in the interest of the Corps and its members, such as "follow-up" contacts with enrollees, evaluation of social benefits of the Corps, verification of employment offers to enrollees, and the like.

3. *Extended field service to State agencies.*—With the introduction of more formal selecting agency operating arrangements in each State, the States themselves requested assistance in setting up standards, holding training conferences and camp visitations, developing record systems, working out procedural problems, and generally extending their work. Within the limits of its small staff, available for this purpose, the Department of Labor provided such assistance to States where it seemed necessary. Every State was visited at least once during the course of the year for this purpose by C. C. C. administrative personnel of the Department.

4. *Improved reporting procedures.*—There was noticeable progress in State and local selection offices in the recording of applicant data and in the reconciliation of the active and discharged enrollee files with corps-area and C. C. C. district personnel records. A uniform method of accounting for these important data was not prescribed by the Department of Labor. There was announcement, however, of an outline of minimum essentials to guide individual States in overhauling this phase of their work.

On the national level, the C. C. C. office of the Department inaugurated a system of monthly reports from the States in which an important feature was a more accurate tabulation of types of discharges awarded, classified to show where enrollees were located at time of discharge. It is believed that study and analysis of such information, together with study of the reasons for discharge, will help indicate ways to improve the selection process.

The quarterly statistical summary from State selecting agencies, based upon the applications of those enrolled, continues to provide the primary data from which to compile, analyze, and interpret the items contained in the customary report to the Director of the Corps and his advisory council at the conclusion of each enrollment period. This national report was changed in format during the year. It is now issued each 3 months as a multilithed document, with narrative comment as to selection trends, together with supporting tabular material arranged by States. An increasing number of State selecting agencies during the year arranged to prepare similar quarterly summaries devoted to selection statistics within their respective States.

5. *Growth of joint C. C. C.-employment service procedures.*—During the fiscal year 1938 there was closer cooperation in the field between the Civilian Conservation Corps and the public employment offices affiliated with the United States Employment Service. Since the Corps is a work and training program which assists its enrollees in preparing for employment in industry and agriculture, it is extremely appropriate that the full facilities of the Employment Service should be known and available to enrollees as they become employable through the development of useful skills and habits of work in the camps. For example, enrollees are permitted to withdraw from the Corps whenever they have a verified offer of private employment. Selecting agencies and public employment offices assist in this procedure.

Cooperation with C. C. C. officials has resulted also in a more useful recording of enrollee work experience for Employment Service purposes. Conversely a more intimate knowledge of the camp-work program has enabled Employment Service officials in many instances to gain a broader understanding of the specific work habits, the skills, and the general knowledge to be gained by enrollees on various types of C. C. C. employment. In a number of States procedures have been developed for periodic interviews of the men in each camp qualified for immediate referral to outside employment. There is careful recording of this data on the active registration cards of such men in the local employment office serving their home community.

In many States the selecting agency requires registration with the Employment Service as a prerequisite to application for enrollment in the Civilian Conservation Corps. Through these interviews with employment service personnel, C. C. C. applicants also may inquire and learn about the types of jobs most likely to be available later in their home localities and thus to plan better their activities during one or more 6 months' camp enrollment periods.

Furthermore, introduction of applicants to the Employment Service before going to camp has usually meant better information and appreciation of placement facilities which are available. Obviously, information of this kind is useful to a large number of the

enrollees, either during their stay at camp or shortly after they return to their home localities.

State and local selecting agents are urged to promote this liaison between the Employment Service and the camps, and encouraged to make contact with "graduates" of the Corps in order to assist them, if possible, in arriving at a satisfactory vocational adjustment in the communities where they are to reside. In so doing, the selecting agent obtains a "before and after" view of the young men who have had the advantage of enrollment in the Corps, and thus is in a key position to observe whether the gains in training, experience, health, and morale received by enrollees are helpful to them in obtaining appropriate later employment. Evaluation of this kind, if observations are carefully made and conclusions thoughtfully analyzed, may be of real assistance in shaping future policies of the Corps. During the year an increasing number of selection officials began to plan and work toward these ends.

The departmental C. C. C. staff.

The work of administering, supervising, and coordinating C. C. C. selection activities throughout the United States is organized in a small unit within the Department, responsible to the representative of the Secretary of Labor appointed on the Advisory Council to the Director of the Civilian Conservation Corps under Presidential Executive Order 7677-A. The departmental C. C. C. office had, during 1938, a chief of selection operations and a staff of nine others to perform the necessary administrative and clerical work involved in maintaining contact with State and local appointive selecting agencies. During the year these staff positions were classified by the Civil Service Commission under the provisions of the law and the decision of the Acting Comptroller General, dated January 19, 1938. The necessary funds for C. C. C. operations were allocated to the Department of Labor (as to the other cooperating departments) by the Director of the Corps from the annual C. C. C. appropriation made by the Congress. No funds were expended by the Department of Labor for field operations, selection expenses being borne by the State and local C. C. C. agencies without Federal reimbursement.

At the end of the fiscal year the cumulative total of selections for enrollment made under the auspices of the Department of Labor had reached the number of approximately 1,900,000. These selections have occurred throughout 5¼ years of operation.

In closing the books for 1938 the C. C. C. office of the Department acknowledges with appreciation the leadership of the Director of the Corps and his staff, and the understanding cooperation of the Director's Advisory Council.

Respectfully submitted.

W. FRANK PERSONS,
*Representative, Department of Labor
for Civilian Conservation Corps.*

OFFICE OF THE SOLICITOR

GERARD D. REILLY, *Solicitor*

To the SECRETARY OF LABOR:

As has been the case in recent years, legislation has been the most noteworthy feature of the work of the office in the past year. The Fair Labor Standards Act of 1938 was the most important piece of social legislation with which the staff has been engaged since the passage of the Social Security Act in 1935. The drafting of amendments to the Walsh-Healey Act, the completion of the draft code of nationality laws, the recasting of amendments to the Wagner-Peyser and Immigration and Naturalization Acts, the preparation of enabling legislation to carry out the conventions of the International Labor Organization were also matters in which this office provided technical assistance in the second and the third sessions of the Seventy-fifth Congress. Considerable time was also devoted to the codification of the departmental rules and regulations pursuant to the Federal Register Act as well as to the adaptation of the immigration rules and forms to meet the problems created by entry of aliens into this country by aircraft.

New legislation.

A. Fair Labor Standards.—This measure establishing minimum wages and maximum hours in industries engaged in interstate and foreign commerce and forbidding the employment of children in such industries encountered numerous legislative vicissitudes before its final passage. After an abortive attempt at the close of the first session of the Seventy-fifth Congress to obtain a rule enabling the House to consider the bill, the House Labor Committee utilized the Solicitor's staff in the draft of a new bill calculated to overcome certain objections raised against the administrative procedure originally contemplated. This bill was brought out on the floor by petition at the special session in December, only to be recommitted. Several committee prints embodying other suggestions were then drafted before the subcommittee appointed to recommend revision of the unsuccessful draft could agree upon a bill at the regular session. This, in turn, was rejected by the full committee in favor of a less flexible measure. The bill passed the House substantially as reported after adverse action by the Rules Committee and again necessitated a discharge petition. At this stage the divergencies between the Senate bill and the House amendments were so serious that the conferees were deadlocked for several days. Finally a compromise was worked out which, in its main outlines, followed the pattern of a draft originally suggested by the Department. Rufus G. Poole, who succeeded Donald Hiss as Associate Solicitor in March, rendered valuable assistance to the House Committee and later to the conferees.

B. Amendment to Wagner-Peyser Act.—Owing to the failure of remedial legislation the problem of coordinating the administration of the State employment offices and the State unemployment compensa-

tion divisions still presents complexities, since grants to the States for unemployment compensation are continuing to be made by the Social Security Board, and grants for State public employment offices by the United States Employment Service. This office has endeavored within the ambit of the Wagner-Peyser Act, however, to explore legal means of permitting the Department to cooperate with the Social Security Board in working out a uniform policy with the States. It is believed that more effective work in carrying out these policies can be done as a result of an amendment prepared in the office and passed by Congress, which removes, in part, the restriction placed upon the Employment Service in the use of its funds for administrative expenses.

C. *Public Contracts (Walsh-Healey) Act.*—The administration of this act has presented fewer difficult legal questions in the past year as a result of decisions of the Comptroller General and Attorney General upholding the more controversial regulations. Since the administrative officers of the Public Contracts Division have recognized that the limited coverage of the statute is a serious obstacle in carrying out its social objectives, this office prepared a bill amending it. The principal feature of the amendments was to make the act harmonize with the revised Bacon-Davis Act by extending its scope to subcontractors and lowering the limit from \$10,000 to \$2,000. This bill passed the Senate and was favorably reported by the House Judiciary Committee. Efforts to obtain a rule that would have brought it to the floor were unsuccessful, however.

D. *Immigration.*—At the suggestion of certain proponents of the Dies Bill, who objected to the severity of the provisions dealing with criminal aliens, some suggestions for amendment offered by this office were accepted by the Senate Committee on Immigration, and the bill was reported in this form. Unfortunately its opponents were able to block its consideration on the floor. A joint resolution, passed the closing night of the session, authorizing the staying of deportation in cases that had been the subject of legislation acted upon favorably either by the House or Senate Committees on Immigration, has made it possible to reconsider legislative solutions to the problem of the hardship cases. Although reports were prepared on numerous other pieces of pending immigration legislation, very few amendments to existing law were made by Congress, with the exception of two or three minor bills that were passed in the final month.

E. *Naturalization.*—The code of nationality laws, which had been the subject of periodic conferences between representatives of this office, the Department of State, and the Department of Justice for almost 4 years, was finally presented to the Cabinet committee, approved by it, and transmitted by the President to Congress. Because it did not reach the appropriate committee until the last week of the session, however, no hearings have as yet been held. It is hoped that the draft code will have the consideration of the House Committee on Immigration and the Senate Committee on the Judiciary at an early date next year, as its adoption would facilitate the administration of the naturalization laws and resolve a welter of conflicting decisions in the circuit courts and district courts, the consequence of attempts to construe the vast number of overlapping and inconsistent statutes that have accumulated in this field of the law for more than a hundred years.

F. International labor conventions.—For the first time the legal thesis advanced by this office, viz, that conventions adopted at international labor conferences were proper subjects of the treaty-making power was recognized by the State Department, the maritime conventions being transmitted by the President to the Senate for ratification. The office assisted in preparing memoranda for the use of the chairman of the Senate Committee on Labor and Education, ratification of which was unanimously made by the Senate. No action has yet been taken on the more controversial 40-hour week textile convention. This office has prepared enabling legislation in connection with the 40-hour week public works convention, which was transmitted to both Houses for joint action.

Prevailing Wage (Bacon-Davis) Act.

The office continued to serve as the administrative agency for the prevailing wage law. This work has been steadily mounting for the past year. In the fiscal year just concluded, 2,637 requests for pre-determinations were made by contracting agencies of the Government and 2,482 decisions rendered. The comparative figures for the previous year were 2,073 requests and 1,979 decisions. The staff engaged in this work has not been increased despite this added burden. A heavy strain has been imposed upon the Division recently by the extensive construction program authorized by the recent Emergency Relief Act, so that in the summer months the volume of decisions will have to be sharply accelerated in order to place the contemplated projects on the market before the construction season is over. Complications in administration of the act have resulted recently from jurisdictional disputes, which have made it necessary to incorporate definitions of the craft in some of the decisions. The authority of the Department to do this was challenged this year in a bill in equity filed by a contractor in the District Court of the District of Columbia. The bill was subsequently dismissed, which had the effect of affirming the findings of the referee appointed by the Secretary.

Codification of regulations.

The Federal Register Act of July 26, 1935 (49 Stat. 500), as amended by the act of June 19, 1937 (Public, No. 158, 75th Cong.), required the complete codification of all documents which, in the opinion of the Department, has general applicability and legal effect and which were issued or promulgated by the Department and in force and effect and relied upon by it as authority for, or invoked or used by it in the discharge of, any of its functions or activities on June 1, 1938.

Pursuant to the requirements of the statute and the regulations for the administration thereof prescribed by the President (2 F. R. 2849—D. I.), a codification committee was set up in the Department. The Solicitor acted as chairman, with two members of his staff as assistants. The senior attorney acted in a secretarial capacity for the committee and was the Department's liaison officer with the codification committee in the Department of Justice having general charge of the codification work.

The codification work was commenced shortly after January 1, 1938, and was completed in time for submission to the Department of Justice on July 1, 1938. It was the first general codification of the rules since 1915.

The rules and regulations codified consisted of the following:

1. For the predetermination of the prevailing rates of wages to be paid on contracts for the construction, alteration, and/or repair of public buildings and public works under the provisions of the Davis-Bacon Act, as amended (act of August 30, 1935; 49 Stat. 1011; 40 U. S. C. 276a, et seq.).

2. For the stipulation of conditions in contracts for the purchase of materials, supplies, articles, and equipment in accordance with the provisions of the act of June 30, 1936 (49 Stat. 2036; 41 U. S. C. 35, et seq.), commonly called the Walsh-Healey Act.

3. For the administration of the various statutes relating to the immigration, exclusion, or expulsion of aliens generally, also for the enforcement of the Chinese Exclusion Acts, and for the administration of the various naturalization statutes.

4. For the cooperation of the United State Employment Service and the various State employment agencies in establishing and maintaining a National Employment Service system in accordance with the provisions of the act of June 6, 1933 (48 Stat. 113; 29 U. S. C. 49, et seq.).

5. For the cooperation of the Children's Bureau and the various States of the Union for the administration of parts 1, 2, and 3 of title V of the Social Security Act (act of August 14, 1935; 49 Stat. 620; 42 U. S. C. 301, et seq.).

Litigation.

The office continued to assist the Department of Justice in the preparation of cases in the appellate courts involving the administration of the immigration and naturalization laws. Most of these cases presented rather narrow questions, although two, which are now on their way to the Supreme Court, are of more than passing interest. One of these, a bill for a declaratory judgment in connection with the citizenship of one Julia Elg, draws into question the constitutionality of the Attorney General's opinion in the *Tobiassen case* in which it was held that a native-born citizen could lose American nationality without any affirmative act of his own if his father should become naturalized in another country during his minority. In the *Elg case* the United States Court of Appeals adopted a view contrary to that retained by the Attorney General and the Circuit Court of Appeals for the Ninth Circuit. Should the decision be affirmed by the Supreme Court, it will reverse the administrative practice that has obtained recently in this Department.

The application of the Immigration Act of 1918, as amended by the act of 1920, relating to anarchists and other radicals has also been thrown into some confusion by a decision of the Fifth Circuit Court of Appeals holding that membership in the Communist Party is not a ground for deportation. This office has sought to have the Supreme Court review this holding on a writ of certiorari, as three or four important cases involving this very point are now pending in the Department.

Respectfully submitted.

GERARD D. REILLY,
Solicitor of Labor.

DIVISION OF PUBLIC CONTRACTS

L. METCALFE WALLING, *Administrator*

To the SECRETARY OF LABOR:

The fiscal year which ended June 30, 1938, marked the second anniversary of the approval of Public, No. 846, Seventy-fourth Congress, commonly known as the Walsh-Healey Act, as a result of which the Division of Public Contracts was set up to administer it. On that date the act had been in effect 21 months since September 28, 1936.

The history and provisions of the act, having been made part of this Division's 1937 report (see Twenty-fifth Annual Report of the Secretary of Labor, p. 34), will not be touched upon at this time.

Since last year's report there has been time to organize an administrative unit, which is now functioning smoothly to fulfill its two main responsibilities, which are (1) the setting of minimum-wage standards; and (2) the enforcement of these once they are established as well as the hour, child labor, convict labor, safety and health standards imposed by the Congress directly in the act. In order to carry out this dual function, the following units of the Division have been established: The Public Contracts Board, the Legal Section, the Investigations Section, the Research Section, and the Statistical and Information Section.

The Public Contracts Board, made up of three members, is a fact-finding agency set up to aid in performing the functions imposed by section 1 (b) of the Public Contracts Act. When evidence as to the minimum wages prevailing in an industry has been assembled, a hearing in the matter of the prevailing wages in the subject industry is held before the Public Contracts Board. Notices of hearings are sent to all known members of the industry, to trade publications and labor unions in the field, to State officials, and to other interested parties. The public hearing affords to all interested parties full opportunity to introduce any pertinent evidence and to contradict or explain the basic wage data presented at the hearing. The Board makes findings of fact based on the evidence in the record as to the wage structure in the industry, and makes recommendations as to the minimum wage prevailing in the industry.

The Board's findings and recommendations, together with the public record, are fully reviewed before the Secretary makes the final minimum-wage decision, which then must be paid by all contractors in the industry subject to the act.

At the request of industry, of labor, or as a result of evidence disclosed by investigations made by the Division, the Board has held during the fiscal year in question 22 hearings. A summary of minimum-wage operations since the organization of the Division is attached.

The Legal Section advises the Administrator with respect to rulings and interpretations under the act and regulations. It is also charged

with the administration and enforcement of the control features of the law. In violation cases requiring formal hearings, the impartial representative of the Secretary required by law to preside at such hearings is designated from this section. An attorney to present the case is appointed by the chief examiner under the authority of the Administrator. The functions of examiner and prosecutor are kept scrupulously distinct. Although thousands of contracts have been handled during the past year, involving hundreds of millions of dollars, in only 57 cases has it been necessary to issue formal complaints. Of this number, hearings have been held in 47 cases and the balance adjusted without formal proceedings. These enforcement activities have resulted in the recovery of \$40,899.78 owed to employees for overtime or underpayment of wages, which amount has been distributed to individual employees. Up to the present time, in every case of violation the Department has obtained full compliance. Thus, it has not been necessary to invoke the provisions of section 3 of the act, making a contractor ineligible to bid for 3 years or to refer any case to the Department of Justice for prosecution.

The Investigations Section makes routine investigations of all contracts subject to the provisions of the act, and the enforcement activities of the Division are largely based upon these inspections. The Research Section, during the past fiscal year, surveyed 64 industries or groups of related industries employing upwards of 5 million wage earners, and also cooperatively acted as clearing house for surveys conducted under the joint auspices of the Women's Bureau, the Children's Bureau, and the Bureau of Labor Statistics. The Research Section furnishes the Division with technical information, particularly in the matter of industry classifications. The Statistical and Information Section collects and tabulates data from Government Departments regarding contracts awarded within the scope of the act and prepares a weekly statement, which is widely circulated, giving a breakdown by industry of these contracts; during the course of the year 168 special tabulations and statistical reports for other bureaus in the Department, journalists, students, labor organizations, and other interested persons were prepared.

This past year's experience fortifies the conviction that a large measure of the success in administering the act, particularly in setting the minimum-wage standards, is the result of the policy of constant consultation with labor and management. An accepted fixture of our procedure is the advisory panel of labor and management representatives which sits informally around a table in the Administrator's office to discuss problems under the act and the effect of administrative policies. It imparts in a measure the safeguards of collective bargaining not specifically provided for in the statute by affording an opportunity for conflicting views to be expressed and reconciled before action has been taken. It is a serious matter for Government to interfere in the relationships of capital and labor and freeze, even if only temporarily, the conditions under which they operate. Government therefore must be right. It seems that the most effective guarantee of its being right is to consult the experts and the people who are going to have to live under its decision. Government must retain the final decision, of course, but that decision is more apt to be sound if it does not rest on what may theoretically seem best but on what those who

will be affected by the decision feel sure, from their experience and close connection with the problem, will work.

It can be reported that the cost of administration for the fiscal year 1938 has been kept within extremely low limits in view of 5,306 contracts valued at \$302,023,343, which have been handled by the Division during this fiscal year. The cost of handling these contracts is \$108.52 per \$100,000 of contract value, a figure which is the result of very careful planning, particularly of the itineraries of the investigators in the field, and of economical operation throughout the Division. The cost is so trivial in relation to the benefits achieved that it is a practical refutation of the charge that the administration of labor legislation is necessarily both complicated and expensive.

A year ago the need of clarifying amendments and an increase in jurisdiction to give the act its maximum effectiveness was suggested. This is important from the standpoint of both employees and employers. The competition for a single Government order often makes the question of whether the act applies or not the deciding factor in whether or not a contractor receives an award. The act therefore should apply uniformly to all competitors and not by virtue of the corporate organization or peculiar business habits of a particular bidder. The failure to cover subcontractors is an instance of this and is not only curtailing the effectiveness of the act but actually promoting unfair and unequal competitive conditions among bidders. It is coming more and more to be realized that the promotion of fair and decent competitive standards among bidders is an important function of the act as well as to remove sweatshop conditions of employment.

We have largely concerned ourselves so far in setting wage standards in the lowest paying industries where we customarily think sweatshop conditions prevail in line with our policy of tackling the greatest evils first, but it is becoming increasingly apparent that fair and decent labor standards may be threatened or pulled down by underbidding because of long hours, child labor, or wages out of line with the prevailing rate in a 45-cent industry as well as a 25-cent one.

The large effect which the act can have and is having on American industrial standards is becoming more and more obvious as industry after industry emphasizes the importance of care in setting the wage standard, since it either has to be or is voluntarily adopted as the minimum wage for the industry at large rather than being limited to the performance of Government contracts, which is of course its only legal effect. This potentiality makes the Walsh-Healey Act one of the most important Federal regulatory statutes. The requirement just imposed by the Congress that all naval expenditures including the "construction, alteration, furnishing, or equipping of any naval vessel" be subject to the provisions of the Walsh-Healey Act closes an important hole in the act and will bring millions of dollars worth of contracts under it which were not subject to it before. It is anticipated, therefore, that not only will there be a large increase in the value of contracts subject to the act with the increase of work which that involves, but also that the act will play an increasingly larger role in the important field of labor standards.

Summary of minimum-wage operations

Industry	Estimated number employees	Effective date Secretary's decision	Determination
Aerial survey.....	650	Not yet made.	
Aircraft.....	35,000	do.....	
Ammunition and related products.....	5,823	do.....	
Barrack bags and bandoleers.....		Feb. 14, 1938	Cotton garment decision extended to cover.
Carpets and rug.....	27,633	Not yet made.	
Cement.....	25,320	do.....	
China, vitreous or vitrified.....	4,400	May 19, 1938	42¾ cents an hour, or \$17.10 a week.
Cotton garment and allied industries.....	200,000	Aug. 2, 1937	37.5 cents an hour, or \$15.00 a week. Tolerance: 10 percent learners. \$8—first 4 weeks. \$10—second 4 weeks. \$12—third 4 weeks. \$15 thereafter; 10 percent handicapped or superannuated workers.
Dimension granite.....	10,818	Jan. 15, 1938	(1) Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, and New York: 57.5 cents an hour, or \$23 a week. (2) Pennsylvania, Maryland, Wisconsin, Minnesota, South Dakota, and all not listed in (1) and (3): 42.5 cents an hour, or \$17 a week. (3) North Carolina, Virginia, South Carolina, Georgia, Florida, Alabama, Tennessee, Kentucky, Mississippi, Louisiana, Arkansas, Texas: 32.5 cents an hour, or \$13 a week.
Envelopes.....	8,749	May 12, 1938	42.5 cents an hour, or \$17 a week.
Explosives.....	4,750	Not yet made.	
Fireworks.....	1,587	do.....	
Flint glass.....	23,815	July 12, 1938	42.5 cents an hour, or \$17 a week.
Flour and cereal.....	26,495	Not yet made.	
Handkerchief.....	4,889	Jan. 26, 1938	35 cents an hour, or \$14 a week.
Hat and cap, men's.....	16,593	Aug. 2, 1937	67.5 cents an hour, or \$27 a week.
Hat and cap, sailor, service, extension of August 2, 1937 decision uniform branch, felt hat branch.		Feb. 11, 1938	67.5 cents an hour, or \$27 a week. Tolerance: 20 percent for auxiliary workers: 37.5 cents an hour or \$15 a week. The term "auxiliary worker" shall not be interpreted to include cutters or workers in the cutting room, machine workers, or workers on any kind of machine, blockers, pressers, or hand sewers.
Iron and steel.....	500,000	Not yet made.	
Jackets, wool and wool-lined.....	2,661	May 13, 1938	Included in cotton garments.
Jackets, leather and sheep-lined.....	3,217	do.....	42.5 cents an hour, or \$17 a week.
Luggage and saddlery.....	6,650	July 27, 1938	(1) Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, Pennsylvania, New Jersey, Maryland, Delaware, Washington, Oregon, California, Idaho, Nevada, Arizona, Montana, Wyoming, Utah, Colorado, New Mexico: 40 cents an hour or \$16 a week. (2) Other 26 States and District of Columbia: 37.5 cents an hour, or \$15 a week.
Neckwear, men's.....	4,357	Aug. 2, 1937	50 cents an hour, or \$20 a week. Tolerance: 10 percent learners, handicapped, or superannuated workers, excluding boxers and trimmers; additional tolerance for boxers and trimmers: 37.5 cents an hour, or \$15 a week.
Raincoat, men's.....	2,581	do.....	40 cents an hour, or \$16 a week. Tolerance: 10 percent learners, handicapped, or superannuated workers; 25 cents an hour, or \$10 a week.
Seamless hosiery.....	60,000	do.....	35 cents an hour, or \$14 a week. Tolerance: 5 percent learners, handicapped, or superannuated workers; 28 cents an hour, or \$11 a week.
Soap.....	13,911	Not yet made.	
Specialty accounting supplies, salesbook, and autographic register.....	4,000	do.....	
Tag.....	2,084	do.....	
Tobacco.....	34,524	do.....	

Summary of minimum-wage operations—Continued

Industry	Estimated number employees	Effective date Secretary's decision	Determination
Underwear, men's.....	33,109	Aug. 2, 1937...	(1) Virginia, Tennessee, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Arkansas, Texas, Louisiana, Oklahoma: 32.5 cents an hour, or \$13 a week. (2) All States not listed above and District of Columbia: 35 cents an hour, or \$14 a week. Tolerance: 10 percent handicapped or superannuated workers; 25 cents an hour, or \$10 a week.
Welt shoe, men's.....	33,710	Jan. 5, 1938....	40 cents an hour, or \$16 a week.
Work clothing, men's.....	55,281	Feb. 9, 1937....	37.5 cents an hour, or \$15 a week.
Work gloves.....	5,428	Aug. 2, 1937....	35 cents an hour, or \$14 a week. Tolerance: 10 percent learners, handicapped, or superannuated workers; 25 cents an hour, or \$10 a week.
Total.....	1,158,044		

Award of contracts under the Walsh-Healey Act for the fiscal year ended June 30, 1938, by Government agencies

Agencies	Number	Value	Percent of grand total
Grand total.....	5,306	\$302,023,343.90	100.00
Executive departments.....	3,599	224,021,168.29	74.17
Navy.....	1,391	104,648,667.37	34.65
War.....	1,066	53,003,593.30	17.55
Treasury—Procurement.....	634	34,784,136.16	11.52
Interior.....	220	16,762,686.48	5.55
Treasury.....	55	4,249,639.49	1.41
Agriculture.....	122	3,788,250.92	1.25
Commerce.....	40	3,415,131.78	1.13
Post Office.....	53	2,883,996.41	.95
Justice.....	9	254,163.24	.08
State.....	8	204,320.16	.07
Labor.....	1	26,552.98	.01
Independent establishments.....	479	25,428,023.42	8.42
Tennessee Valley Authority.....	136	9,931,041.18	3.29
Government Printing Office.....	77	7,452,143.16	2.47
Veterans' Administration.....	132	3,088,207.06	1.02
Panama Canal.....	54	1,715,361.46	.57
Federal Prisons Industries, Inc.....	39	1,613,226.61	.53
Social Security Board.....	6	812,600.00	.27
District of Columbia government.....	13	535,736.12	.18
Federal Surplus Commodities Corporation.....	6	98,835.00	.03
Federal Housing Administration.....	3	70,294.65	.02
U. S. Maritime Commission.....	8	21,181.54	.01
Library of Congress.....	2	28,182.80	.01
National Advisory Committee—Aeronautics.....	2	36,213.84	.01
National Railroad Adjustment Board.....	1	20,000.00	.01
Emergency organizations.....	1,228	52,574,152.19	17.41
Works Progress Administration.....	818	26,055,473.52	8.63
Civilian Conservation Corps.....	296	24,307,404.73	8.05
War.....	271	23,746,306.40	7.86
Agriculture.....	18	359,595.12	.12
Interior.....	7	201,503.21	.07
Farm Security Administration (Resettlement).....	77	1,694,655.79	.56
Puerto Rico Reconstruction Administration.....	37	516,618.15	.17

Awards containing agreements to comply with Public, Act No. 846, Seventy-fourth Congress, reported for fiscal year July 1, 1937, to June 30, 1938, by the major industrial classifications

Industrial classifications	Number	Value	Percent of grand total
Total.....	5,306	\$302,023,343.90	100.00
Food and kindred products.....	408	9,951,226.53	3.29
Tobacco manufactures.....	31	709,777.42	.24
Textiles and their products.....	619	39,232,354.08	12.99
Forest products.....	157	4,035,736.86	1.34
Chemicals and allied products.....	249	17,499,189.37	5.79
Asphalt, coal, and petroleum products.....	813	54,278,909.62	17.97
Paper and allied products.....	175	13,546,259.19	4.49
Printing and publishing.....	13	709,545.90	.23
Leather and its manufactures.....	43	6,636,123.22	2.20
Stone, clay, and glass products.....	446	16,851,480.81	5.58
Rubber products.....	79	734,303.23	.24
Iron, steel, and their products.....	579	33,826,304.07	11.20
Nonferrous metals and alloys.....	158	6,402,723.00	2.12
Other machinery.....	452	22,307,403.08	7.39
Electrical apparatus.....	358	21,753,550.59	7.20
Transportation equipment.....	333	37,868,272.39	12.54
Miscellaneous.....	393	15,680,184.54	5.19

Award of contracts under the Walsh-Healey Act for the fiscal year July 1, 1937 to June 30, 1938 commodity groupings under the major industrial classifications

Commodity groupings	Number	Value	Percent
Food and kindred products.....	408	\$9,951,226.53	3.29
Canned fruits and vegetables.....	78	1,926,032.73	.64
Canned sea foods.....	4	167,133.70	.06
Cereal preparations.....	7	99,736.47	.03
Coffee and tea.....	47	1,593,564.73	.53
Condensed and evaporated milk.....	31	680,300.15	.22
Feed for animals, etc.....	46	919,649.30	.30
Flour.....	32	729,203.55	.24
Meat-packing products.....	22	976,579.19	.32
Shortening, etc.....	2	58,997.70	.02
Sugar, syrup, and sorghum.....	37	894,535.89	.30
Miscellaneous.....	102	1,905,493.12	.63
Tobacco manufactures.....	31	709,777.42	.24
Textiles and their products.....	619	39,232,354.08	12.99
Canvas bags and covers.....	9	341,110.10	.11
Clothing.....	48	4,186,988.97	1.39
Cordage and twine.....	28	767,991.29	.25
Cotton goods.....	229	15,361,027.59	5.08
Cotton products, miscellaneous.....	45	1,107,569.69	.37
Furnishing goods.....	28	1,499,394.84	.50
Gloves (excluding leather).....	7	352,630.00	.12
Hats and caps.....	13	672,299.40	.19
Housefurnishing goods.....	39	1,581,491.74	.52
Knit goods.....	56	3,589,757.35	1.19
Shirts and nightwear.....	9	421,269.64	.14
Woolen goods.....	44	6,058,499.60	2.00
Work clothing.....	30	2,016,915.85	.67
Miscellaneous textile products.....	34	1,377,408.02	.46
Forest products.....	157	4,035,736.86	1.34
Cork and cork products.....	1	74,525.00	.02
Furniture (excluding metal).....	17	796,721.42	.26
Lumber and timber products.....	25	799,770.77	.27
Planing-mill products.....	8	146,026.30	.05
Rough lumber.....	87	1,811,222.90	.60
Treated lumber and timber.....	18	377,070.47	.13
Miscellaneous forest products.....	1	30,400.00	.01

Award of contracts under the Walsh-Healey Act for the fiscal year July 1, 1937 to June 30, 1938 commodity groupings under the major industrial classifications—Con.

Commodity groupings	Number	Value	Percent
Chemicals and allied products	249	\$17,499,189.37	5.79
Ammunition, etc.....	49	7,441,443.95	2.46
Compressed and liquefied gases.....	13	325,590.11	.11
Explosives.....	27	5,683,331.55	1.88
Linseed and related oils.....	8	198,355.61	.07
Paints and varnish.....	33	733,811.48	.24
Soap, etc.....	33	705,673.50	.23
Miscellaneous.....	86	2,409,983.08	.80
Asphalt, coal and petroleum products	813	54,278,909.52	17.97
Asphalt, oil, tar, etc.....	171	5,666,812.64	1.88
Coal and coke.....	131	3,380,089.63	1.12
Fuel oil.....	208	20,598,854.95	6.82
Gasoline.....	270	21,118,925.87	6.99
Lubricating oils and greases.....	7	1,983,408.01	.66
Miscellaneous.....	26	1,630,818.62	.50
Paper and allied products	175	13,546,259.19	4.49
Paper.....	76	8,605,515.68	2.85
Envelopes.....	16	1,214,953.09	.40
Cardboard.....	11	244,755.71	.08
Miscellaneous.....	72	3,481,034.71	1.16
Printing and publishing	13	709,545.90	.23
Periodicals and journals.....	2	141,786.15	.05
Books.....	7	106,002.25	.03
Miscellaneous.....	4	461,757.50	.15
Leather and its manufactures	43	6,636,123.22	2.20
Boots and shoes.....	17	5,423,569.64	1.80
Boot and shoe cut stock.....	17	872,191.23	.29
Gloves.....	3	101,446.31	.03
Miscellaneous.....	6	238,916.04	.08
Stone, clay, and glass products	446	16,851,480.81	5.58
Brick.....	17	329,832.80	.11
Cement and products.....	149	8,594,659.98	2.84
Concrete products.....	22	366,165.69	.12
Concrete, ready-mixed.....	37	1,037,557.82	.34
Crushed and broken stone.....	46	1,894,756.23	.63
Glass.....	12	171,671.05	.06
Granite and marble.....	12	282,318.85	.09
Riprap stone.....	7	208,500.00	.07
Sand and gravel.....	65	2,080,240.15	.69
Soil and black earth.....	23	439,926.69	.15
Terra cotta products.....	3	78,358.67	.03
Tile and clay products.....	9	203,848.04	.07
Miscellaneous.....	44	1,163,644.84	.38
Rubber products	79	734,303.23	.24
Clothing (excluding coats).....	10	180,242.87	.06
Tires and tubes.....	46	105,608.70	.03
Miscellaneous.....	23	448,451.66	.15
Iron, steel, and their products	579	33,826,304.07	11.20
Bolts, nuts, rivets, etc.....	12	252,930.32	.08
Fencing material.....	7	152,936.07	.05
Forgings and castings.....	44	4,846,064.18	1.60
Hardware, miscellaneous.....	11	202,756.16	.07
Metal doors, sash and frames.....	8	441,025.35	.15
Metal furniture.....	30	2,788,397.84	.92
Metal shingles and roofing.....	3	87,676.80	.03
Pipe and fittings.....	66	2,085,984.39	.69
Plumbing supplies.....	5	211,535.82	.07
Rails, bars, posts, etc.....	70	3,138,148.55	1.04
Sheets, plates, shapes, etc.....	62	3,625,413.54	1.17
Stoves and ranges (exclusive of electric).....	12	1,064,894.79	.35
Structural steel.....	112	10,017,270.85	3.32
Tools (exclusive of machine tools).....	14	323,836.22	.11
Wire rope and cable.....	39	947,153.41	.31
Miscellaneous.....	84	3,740,279.78	1.24

Award of contracts under the Walsh-Healey Act for the fiscal year July 1, 1937 to June 30, 1938 commodity groupings under the major industrial classifications—Con.

Commodity groupings	Number	Value	Percent
Nonferrous metals and alloys	158	\$6,402,723.00	2.12
Aluminum.....	28	553,929.85	.18
Brass.....	15	444,841.26	.15
Bronze.....	10	310,540.40	.10
Copper.....	17	601,718.43	.20
Lead.....	7	134,557.57	.04
Nickel.....	7	282,900.00	.09
Plated ware.....	3	52,458.05	.02
Tin.....	25	1,750,665.76	.58
Zinc.....	2	48,997.80	.02
Miscellaneous.....	48	2,222,113.88	.74
Other machinery	452	22,307,403.08	7.39
Air-conditioning equipment.....	12	1,084,297.90	.36
Compressors.....	13	610,785.55	.20
Engines, turbines, etc.....	57	7,219,533.97	2.39
Machine tools.....	98	2,204,443.40	.73
Office equipment.....	32	499,937.50	.17
Dredges and shovels.....	38	863,629.16	.29
Printing and publishing machinery.....	4	115,519.00	.04
Pumps and equipment.....	25	1,266,658.55	.42
Refrigerators.....	13	382,650.85	.13
Road machinery.....	28	517,215.00	.17
Windlasses, cranes, etc.....	41	2,452,888.82	.81
Miscellaneous.....	91	5,089,843.08	1.68
Electrical apparatus	368	21,753,550.59	7.20
Batteries (including aircraft).....	15	507,718.53	.17
Circuit breakers, etc.....	32	1,904,079.87	.63
Electric conductors.....	83	3,628,700.61	1.20
Generators and parts.....	39	4,792,822.89	1.59
Heaters and ranges.....	7	106,435.69	.03
Lamps and lights.....	17	322,142.24	.11
Motors.....	4	59,808.75	.02
Radio equipment and supplies.....	37	4,487,547.34	1.48
Spark plugs.....	8	490,361.15	.16
Switchboards, etc.....	26	1,074,126.07	.36
Telephone and telegraph apparatus.....	13	404,935.17	.13
Transformers.....	22	1,534,699.01	.51
Miscellaneous.....	55	2,440,173.27	.81
Transportation equipment	333	37,868,272.39	12.54
Aircraft.....	17	20,354,501.91	6.74
Aircraft parts and equipment.....	150	10,536,208.33	3.49
Boats and equipment.....	6	117,528.00	.04
Automobiles and parts.....	28	1,007,332.11	.33
Trucks and parts.....	99	4,918,609.86	1.63
Miscellaneous.....	33	934,092.18	.31
Miscellaneous	393	15,680,184.54	5.19
Brooms, brushes, etc.....	12	487,135.38	.16
Commissary stores.....	49	1,379,762.62	.46
Dental goods and equipment.....	4	64,304.91	.02
Instruments.....	47	1,949,851.58	.64
Photographic equipment.....	33	1,933,248.01	.64
Slag.....	7	228,282.15	.08
Packing and pipe covering.....	23	742,344.14	.25
Surgical supplies.....	9	373,372.84	.12
Other materials.....	90	3,800,772.45	1.26
Rentals, services, etc.....	119	4,721,110.46	1.56

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, 1938, the appropriations by Congress to the Department and its services were as follows:

Salaries, Office of the Secretary.....	\$323, 500
Contingent expenses, Department of Labor.....	116, 900
Printing and binding, Department of Labor.....	253, 560
Traveling expenses, Department of Labor.....	680, 800
Salaries and expenses:	
Commissioners of Conciliation.....	273, 000
Bureau of Labor Statistics.....	784, 000
International Labor Organization, Geneva, Switzerland.....	21, 000
Division of Public Contracts.....	315, 000
Division of Labor Standards.....	171, 360
Immigration and Naturalization Service.....	9, 586, 600
Immigration stations.....	100, 000
Salaries and expenses:	
Children's Bureau.....	363, 500
Maternal and Child Welfare.....	306, 000
Women's Bureau.....	136, 500
Grants to States:	
For Maternal and Child Health Service.....	4, 604, 000
For services for crippled children.....	3, 549, 000
For child-welfare services.....	1, 676, 000
United States Employment Service:	
Administrative expenses.....	777, 000
Payments to States.....	3, 175, 000
Payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies.....	28, 200
Trust funds:	
Unearned immigration registry fees.....	27, 000
Unearned naturalization fees.....	24, 000
Unearned immigration reentry permit fees.....	3, 000
Disposition of deposits of aliens who become public charges.....	500
Deposits to secure payment of fines and passage money, Immigration and Naturalization Service.....	40, 000
Total.....	27, 335, 420

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

Emergency Relief, Labor:

United States Employment Service, administrative expenses...	\$3, 915, 000
Bureau of Labor Statistics, assistance for educational, professional, and clerical persons.....	330, 500
Total.....	4, 245, 500

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

Office of the Secretary:

Salaries:		
1937-----	\$398. 83	
1938-----	323, 165. 37	
Contingent expenses:		
1936-----	52. 62	
1937-----	25, 839. 35	
1938-----	81, 485. 31	
1938-39-----	1, 700. 00	
Printing and binding:		
1937-----	55, 656. 12	
1938-----	178, 390. 91	
Traveling expenses: 1938-----	499, 133. 10	
Salaries and expenses, Division of Labor Standards:		
1937-----	11, 387. 97	
1938-----	161, 256. 10	
Salaries and expenses, Commissioners of Conciliation:		
1936-----	22. 95	
1937-----	19, 944. 55	
1938-----	263, 317. 82	
Salaries and expenses, Division of Public Contracts:		
1937-----	11, 455. 09	
1938-----	262, 005. 55	
United States contributions to international commissions, congresses, and bureaus-----	1, 108. 10	
Great Lakes Exposition-----	6, 448. 12	
Texas Centennial Exposition-----	10, 387. 09	
Payment to officers and employees of the United States in foreign countries due to appreciation of foreign currencies:		
1936-----	703. 88	
1937-----	8, 426. 97	
1938-----	22, 220. 29	

 \$1, 944, 506. 09

Bureau of Labor Statistics:

Salaries and expenses:		
1936-----	63. 81	
1937-----	25, 218. 20	
1938-----	774, 001. 83	
Investigation of the cost of living: 1936-----	89. 45	
Salaries and expenses, International Labor Organization, Geneva, Switzerland:		
1937-----	4, 556. 06	
1938-----	14, 442. 89	
Working fund, Labor, labor statistics (wage records, Social Security Board)-----	157. 06	
Working fund, Labor, labor statistics (administrative expenses, Federal emergency administration of public works) 1938-----	11, 657. 58	

 830, 186. 88

Immigration and Naturalization Service:

Salaries and expenses:		
1936-----	937. 32	
1937-----	293, 500. 62	
1938-----	9, 289, 523. 39	
Immigration stations:		
1937-----	52, 705. 92	
1938-----	74, 243. 74	
Transporting Filipinos to the Philippine Islands:		
1937-----	6, 555. 84	
1938-----	58, 718. 84	

 9, 776, 185. 67

Children's Bureau:		
Salaries and expenses:		
1937	-----	\$11, 246. 80
1938	-----	356, 746. 23
Salaries and expenses; maternal and child welfare:		
1936	-----	40. 82
1937	-----	33, 774. 24
1938	-----	296, 988. 90
Grants to States:		
For maternal and child health service:		
1936	-----	16, 279. 49
1937	-----	31, 391. 05
1937-38	-----	3, 678, 096. 87
For services for crippled children:		
1936	-----	132, 909. 08
1937	-----	236, 590. 97
1937-38	-----	2, 209, 477. 52
For child welfare services:		
1937	-----	410, 582. 20
1937-38	-----	938, 265. 48
		<u>\$8, 352, 359. 65</u>
Women's Bureau:		
Salaries and expenses:		
1937	-----	6, 677. 51
1938	-----	134, 051. 38
		<u>140, 728. 89</u>
Employment Service:		
U. S. Employment Service:		
1936	-----	3. 65
1937	-----	110, 703. 02
Administrative expenses: 1938		723, 367. 57
Payments to States: 1938		3, 702, 939. 12
		<u>4, 537, 013. 36</u>
U. S. Housing Corporation:		
Salaries and Expenses: 1937		127. 30
Trust funds:		
Passage moneys collected from steamship companies for return to deported aliens		206. 00
Deposits to secure payment of fines and passage money, Immigration and Naturalization Service		49, 503. 91
Unearned immigration registry fees		21, 360. 00
Unearned naturalization fees		27, 399. 39
Unearned immigration reentry permit fees		3, 561. 37
Deposits of funds of aliens who become public charges		1, 004. 90
Advances by District Unemployment Compensation Board to United States Employment Service, Department of Labor		81, 361. 29
		<u>184, 396. 86</u>
Grand total		<u>25, 765, 504. 70</u>

The following expenditures were made from emergency appropriations:

National Industrial Recovery, Labor:		
Immigration, 1933-39		\$20, 291. 15
Bureau of Labor Statistics, 1933-37		21, 422. 08
Public Works Administration, allotment to Labor: Bureau of Labor Statistics, 1935-37		131. 35
Emergency Relief, Labor:		
Assistance for educational, professional, and clerical persons, 1935-37		7, 343. 41
Administrative expenses, 1935-37		63. 59
Administrative expenses 1936-38		308, 736. 33

U. S. Employment Service:

Assistance for educational, professional, and clerical persons, 1935-37.....	\$11,900.09
Administrative expenses, 1935-37.....	832.64
Administrative expenses 1936-38.....	2,701,773.42
Administrative expenses, 1938.....	3,706,619.62

Bureau of Labor Statistics:

Assistance for educational, professional, and clerical persons, 1936-37.....	35,252.34
Assistance for educational, professional, and clerical persons, 1938.....	226,527.19

Total..... 7,040,893.21

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

By special disbursing agents.....	\$98,006.45
Claims settled by the office of the Comptroller General.....	4,370.67

Total..... 102,377.12

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

Immigration and Naturalization Service:

Naturalization fees.....	\$1,448,043.50
Head tax.....	1,029,327.01
Fines.....	74,800.50
Reentry permits and extensions.....	171,066.17
Forfeiture of bonds.....	30,792.70
Immigration overtime.....	126,097.59
Sale of exclusive privileges.....	303.67
Expenses of deporting aliens—reimbursed.....	144.95
Sales of Government property.....	4,219.41
Miscellaneous collections.....	725.96
Coin-box collections.....	578.81
Immigration fees (registry).....	107,760.10
Reimbursement of immigration judgment costs.....	209.36
Overnight maintenance of aliens.....	26,463.50
Collections on account of hospital expenses of persons detained in hospitals of the Public Health Service under the immigration laws and regulations.....	80,771.25

Total receipts..... 3,101,304.48

Division of Publications and Supplies.

The demands on this service division continued to increase as the functions of the Department expand, which will necessitate its expansion by the addition of floor space and clerical help.

The appropriation available for printing and binding for the fiscal year 1938 was \$253,560. At the close of the year, bills totaling \$181,487.20 had been paid, leaving \$72,072.80 for uncompleted work, which had been encumbered at \$61,564.38 prior to July 1, 1938, leaving an unencumbered balance of \$10,508.42. During the year 2,098 requisitions, costing \$430,709.47, were handled for printing and binding. This included 730 requisitions amounting to \$187,657.89, payable from other funds.

Orders placed for envelopes during the year numbered 463, covering a total of 13,258,216, at a total cost of \$19,594.83. Forty-six of these orders, amounting to \$1,899.13, were paid for from the contingent appropriation of the Department. It was necessary to issue 345 Government bills-of-lading for shipping these to various field stations.

In addition, there was received a total of 366 requests for printed stationery, of which 265 requests were for field offices.

During the year there were forwarded to the Government Printing Office 26,914 folios of copy, not including reprints or forms canceled.

The distribution of 3,252,629 publications was handled during the year, of which 1,054,638 were forwarded on mailing lists and 2,197,991 on franks.

The Division received 3,594 requisitions for duplicating work, numbering 15,453 pages requiring 9,709,525 copies, during the year and 17,971 photostat copies were made, in addition to folding 2,235,148 pieces, sealing 1,848,341, and addressing 2,288,766.

The appropriation for contingent expenses of the Department for the year 1938 was \$115,100. In addition, the issuing of supplies from stock to be reimbursed from various miscellaneous funds amounted to \$36,158, which turn-over made the total amount of orders placed payable from the contingent fund \$139,504. At the close of the fiscal year 1938 there remained in the appropriation the sum of \$11,754.

Supply requisitions numbering 7,191 were received during the year, which required placing 8,193 orders covering 14,389 items, exclusive of 477 requests for services on the National Park Service, making the total expenditure for the year \$510,818.70.

Sixty-three advertising orders, totaling \$476.17 were placed during the year.

There were 2,900 bills-of-lading issued during the year for the shipping of 3,697 cases, weighing 554,500 pounds, containing supplies for field offices.

Respectfully submitted.

SAMUEL 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 perform its function of assisting groups and individuals engaged in the promotion of better and more uniform working conditions and of adequate health and safety standards in industry. Since governmental agencies, labor organizations, industrial management, social and civic bodies, and interested individuals all contribute in various ways to programs for the building up of standards, the Division maintains many points of contact and directs its activities into many different channels, according to the needs and the current requests for services.

During the fiscal year 1937-38 the Division has been concerned more especially with problems of labor-law administration, in part because 1938 was an off-legislative year (only nine legislatures meeting in regular session compared to 44 the preceding year) and in part because the State labor departments were chiefly preoccupied with organizing and administering the great volume of laws enacted in 1937.

The Fourth National Conference on Labor Legislation, convening in Washington October 25, 26, 27, 1937, centered its discussions around administration, whereas the emphasis in earlier conferences had been on standards to be embodied in legislation. One after another the labor commissioners present reported a gratifying number of new laws, extending the powers and duties of their departments, which, however, usually carried little or no increases in appropriations. Obviously, if wage earners were to benefit from these new laws, existing staffs would have to assume extra work, and procedures would have to be revised in the interests of greater economy and efficiency. In some cases when appropriations had been increased, entire new staffs had to be recruited and trained. During the course of the year the Division of Labor Standards has been called upon to make some contribution to the solution of these difficulties in a number of States.

Interest in legislative standards has, however, not lapsed. Some of the Division's activities along that line include arranging a Southern Regional Conference at New Orleans, La., February 14, 15, 16, 1938, at which 11 Southern States were represented; preparing suitable wording for bills at the request of State officials and labor organizations; analyzing labor bills introduced into State legislatures and laws enacted; appraising State labor codes; assembling supporting material for the use of groups backing proposed improvements in labor laws.

A new method of popularizing industrial health and safety was tried by the Division this year, by the production of a short sound-motion picture, "Stop Silicosis." The idea for such a picture grew out of the National Silicosis Conference, called by the Secretary in 1936, to discuss practical ways and means of preventing that much-dreaded occupational disease.

The continuing advisory committees on safety and health, and on industrial home work, previously appointed by the Secretary of Labor, held meetings during the year.

The Apprentice Training Unit, formerly under the National Youth Administration, was incorporated into the Division of Labor Standards, following passage by Congress of the Fitzgerald bill. It continued its program of developing apprenticeship, subject to the standards worked out by the Federal Committee on Apprenticeship. The assistant director of the Division has since its inception been the chairman of the Federal committee.

Training factory inspectors.

The Division continued to receive requests for assistance in arranging training courses for factory inspectors. Training for health and safety inspection received most attention; however in two States assistance was rendered in training other types of inspectors as well.

A training course in safety and health for State factory inspectors, the second in Illinois, was given in Chicago in the fall of 1937 in cooperation with the Illinois Department of Labor and the University of Illinois, being attended by many inspectors from the southern portion of the State.

Two-week training courses for State factory inspectors in Pennsylvania were held during the fall and winter in Pittsburgh, Philadelphia, and State College in cooperation with the University of Pittsburgh, the University of Pennsylvania, and Pennsylvania State College, respectively. These courses were supplemented during the spring of 1938 with three series of courses held on Fridays and Saturdays for a period of 15 weeks, at the same institutions. More than 200 inspectors received intensive training through these courses.

Lectures on specific health and safety topics were combined with inspection trips to a variety of industrial plants exhibiting both good and bad conditions. Each trip was followed by a discussion of the hazards observed and means for correcting them. The inspectors' growing knowledge of conditions as well as of provisions of the State's safety codes was tested by short daily quizzes and a final 3-hour examination. At the second course five meetings each were devoted to the subjects of basic machine guarding, occupational disease, and safety promotion. Plans for additional training of this type are now being developed.

Other members of the Division's staff assisted with the organizational work entailed by the enforcement of laws, in most cases recently enacted, relating to minimum wages, hours, and industrial home work, and with the training of inspectors for wage-and-hour enforcement.

In Georgia a staff member worked with a newly appointed inspection staff in devising forms and procedures, in revising office files, and in demonstrating inspection techniques in a small town that could be covered by one inspector, and in a larger town where two inspectors could work together advantageously. In the former, assistance was given the inspector in formulating a plan of work that included interviews with school officials and labor and employer groups as well as inspections of all places of employment—factories, stores, and service industries. In the large town, places with greater accident hazards were inspected by the male inspector, who is an engineer; stores and light industries employing women and children were covered by the

woman inspector. At the end of each day conferences were held to discuss problems that had arisen and to review inspection reports.

Several State labor departments have asked for and received suggestions as to personnel qualifications to govern the selection of new inspectors.

Inspection Manual.

The Inspection Manual prepared in accordance with the request of the Second National Conference on Labor Legislation in 1935 was issued after 2 years' preparation by committees of State labor department officials. The manual is intended as a handbook for use by inspectors and administrative officers. It presents a consensus of expert opinion as to what are the most effective methods of administering labor laws. Starting with a discussion of the role of the inspector, general policies and practices, the question of legal interpretation, and the type of records and posters that have been found most useful, the manual proceeds to a detailed outline of inspection procedure for each major type of labor law: Health and safety, hours, minimum wages, child labor, wage payment, and wage collection. Certain sections of the manual will be developed later, and all of them are subject to revision in the light of further experience. A loose-leaf format has been adopted to enable additions and substitutions to be made easily. Suggested forms for recording the inspector's findings and for reporting various types of violations, as well as forms for record-keeping in the office, have been set up, together with instructions for their use.

The manual, which has been distributed to State labor departments in sufficient number to supply all of their inspectors, has been enthusiastically received. Department heads are already finding it extremely useful in training new inspectors and setting up new procedures, and many inspectors, both experienced and inexperienced, have welcomed it as an aid in their work.

Consultation and recommendations on State labor legislation.

As in previous years, the Division continued to receive many requests from State labor commissioners, labor organizations, State Governors and legislators, and others for suggestions, recommendations, and appraisals of existing labor laws, bills pending in State legislatures, and future programs. Acting on specific requests, bills were drafted, and the suggested language for State bills prepared by the Secretary's advisory committees were adapted to local requirements; suggestions were offered, again on request, as to the inadequacies of existing labor legislation, and as to which measures might well be given emphasis. In connection with these consultative and advisory services, information was compiled as to existing types of legal provisions found in the various States, as to the need for certain kinds of legislation, and as to court decisions on laws of certain types.

All important labor bills introduced in State legislatures are analyzed. The mimeographed digest and progress of principal labor bills pending in State legislatures was issued once during the legislative sessions, and is to be followed, as usual, by a bulletin digesting the State and Federal laws enacted between July 1, 1937, and July 1, 1938.

Economic and social data were analyzed and briefed for the use of one State labor department, which was faced with the necessity of defending the constitutionality of a recently enacted labor law.

In the field of workmen's compensation the most significant development among the States is the move toward inclusion of occupational diseases under acts which for the most part were originally designed to provide benefits for accidental disabilities only. Much controversy has developed in the several jurisdictions now contemplating extension of coverage as to the probable cost and the administrative difficulties to be expected by applying benefits to occupational-disease disabilities. The Division has received a number of requests from State officials and committees appointed to inquire into the matter. In answer to specific requests for authoritative data and information on this subject, the Division has prepared material for publication that will be released in advance of the next legislative session period. This will bring together an analysis of the experience of several States, and will supply the answers to points under dispute.

"Stop Silicosis."

The "Stop Silicosis" film represents a new venture in presentation of information. The film shows some of the hazardous conditions under which a million American workers are employed, and how safety devices may be introduced. A typical workman who has been exposed to silicosis for years in a dusty trade is shown at work and gradually succumbing to the disease. Eventually he loses his job and leaves the plant, broken in health and spirit. The film shows how a diagnosis of the disease is made. Then it shifts to the practical devices that engineers have invented and installed to prevent harmful exposure. Contrasts are shown between the same processes carried on with controlled and uncontrolled methods of work. The picture is based on findings and recommendations of a committee of 60 experts appointed by the Secretary of Labor. It is estimated that 110,000 persons have viewed the film in the first 2 months after its release. A number of State labor departments and industrial commissions have borrowed prints in order to make it available on request to groups within their States. Labor organizations, employers' associations, individual manufacturers, schools of public health, and W. P. A. adult education projects have had showings of the film and have found it informative, interesting, and helpful in the campaign for occupational-disease prevention.

The completed reports of the National Silicosis Conference are being published by the Division of Labor Standards. To supplement and make more practical the recommendations of the various conference committees, the Division has planned a series of pamphlets setting forth in detail with drawings, photographs, and simple instructions practical engineering control methods that have been or can be applied to specific industries having a silica hazard. A pamphlet on foundries is in preparation.

Federal Interdepartmental Safety Council.

Following the first meeting of the Council in June of 1937, the Division assisted in setting up a definite working organization to carry out the functions and duties of the Council, including the establishment of committees dealing with the principal phases of safety and health promotional activities in the governmental service. The Council's activities gave an impetus to setting up safety and health committees in a number of Government agencies and to a vigorous campaign for accident reduction. During the year the Division was

called upon by other Federal agencies to render inspection and safety consulting service, requests which originated principally because of the identification of the Division with the Federal Interdepartmental Safety Council. Plans are now being made for the first annual meeting of the Council, to be held in Washington, September 13 and 14, 1938.

Other services in safety and health.

Employees, labor organizations, State labor departments, and industrial commissions continue to call upon the Division's safety advisers and industrial hygienist for advice in preventing accidents and occupational diseases. Typical of these requests are the following: A railroad system requested advice in regard to exposure to silica dust in its foundries and machine shops; a State labor department requested a survey of radium-poisoning hazards; a State federation of labor official wanted to discuss a program for closer cooperation between organized labor and factory inspectors, with particular reference to small plants.

The Arkansas Labor Department, whose powers and functions in the field of industrial safety were enlarged by 1937 legislation, availed itself of the services of an industrial hygienist attached to the Division for the purpose of assisting with the investigation of industrial disease and accident hazards and with the formulation of safety codes.

A major project in the program of promoting health in industry was a study of the carbon bisulphide hazard in the rayon industry. Because of the rapid growth of this industry and the increasing apprehension of workers as to the effects of carbon bisulphide exposure the Division arranged for an inquiry into the subject by the staff medical adviser, Dr. Alice Hamilton. Surveys have been made in rayon plants in three States, and it is planned to include several others.

More than 1,000 photographs have been taken illustrating industrial hazards and methods of prevention in a large number of industries; these are available for use as illustrations in technical articles, in trade papers, and other publications, as well as in making slides and film strips to be used as media of visual education.

Staff members of the Division of Labor Standards safety and health unit have continued to serve on committees of the American Standards Association, National Safety Council, American Society of Mechanical Engineers, and Society of Illuminating Engineers.

Apprenticeship.

During the year the staff of the Federal Committee on Apprenticeship was transferred from the Youth Administration, by congressional action, to the Division of Labor Standards. Continuing its work with trade groups in the effort to have systems of apprenticeship operating on a trade-wide and, hence, on a Nation-wide basis, the Federal Committee on Apprenticeship succeeded in negotiating national standards for the steamfitting industry. Three trades now have such national standards—the plumbing and the painting trades having previously agreed to national standards—and others are being developed.

From the beginning, the Federal Committee on Apprenticeship has felt that if its aims were to be achieved, its activities would have to be implemented by more concentrated attention on the problem of apprenticeship by the States. That those interested in apprenticeship in the States are aware of this need is indicated by the fact that

the States are proceeding to enact such legislation. In the preceding 12 months, Virginia, Louisiana, and Massachusetts have placed on their statute books laws which establish minimum standards of apprenticeship and create apprenticeship systems. The Division's staff has been of practical assistance to State authorities in developing the needs for apprenticeship legislation. The list of States now having apprenticeship legislation is composed of Wisconsin, Oregon, Colorado, Arkansas, Virginia, Louisiana, and Massachusetts.

Apprenticeship councils created under authority of State laws are set up under the State departments of labor. Pending the adoption of legislation, the following States have set up joint apprenticeship councils under the direction of the commissioners of labor: Indiana, Michigan, Kentucky, Connecticut, and Florida. Other councils are in the process of formation.

At the request of leaders in the construction industry, a special committee composed of outstanding employers and labor officials in the industry was appointed to advise the Federal Committee on Apprenticeship on ways and means of proceeding more rapidly with the setting up of apprenticeship systems in the various trades involved in the construction industry. The committee has already been of great assistance, and its continued functioning will materially strengthen and vitalize the work of the Federal committee.

In a great many scattered localities joint apprenticeship committees have been formed, and these are not confined to States having legislation, nor to trades where national standards have been set up. A considerable number of apprentices have been indentured and are now actually receiving training on the job and related instruction, in accordance with the general standards approved by the Federal committee. In some places the State employment service is cooperating. A conference of leaders in the field of women's work was held to discuss the possibilities of developing apprentice-training programs for girls. It was agreed that custom dressmaking, tailoring, millinery, high-grade glove making, and beauty culture offer opportunity for apprenticeship.

In its capacity as a clearing house for apprenticeship, the Federal committee has distributed widely certain publications prepared for the guidance of local and national trade groups in their attempts to solve their apprenticeship problems. These include: "Putting National Plumbing Apprenticeship Standards to Work," a manual of procedure for establishing local joint plumbing apprenticeship standards; "Looking Ahead by Way of Apprenticeship," a general informational pamphlet describing briefly the Federal committee's program and methods. A manual for the painting industry, similar to the one prepared for the plumbing industry is now being printed.

The activities of the Federal Committee on Apprenticeship were commended in the report of the President's Advisory Committee on Education, which recommended an additional appropriation (passed by Congress in the deficiency bill) in order to enable the Federal committee to meet the current demands for its services. The supplementary funds will permit the Federal committee to employ additional field staff to develop national standards and to work in those States that are most eager to promote apprenticeship.

In June 1938 the Assistant Director of the Division of Labor Standards, who is also the Chairman of the Federal Committee on Appren-

ticeship, represented the United States Government at the Twenty-fourth International Labor Conference, in Geneva, Switzerland, on the special committee considering apprenticeship and vocational education.

Older workers.

Following requests by the convention of the American Federation of Labor and the Fourth National Conference on Labor Legislation, the Secretary of Labor appointed a committee of public, labor, and employer representatives to consider the difficulties of persons over the ages of 40 or 45 in finding jobs. The committee has held two meetings, the first lasting 2 days, at which various viewpoints, the information and gaps in information then available, and possible lines of future inquiry were discussed. The committee very quickly reached common agreement upon (1) the seriousness of the problem and (2) the unfairness of arbitrary age-hiring limits.

The committee has undertaken to find out what factors influence employers' decisions and judgments and are responsible for the widely prevalent unfavorable attitudes towards older workers, and further to determine whether these attitudes are based on fact or mere prejudice. The committee is pursuing its inquiries along a number of lines in order to determine the factual answers to such questions as: Are older workers a greater expense to the firm in terms of workmen's compensation premiums, group life premiums, employer's contributions to company pension plans? Does efficiency decline with age? How adaptable are older workers to new jobs in related fields of work? To what extent is the problem a psychological one—that is, based upon employer beliefs rather than facts? To what extent are the attitudes of the older workers themselves a factor in the situation? The Division of Labor Standards has assisted this committee in the compilation of existing sources of information, in exploratory inquiries, and with the preparation of subcommittee reports. The committee plans to make a report during the coming year.

Conferences and committees.

As in previous years, the Division of Labor Standards was responsible for making the arrangements for the Secretary's Fourth National Conference on Labor Legislation that met in Washington, October 25, 26, 27, 1937, for assembling material to be presented to the conference and for publishing the proceedings. The conference was attended by governors' representatives from 38 States, selected from the ranks of organized labor and from the State labor departments. Its discussions centered around questions of how labor laws can be effectively administered, and what part organized labor can play in following up legislation after enactment. It adopted resolutions recommending unification of State labor agencies administering State labor laws; Federal wage-hour regulation; the adoption of apprenticeship legislation; and abolition of child labor and industrial home work. It urged further study of age discrimination in private and public hiring policies. The sessions went into some detail in discussing such varied subjects as the administration of occupational disease compensation (such laws having been newly enacted in five States); the functions of State mediation services and newly established State labor relations boards, and their relationship to the Federal agencies dealing with industrial relations; methods of securing good personnel for State labor departments. A

brief report was presented, pursuant to the request of a previous conference, concerning the effect produced on enactment of labor legislation by State requirements that poll taxes must be paid as a prerequisite to voting. There was general agreement that such a requirement tended to restrict the labor electorate and impeded the adoption of better labor laws.

In February, the Division assisted in holding a 3-day regional conference in New Orleans, at the invitation of the Governor of Louisiana, the fourth in a series of southern conferences, which was attended by labor commissioners, representatives of civic associations, and many individuals, some of whom traveled considerable distances to participate in a program for the improvement of working and living conditions in their States. The labor commissioners reported a great deal of progress in labor legislation in their States, which they attributed in considerable measure to the stimulating effect of such conferences. Six of the 11 States were represented by the heads of labor departments created since the first of these conferences was held in Atlanta, Ga., in 1933, and the older departments reported that new functions, enlarged staffs, and increased appropriations had been conferred upon them. The conference urged the desirability of coordinated Federal and State regulation of hours and wages, ratification of the child-labor amendment, occupational-disease compensation, abolition of court administration of compensation laws, the establishment of State workmen's compensation insurance funds. Establishment of State apprenticeship councils and labor department supervision of apprenticeship were endorsed.

Two of the Secretary of Labor's continuing advisory committees held meetings: The Committee on Industrial Home Work, which approved of amendments to the draft home-work bill, and the Secretary's Advisory Committee on Safety and Health, which met to consider and advise concerning the activities of the Division of Labor Standards. Members of the staff of the Division of Labor Standards serve these committees in secretarial and technical capacity.

At the invitation of the Secretary, the industrial home work law administrators held their second meeting, for which the Division of Labor Standards made arrangements. Recent steps in the regulation of industrial home work were discussed. An appreciable reduction in the number of home workers was noted in several States, and one State reported that its new home-work law had uncovered hitherto unknown kinds and quantities of home work. The Division of Labor Standards continues to serve as a clearing house between State labor departments for records of interstate shipments of industrial home work and for the exchange of information concerning the administration of industrial home-work laws.

The Assistant Director of the Division served on a committee representing various bureaus in the Department, which acted in an advisory capacity to the Division of Public Contracts in connection with a study of learners and aged and handicapped workers employed on Government contracts. In a number of industries manufacturing commodities for the Government, wage determinations issued by the Secretary under the authority of the Walsh-Healey Act permitted the employment of such workers at less than the minimum wage, pending further study. A member of the Division's staff was loaned for the purpose of making this investigation.

Exhibits.

The office of exhibits for the Department as a whole, which functions under the Division of Labor Standards, is one of the chief links between the Department and the average man-in-the-street and on-the-farm. It presents concrete, often 3-dimensional, pictures of the work of the various bureaus of the Department; it analyzes the economic problems with which the Department and the State labor departments deal in the form of simple graphs, charts, and posters, with vivid captions; it dramatizes working-class life and the workers' surroundings in home and factory by means of small illuminated stage sets with life-like figures shown bending over lathes and tools in a machine shop, or over bundles of homework in crowded kitchens. These exhibits are installed at great expositions, at county and State fairs, and in convention lobbies, wherever there is a request for them. Every year the number of requests increases. This year it was 64 percent greater than last year, and the exhibits were shown at 102 different places.

Many people in the throngs that drift in and out of these showings are ignorant of, or apathetic to, labor conditions and some are antagonistic to the labor point of view. The exhibits are designed to capture the attention and focus the interest of these casual passers by. In innumerable instances the public stops to look more closely, to follow the story depicted by a sequence of panels, to pick up leaflets, or talk to the staff members in attendance. When such a visitor finally moves on, he or she carries along a new and more distinct impression of the problem and a more friendly picture of the work of Government agencies in the labor field. A keen interest in the problems depicted and a desire for more detailed information are displayed by persons from all walks of life—housewives, storekeepers, farmers, teachers, salesmen, manufacturers, as well as those who themselves belong to the ranks of labor, and trade-union officials. Teachers bring groups of school children to view the displays and then assign related topics for further classroom study; women's clubs organize special trips as a basis for later discussion meetings. Attendance figures are hard to obtain and do not mean a great deal, since the most casual visitor and the careful note taker rate the same. However, more than 2 million people are known to have viewed those showings at which some count was made; and a very high proportion of these people entered into conversation with the Department's representatives. About 200,000 publications were distributed at the exhibits and 10,000 further requests were addressed to the various bureaus. Every effort is made to see that material is distributed to those persons who will actually use them, rather than indiscriminately to all comers.

Many of the showings take place at labor conventions, and at technical and professional conferences where they will be viewed by persons with special knowledge of the subject matter of the exhibits and held up to more critical standards. Exhibits intended for this purpose can be more complicated and should show greater refinement of detail than those intended for the general public. As the staff and facilities of the section increase, it is planned to differentiate somewhat more between the two kinds of exhibit material.

There has been a marked increase in the number of requests for repeated showings. The Ohio and Pennsylvania State Federations of Labor, the Midwest Safety Council, the National Safety Congress, the District of Columbia Union Label League, the Minnesota Medical

Association, and the State-wide Safety Congress of North Carolina have called on the Department for exhibits two and three times each. A number of exhibits have been held in cooperation with State labor departments.

A large special exhibit depicting the development of the Federal Department of Labor was arranged for the Department's twenty-fifth birthday celebration last March.

Plans are now being made for exhibits to be shown at a number of international expositions in 1939. The Secretary of Labor is a member of the Federal commission which directs Federal participation in the New York World's Fair. The supervisor of exhibits is chairman of the Industry Theme Committee of the Government section, and is acting as liaison officer for the departmental units in connection with social-welfare protection and art, recreation, and education themes. The Department's exhibit shop is building and installing units for the Government's Industry Theme exhibits.

Among the new exhibit materials prepared during the past year and available for showings are exhibits on apprenticeship; lead poisoning; and industrial home work; 56 posters on industrial accidents and occupational diseases; maps depicting the history of labor legislation; activities and history of the Department of Labor.

Publications.

After a 2-year experiment, beginning with the April issue, the Survey of Labor Law Administration became a printed bulletin, called LABOR STANDARDS, which now appears 10 times a year. The State labor departments are cooperating by regularly contributing material concerning their activities. The bulletin is widely distributed among State labor departments, unions, industrial management, universities, libraries, and civic and social agencies. Requests for copies far outnumber the limited circulation permitted.

Bulletins were published by the Division during the year dealing with State and Federal labor legislation, the proceedings of conferences, and apprenticeship.

In connection with the interest aroused by the Federal wage-hour bill, the hours laws of the States and Federal Government applying to all types of work and kinds of workers were analyzed and presented in the form of loose-leaf charts, which will be kept up to date as laws are amended or enacted. Another series of charts outlined certain features of workmen's compensation and occupational-disease compensation laws.

Conclusion.

With the present limitations as to staff, the Division of Labor Standards cannot respond to all the demands made upon it, but must necessarily select those tasks which can be carried out most effectively with the personnel and facilities available. There are many different types of services to labor and to labor-law administrators that the Division would like to be in a position to render, but which it is not at present equipped to do satisfactorily.

Respectfully submitted.

VERNE A. ZIMMER, *Director.*

OFFICE OF THE DIRECTOR OF PERSONNEL

ROBERT C. SMITH, *Director of Personnel*

To the SECRETARY OF LABOR:

The Office of the Director of Personnel has now completed a year and a half of service to the Department of Labor. The developmental nature of the office's program during this period has required the closest attention to staff and relationship problems of a very complex character. Consequently, a slowly progressing program of service based upon effective relationships with administrative officials, supervisors, and employees is the essential element underlying operation of the Office of the Director of Personnel.

Mandates of operation for the Personnel Office.

The Secretary of Labor announced on December 23, 1936, that the position of Director of Personnel for the Department of Labor had been established, and in a memorandum of the same date detailed the functions of the office. These functions authorized the initiation and administration of a comprehensive Department personnel program and represented an attempt to give effect to modern managerial principles in an executive Federal department.

To a very considerable extent the establishment of the Personnel Office represented a pioneer effort in personnel administration in the Federal Government, particularly in view of the comprehensiveness of the functions outlined for the office. It was, therefore, of the greatest interest when in Executive Order No. 7916, dated June 24, 1938, the President of the United States issued orders for the establishment of department and independent agency personnel offices throughout the Federal Service. In this Executive order the President directed that each personnel director undertake a comprehensive program of personnel administration, and outlined duties and responsibilities for each position very much along the lines indicated for this office by the Secretary of Labor 18 months previously. Certain additional functions such as making recommendations to budget officers regarding estimates and expenditures for personnel, and developing cooperative plans with other departments and agencies were also included in the President's order.

Subsequent upon issuance of the Executive order, the Civil Service Commission definitely indicated its desire to cooperate in giving effect to the new program, and it is expected that a marked improvement in the general adequacy and effectiveness of relations between the Civil Service Commission and the Department will occur. This is of the utmost importance, since exercise of the authority of the Civil Service Commission in personnel matters affects the Department personnel program most vitally, and has much to do with the relative effectiveness of the program itself. A new era in Federal personnel administration is thus foreshadowed, in which the Office of the Director of Personnel will extend and improve its effectiveness of operation

through cooperative relations and exchange of information with other Departments and agencies of the Government and with the Civil Service Commission as well.

With the friendly interest and support of the Secretary of Labor, the President of the United States, and the Civil Service Commission, the Office of the Director of Personnel looks forward to participation in a sound and progressive era of Federal personnel administration.

Development of effective relationships.

The central problem of Department personnel administration lies in development and maintenance of the Personnel Office's relationships with all those affected by its work. The extent of this problem can be appreciated when it is realized that this includes every individual employee in the Department, each supervisor and administrative official, organized groups of employees, other Departments and agencies of the Federal Government, the Civil Service Commission, and all types of individuals and organizations, both public and private, not officially connected with the Department or the Federal Government but nevertheless interested in the personnel procedures and program of the Department. Naturally, development and maintenance of satisfactory relations with groups and individuals with interest so diverse can be achieved only over a relatively extended period of time and must present problems of the most difficult order for solution.

During the past year the Personnel Office, while maintaining necessary relationships with all groups of individuals, has concentrated upon development of working relationships with administrative officials of the several bureaus and offices of the Department. This has been required by the very nature of the problem of developing a central personnel office for the Department since in many instances it is necessary to collaborate with or independently supplement the personnel activities carried on by officials in their normal administrative or supervisory functions. Prior to operation of the Personnel Office, of course, practically all personnel activity was carried on by administrative officials of the several offices and bureaus, and the development of sound relationships with these officials naturally presents the first basic activity for the central Personnel Office. Considerable progress in identifying and allocating functions and in coordinating procedures as between administrative officials and this office has been made. Much still remains to be accomplished, but the essential identity of interests and objectives in carrying on personnel administrative activities has been demonstrated and has formed a definite basis for working out the many problems that yet remain to be solved. As it is obvious that every supervisor in his relations with subordinate employees is necessarily something of a personnel officer, a basic objective of the central Personnel Office continues to be that of establishing a really effective advisory and coordinative relationship with every supervisory employee in the Department. Winning the cooperation of the principal administrative officials in achieving this objective is an essential activity of the Office of the Director of Personnel.

Relationships with organized employee groups has been an important activity during the past year. Incipient grievance cases have been adjusted, often by the simple procedure of supplying information required to correct misunderstandings that seem to develop regularly

in relationships between supervisors and employees. A policy of impartiality and equal rights has been followed in dealing with representatives of the three major employee organizations.

Relationships with individual employees have required careful attention to problems that are brought up for discussion, and attention in numerous cases has been given to securing more favorable work environments for individuals.

Relations with the general public interested in job opportunities has taken a great deal of time and attention, a large quantity of mail and personal applications and interviews being handled during the year.

Relationships with the Civil Service Commission have, of course, continued to be a necessary major activity of the office. The Department's proposals and viewpoints on appointments, status changes, retirements, and classifications have been assiduously pressed and considerable negotiating performed in the large number of difficult, time-consuming cases arising every month. Particularly in those cases requiring emergency or expeditious handling has this office pressed for a reasonably speedy decision from the Civil Service Commission and, on the whole, has received very satisfactory cooperation.

To provide a system where uniformity of understanding is easily achieved between the Department and the Civil Service Commission as to the level of difficulty and the responsibilities making up each class and grade of work, the Office of the Director of Personnel has consulted with, and received an affirmative reaction from, representatives of the Commission concerning the development of written classification standards for use in allocating positions in the Department of Labor. Not only would such standards be of value in eliminating delays in the classification of positions which sometimes now ensue because of differences of opinion as to allocating standards, but they also are an imperative requirement if the Department is to conduct the promotional examination program in accordance with the Executive order of June 24, 1938. The Office of the Director of Personnel therefore proposes to develop, in collaboration with the Civil Service Commission, definitive class specifications as provided in the Classification Act of 1923 as amended. To avoid unwarranted demands upon the staff facilities of the Civil Service Commission, the Office of the Director of Personnel recognizes that the bulk of the detailed tasks involved in this project must necessarily be performed in the Department and is laying its plans accordingly.

Establishment and application of personnel policies:

A major function of the Office of the Director of Personnel consists of establishing and applying uniform personnel policies for the Department. The ultimate and immediate personnel policies of the Department must be defined and agreed upon by the management and must be adequate to meet the interests of the employees of the Department. During the past year a detailed statement of personnel policy and a program for the Office of the Director of Personnel has been developed, and after discussion in detail by the management and the employees will, upon agreement, be published as a public statement of departmental policy. In general, like the establishment of effective relationships, the development and application of new and fully adequate personnel policies is an intricate matter, requiring careful planning in its establishment. Particularly in the period of transition from few or no uniform personnel policies for the Depart-

ment to integrated personnel policies there is a difficult developmental problem.

Such policies as the following have been adhered to in clearing personnel transactions and making decisions on day-to-day problems: Classifying positions upon the basis of the duties, responsibilities, and organization relationships attached to individual positions; making pay adjustments required to relate pay reasonably close to the work being performed; filling vacant positions as far as possible by promotion or transfer of qualified persons already employed in the Department; whenever practicable reemploying former employees to fill vacancies; employing persons with civil-service eligibility or on civil-service registers in making appointments to positions paid from regularly appropriated funds; directing operating officers to rate the service of subordinates and to express conclusions on a standardized service rating form; in passing upon separations and dismissals, taking account of employee rights as well as obligations to the Department for efficient and faithful service; and seeing that all personnel transactions are consummated in accordance with the provisions of law.

Execution of current work of the office.

A large volume of recurring day-to-day operations is carried on by the Office of the Director of Personnel. All new positions and changes in positions must be studied and analyzed for classification purposes and an allocation made for each position that will determine, upon approval of the Civil Service Commission, the salary range applicable. This involves review of position descriptions prepared by employees and administrative officials and personal investigation of many positions. A description of each classified position is maintained and is available for ready reference. The qualifications of persons selected to fill classified positions are checked and work records of prospective appointees investigated. Lists of qualified eligibles for positions are compiled by examination of personnel records of employees in the Department and of employees of other agencies applying to the Department. Eligible lists are, of course, secured regularly from the Civil Service Commission for use in filling vacancies. Salary adjustments are made for employees whose positions have been reclassified, and, where funds are available, increases are approved for faithful and efficient service.

The annual service-rating program is conducted and considerable attention is given to the application of uniform service-rating standards throughout the Department.

Assistance is given to the Civil Service Commission in preparing examination announcements and developing examinations affecting classes of positions in the Department of Labor.

All new employees are given a medical examination, and employees becoming ill while at work are cared for in the medical unit, where emergency attention from a doctor and nurse is available.

Considerable time is spent interviewing persons seeking employment in the Department or sponsoring the employment of others.

One of the principal current tasks of the office is to maintain adequate personnel records reflecting all personnel transactions occurring and giving detailed information as to qualifications and service history of all employees. This involves maintenance of individual personnel files for each employee and individual service record and retirement

record cards. From these records, reports for administrative, civil service, and congressional purposes are prepared.

Involved in the foregoing is a great deal of correspondence with the Civil Service Commission, with officials of the various bureaus and offices of the Department, with other Departments, and with the general public.

Special projects carried on.

In addition to handling a heavy volume of day-to-day operations, the Office of the Director of Personnel has initiated and carried on a number of special projects designed to increase the usefulness of its service. A survey of training programs carried on in other Federal departments and agencies has been conducted, and the information thus made available is being used in formulating plans for a sound training program.

Special bulletins of instruction for preparing service ratings have been issued to rating and reviewing officers of the Department, and considerable attention has been given to personal meetings with supervisors to explain the purposes and objectives of the service-rating program.

A draft of an employee manual has been developed, which will acquaint all employees with the personnel program of the Department and with civil-service and merit-system procedures and principles. A correspondence manual for the use of stenographic employees is also being developed for training purposes.

During the past year the number of new appointments to junior stenographer positions has gradually increased. These appointments are usually made after considerable delay has been occasioned by securing qualified eligibles, many of whom live in areas far removed from the District of Columbia. To avoid delay in filling vacancies of this nature and to provide for training and fuller opportunity for placement in personally suitable positions, plans have been completed for establishment of a unit that will provide a reservoir of new clerical and stenographic appointees. With the cooperation of the several bureaus and offices, it is expected that the annoying delays of past years in filling stenographic and clerical vacancies will be eliminated and at the same time a better qualified type of employee secured for the openings.

Plans have been formulated and the initial developmental work begun to classify the Immigration and Naturalization field service, which constitutes the principal field service of the Department. It is expected that the classification plan for this service will be completed in the early part of 1939, and will consist of classes of positions defined by written class specifications together with allocations of all individual positions in the service to an appropriate class. It is then planned to use the classification plan in applying salary standards in accordance with the Brookhart Act of 1930. Thereafter the remainder of the field service will be classified and attention will be given to development of a similar plan for positions in the District of Columbia that already have the salary standards of the Classification Act of 1923, as amended, applied to them.

Plans have also been completed for transferring to punch cards much of the personnel information maintained at present in numerous

records of the office. This will make possible more prompt tabulation of numerous special reports required for administrative, civil service, and congressional purposes, and will also provide an expeditious means of obtaining lists of employees possessing certain specified qualifications required in filling vacant positions.

Need for adequate staff.

The program outlined by the Secretary of Labor, in giving effect to personnel administration in the Department, was partially implemented by an additional appropriation of funds to provide for a portion of the trained staff needed. The Department asked for an increase in the appropriation for the fiscal year beginning July 1, 1938, to carry on the work of the Office of the Director of Personnel over and above the amount appropriated in the preceding year to the Central Appointment Division, whose functions are now absorbed in the Office of the Director of Personnel and constitute one phase of the work being performed. The Budget Bureau approved the amount of the increase requested, and the Congress approved practically the entire amount requested. At the time the request was made to the Budget Bureau and to the Congress the amount asked for seemed sufficient to employ the minimum trained staff needed to handle the preliminary, basic work being performed by the Office of the Director of Personnel. However, the work of the Office of the Director of Personnel during the formative months was confined largely to a survey and study of existing personnel practices and procedures observed in the Department, and of reorganizing the existing procedures to conform to a more uniform basis for handling personnel administration. For this preliminary work, the appropriation requested and granted was reasonably sufficient. However, when the Office of the Director of Personnel began to give effect to the program of personnel administration for the Department, and to put into practice what was considered to be reasonable procedures, it was found that the appropriation for the fiscal year beginning July 1, 1938, was entirely inadequate. This conclusion was reached before the President's Executive order of June 24, 1938, was issued, which provided additional functions for the Director of Personnel of the Department of Labor to perform. For example, no provision had been made, because of budgetary limitations, for the establishment of a personnel training and management program; for establishment of means for hearing grievances of employees; for making recommendations to the departmental budget officer with respect to estimates and expenditures for personnel; nor for the establishment of a system of service ratings for the departmental and field services, outside of the Classification Act of 1923, as amended. These additional duties were anticipated and considered at the time the Office of the Director of Personnel was established in the Department of Labor, but no provision was made in the budget for the fiscal year beginning July 1, 1938, to employ an adequate staff of trained personnel technicians to give effect to these phases of personnel administration. In view of the mandate of the President to initiate a program of personnel administration for the carrying out of these additional functions, it will be necessary to have additional funds with which to employ an adequate trained staff. A request will be made through the proper channels to the Budget Bureau in September for adequate funds.

Number of officials and employees of the Department of Labor on July 1, 1938, as compared with July 1, 1937

Bureau	July 1, 1938			July 1, 1937	Increases (+) or decreases (-)
	In District of Columbia	Field	Total		
Office of the Secretary.....	188	6	194	⁶ 218	+214
Division of Labor Standards.....	39	15	¹ 54	(¹³)	
Division of Public Contracts.....	184	0	184	(¹³)	
Conciliation Service.....	49	32	81	77	+4
Bureau of Labor Statistics.....	372	83	² 455	7 460	-5
Children's Bureau.....	251	168	⁸ 419	⁸ 418	+1
Immigration and Naturalization Service.....	308	3,706	⁴ 4,014	⁹ 4,297	-283
Women's Bureau.....	58	1	59	¹⁰ 58	+1
U. S. Employment Service.....	260	195	⁵ 455	¹¹ 289	+166
Emergency Employees.....	148	13	161	225	-64
National Reemployment Service.....	438	1,456	1,894	¹² 8,257	-6,363
Total.....	2,295	5,675	7,970	14,299	-6,329

¹ Includes 5 at \$1 per annum.

² Includes 20 at \$1 per annum.

³ Includes 141 at \$1 per annum.

⁴ Includes 1 at \$1 per annum and 257 without compensation.

⁵ Includes 57 at \$1 per annum.

⁶ Includes 8 at \$1 per annum.

⁷ Includes 16 at \$1 per annum.

⁸ Includes 132 at \$1 per annum.

⁹ Includes 5 at \$1 per annum and 274 without compensation.

¹⁰ Includes 1 at \$1 per annum.

¹¹ Includes 6 at \$1 per annum.

¹² Includes 43 at \$1 per annum.

¹³ Previous years shown with Office of the Secretary.

Respectfully submitted.

ROBERT C. SMITH,
Director of Personnel.

DEPARTMENT LIBRARY

LAURA A. THOMPSON, *Librarian*

To the SECRETARY OF LABOR:

The widening field of activities of the Department during the past year was reflected in the increased calls for service from the library, made by practically all of the offices. The range of the material to be acquired and indexed, the aid given to research workers, reference questions answered, and the books and periodicals circulated to the staffs of the bureaus, all showed increases. Nor was this increase only with reference to the Department. Because the Labor Library is national in scope, extensive use is made of it by outside agencies. In the past fiscal year the readers recorded in the visitors' book in the reference room came from 54 other Government establishments, from 35 colleges and universities, and 71 labor unions, employers' organizations, private research bureaus, and social-welfare agencies. Registrations of individual students numbered 620 including 10 from foreign countries.

The cataloged accessions to the library for the year totaled 11,525 books and pamphlets, of which 3,172 represent volumes of periodicals and 4,360 other serials. In addition, 1,407 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 20,561 were filed in the main catalog, which now contains almost 500,000 cards.

On June 30, 1938, the library had 187,936 accessioned books and pamphlets. This number does not include the thousands of publications on the shelves with temporary classification labels, since these are not entered in the records. Arrears of cataloging amounting to over 5,000 volumes, the collection of labor agreements also uncataloged, and the subject files of small pamphlets and mimeographed material bring the collection to considerably over 200,000.

The work of the cataloging section has been greatly handicapped by insufficient help and by the fact that it had to be called on for assistance in the reference work. Not only has it not been possible to keep up with the current cataloging, but it was also necessary to discontinue the subject lists of accessions that had been issued for some months and which had been of much use to the staffs of the bureaus. It is hoped that some way may be found to resume these before long.

A start was made early in the year toward taking a much-needed inventory of the library, but the work had to be stopped through lack of help. It is many years since the shelves were checked with the shelf list. This is very much needed in order to locate missing books. Until this is done it is impossible to determine to what extent the library has really been losing books through unauthorized withdrawals. Proper supervision of the open stacks is difficult due to the smallness of the staff.

The list of periodicals currently received was increased by 213 new titles. Fifty-one periodicals ceased publication or were merged with other journals, making a net gain of 162. Separate issues of periodicals received numbered 61,483, an increase of 7,652 over last year. Of these, 21,099 were routed to the different bureaus, as compared with 18,807 last year. Because of the cut in the appropriation for printing and binding and the greatly increased cost of binding, only 997 volumes were actually sent to the bindery, although 1,349 volumes were prepared for binding.

In response to many requests, the library prepared a list of the American trade-union journals (with name of issuing organization) and the labor papers, arranged by locality, which it is currently receiving. An analysis was also made of the monthly statistics on employment, wages and hours to be found in the printed bulletins, and mimeographed releases of State labor departments. Both lists are available in mimeographed form.

To meet the needs of a Nation-wide college debate on industrial relations, the library prepared a selected bibliography of 15 pages on "Conciliation and Arbitration in Industrial Disputes." Six hundred and fifteen requests were received for the list from college presidents and professors, librarians, debate coaches, and individual students in colleges and technical schools located in 45 States. A complete revision was made of the list of references on "Seniority in Promotion and Discharge." The bibliography on Frances Perkins was completed. Many shorter lists were prepared in connection with problems on which help was sought in letters received. Some of these requests are quickly answered, but others involve considerable research.

The increased use of the reference facilities of the library is shown in the extent and variety of the reference questions handled. Some of these are comparatively simple fact-finding questions; others require several hours of skillful searching. Information was provided for administrative officials and congressional committees; research workers from the bureaus were helped in their special problems; labor groups were aided in the assembling of material for wage negotiations; and graduate students were advised on the source material for their theses. It is not possible to present statistically the time or ingenuity required in reference research or the amount of work that must be done in anticipation of reference needs.

Respectfully submitted.

LAURA A. THOMPSON,
Librarian.

BUREAU OF LABOR STATISTICS

ISADOR LUBIN, *Commissioner*

To the SECRETARY OF LABOR:

In a brief, annual review of the work of the Bureau of Labor Statistics many important activities are necessarily omitted, as not lending themselves readily to formal presentation or measurement. Among activities of this character, two should have at least passing mention. The first is the constant and continuing effort of the Bureau to improve its statistical and research methods. As labor statistics come more and more to be used as necessary everyday tools of public and private economic policies, it is increasingly essential that the figures themselves be as accurate and precise as humanly possible. This, of course, is an unending task and requires a constant improvement in the Bureau's technical equipment.

The second activity of this character deserving mention is the continuing effort of the Bureau, in association with other agencies, to secure uniformity and comparability in the broad field of labor statistics. In this work of coordinating, the services of the Central Statistical Board have been of very great assistance to the Bureau, as well as to the whole cause of uniformity. To the same end conferences of Bureau representatives are held from time to time with the officials of the statistical branches of State departments of labor and workmen's compensation commissions, and in several instances Bureau representatives have served as advisers to State agencies that were setting up or revising their reporting systems. The cooperative arrangements that the Bureau has been making with State departments of labor dealing with the reporting of employment, pay-roll, and building data, will make for uniformity in those fields, and the movement to report accident statistics on a consistently comparable basis is being stimulated by the recently organized group of Federal statisticians.

Employment and pay rolls.

The Bureau of Labor Statistics' monthly reports on employment and pay rolls are the only official figures available currently covering any considerable portion of the wage earners of the United States. The reports cover all forms of Federal employment, including the activities of the P. W. A. and W. P. A., and a very large segment of private industries in which nearly 50 percent of the total wage earners of the country are employed. The scope of the monthly survey is, in most instances, sufficiently adequate to be considered indicative of the fluctuations occurring within each industrial group. As census data concerning total employment are available only at long intervals, the Bureau's tabulations furnish a basis for estimating current totals of employment and weekly pay rolls in the various fields of employment surveyed. The results of the monthly studies are made available regularly in pamphlet form, presenting data relative to changes in aggregate employment and weekly pay rolls, together with detailed information concerning actual earnings and hours in each of the separate manufacturing and nonmanufacturing industries surveyed. The monthly data are used extensively by various governmental and nongovernmental agencies for many purposes. They furnish a basis for current estimates of unemployment

and national income, and supply comparative data from which the progress in returning workers to employment and changes in the purchasing power of the wage earners of the country can be measured.

Private employment.

The Bureau's reporting sample covered more than 145,000 establishments and 7,100,000 workers in June 1938 compared with approximately 141,000 establishments in June of the preceding year. The Bureau's regular monthly survey covers 89 manufacturing industries and 16 nonmanufacturing industries, including private building construction. The manufacturing industries are classified into 14 major groups, which are divided into two larger divisions, "durable goods" and "nondurable goods." The 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. Efforts are being continually made to enlarge the reporting sample, particularly in building construction, retail trade, and wholesale trade. Approximately 70,000 firms were contacted during the year for initial reports.

The employment and pay-roll indexes for anthracite- and bituminous-coal mining, hotels, laundries, and dyeing and cleaning were adjusted during the course of the year to the 1935 census, and the revised series back to January 1929 were published in January. The adjustment of the indexes for the manufacturing industries to the 1935 census has been practically completed, and the new series will be released in September. The Bureau's series of average hours and earnings has also been reviewed and revised in the light of later knowledge, and the new series, showing averages by years 1932 through 1937 and by months from January 1935 through December 1937, will also be released within a few months.

In addition to the above-mentioned more or less regular activities in the field of employment statistics, special studies have been made on changes in clerical employment and pay rolls in manufacturing industries, on full- and part-time employment in retail trade in New York, and on the distribution of average hours and average hourly earnings by industry on the basis of group intervals for the United States as a whole, for the northern States, and for the southern States.

Two additional State agencies entered into agreements with the Bureau to serve as its agents for the collecting and tabulating of monthly employment data. Under this arrangement the detailed compilations are made in the cooperating State offices in conformity with the standards and industry classifications of the Bureau. The total number of State agencies now cooperating with the Bureau on this basis is 14. Two additional State agencies collect monthly employment statistics in cooperation with the Bureau and transmit the separate plant reports to the Bureau for tabulation.

During the course of the year the Bureau of Labor Statistics, in cooperation with the Women's Bureau, made special inquiries in connection with the monthly reports on employment and pay rolls for the purpose of ascertaining the average hourly earnings of women employees as distinguished from those of men. It is expected that similar inquiries will continue to be made at quarterly intervals.

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 compilations 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, and regular Federal appropriations. The Bureau also receives monthly reports of all orders placed for construction materials by contractors as well as by Government agencies doing work on their own account. In addition, employment and pay-roll figures are collected and tabulated for the Civilian Conservation Corps. The usual compilation of monthly employment figures for the executive, legislative, military, and judicial services of the Federal Government were published also.

During the year a special analysis was made of the employment resulting from P. W. A. construction for the entire period of that agency's work. The results of this study were published as a bulletin under the title of "P. W. A. and Industry."

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 revised periodically as additional data become available and new estimating techniques are developed.

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 1936 and 1937, and for the first 6 months of 1938.

Total nonagricultural employment

[Averages of monthly estimates, in thousands]

	1929	July 1932- June 1933	1936	1937	January- June 1938
Total.....	36,141	26,866	33,201	34,557	31,978
Employees.....	28,948	20,447	25,992	27,202	24,646
Industry.....	16,153	10,066	13,546	14,386	12,212
Manufacturing.....	9,712	6,021	8,760	9,499	7,916
Mining.....	1,023	644	841	883	789
Construction.....	1,784	919	1,228	1,155	898
Transportation.....	2,509	1,631	1,833	1,915	1,703
Public utilities.....	1,124	851	884	934	906
Distribution and service.....	12,794	10,381	12,446	12,816	12,435
Trade.....	6,049	4,430	5,604	5,855	5,588
Finance.....	890	729	781	797	796
Service and miscellaneous industries.....	2,627	2,012	2,505	2,597	2,493
Government education and professional services.....	3,229	3,209	3,555	3,567	3,559
Proprietors and self-employed.....	4,086	3,771	4,225	4,282	4,287
Casual workers.....	3,108	2,647	2,984	3,074	3,045

Building construction.

The number of cities covered by the monthly reports on building construction was extended during the year to include cities having a population between 1,000 and 2,500. Information concerning the number of buildings, families provided for, estimated cost of construction, class of construction, and type of dwelling is now collected by the Bureau from local building officials in cities having a population of 1,000 or over, except in the States of Illinois, Massachusetts, New Jersey, New York, North Carolina, and Pennsylvania, where State departments of labor collect and forward the information to the Bureau.

During 1937 the Bureau, for the first time, began making quarterly estimates of the number of dwelling units provided in the entire urban area of the United States. The method of estimation was developed in collaboration with the National Bureau of Economic Research.

The special survey of building-permit data for the years 1929 to 1935 was virtually completed. This study furnishes information in greater detail than is available through the regular monthly reports for 813 cities, or approximately 83 percent of all cities in the United States with a population of 10,000 or more. The study, moreover, shows the number of dwelling units provided in the cost groups within the reach of families in the lower-income levels. For new residential construction, information was obtained for each of the 7 years, 1929 to 1935, on the number of family-dwelling units provided 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.

Near the close of the fiscal year ending June 30, 1938, a new study of building-permit data was started. The objectives of this study are: (1) To obtain data for building cycles previous to the World War; (2) to obtain data on residential construction, by cost groups and type of material for the years 1936, 1937, and 1938; (3) to obtain information on the Number of dwellings erected in the rural nonfarm areas of the United States in 1936, 1937, and 1938; and (4) to obtain information on the relationship between permit valuations and selling prices and contract prices of dwellings.

Wages, hours, and working conditions.

The field work in connection with surveys of wages, hours, and working conditions during the fiscal year was completed for 12 industries: Cotton goods; dimension granite; dyeing and finishing of textiles; electrical machinery, apparatus, and supplies; explosives; fertilizers; furniture; meat packing; radio manufacturing; radio transmitters; soap; and woolen and worsted goods. The total number of wage earners covered in these surveys was approximately 425,000. In addition, a similar survey for the iron and steel industry was undertaken late in the fiscal year. This will cover approximately 85,000 wage earners. In line with the established practice of the Bureau, trained field representatives visited various representative plants in these industries and obtained the desired information direct from company records.

The completed reports published during the fiscal year relating to wages and hours in particular industries covered the manufacture of explosives, bituminous-coal mining, the manufacture of cotton goods, radios, and soap, as well as the granite industry. Reports were also published on wage and labor conditions in deep-sea shipping and in

Great Lakes shipping. A report on wages and hours in private and public shipyards was completed.

In addition to the field surveys mentioned above, surveys were made during the year relating to wage rates in the shipbuilding industry. These were made in cooperation with the United States Maritime Commission. A survey was also made of the entrance rates of pay for common laborers in 20 industries as of July 1937; another covered paid vacations in industry. In the latter survey, approximately 75,000 firms in 176 industries were canvassed, and in the annual survey on entrance-wage rates around 8,000 establishments were covered. The report on the entrance-rates survey has been published, while the report on vacations with pay will be published early in the 1939 fiscal year. Three reports dealing with income and earnings in the engineering profession were also published, these reports being based on material obtained by the use of a mail questionnaire sent out during the preceding fiscal year.

Annual earnings.

In connection with its field surveys of wages in individual industries the Bureau continued its policy of obtaining annual earnings of workers. Of the 13 surveys made, or well under way during the fiscal year, annual earnings were obtained for workers in five industries: electrical machinery, apparatus and supplies; meat packing; furniture; radio manufacture; and iron and steel. Time and resources did not permit the Bureau to carry on this phase of the work in the eight remaining industries. The annual-earnings figures obtained, though quite comprehensive in most respects, could not take into account the amounts received by workers for labor in plants other than the ones surveyed by the Bureau, nor do they include incomes received from outside sources.

Union wages.

The results of the regular annual survey of union wages and hours of labor, for 1937, were assembled and made public during the year under review, and the new survey for 1938 was inaugurated in May of that year. The 1937 survey covered 70 cities and 69 trades and subdivisions of trades in the baking, building construction, transportation, and printing and publishing industries. Separate reports were prepared for each of these industries. These reports presented revised series of index numbers of changes in wage and hour scales. The revision, by using the chain-index method, causes the indexes to reflect changes in wage and hour scales more accurately. The reports on the building trades and the printing trades were published in bulletin form, while the reports on the other trades appeared in the Monthly Labor Review. In the building and printing trades bulletins tables that showed city and regional comparisons of average rates were included for the first time.

Wage rates in building construction.

Primarily designed to assist those engaged in the administration of prevailing wage laws and orders, the Bureau of Labor Statistics completed its comprehensive study of wages actually paid and hours worked in the building trades of 105 cities. The study dealt with the year 1936, and showed that the shortening of working hours in the building trades had progressed so far that in that year the average

weekly working time of the employees was 40.2, 9.3 percent of the employees working on a 30-hour basis.

Foreign wages.

As a result of the discussions concerning the reciprocal trade treaties with various countries, there was an unusual demand during the past year for information regarding wage and labor conditions in such countries. With the cooperation of the Department of State, through its consular offices, the Bureau undertook, in the early part of 1938, another general survey of foreign wages. As a result of the excellent work done by the consular offices, there came into the possession of the Bureau an extremely valuable collection of foreign wage material. This will be published to the extent that the Bureau's printing resources permit.

Labor turn-over.

In its monthly surveys of labor turn-over in manufacturing industries, the Bureau received reports each month from more than 5,000 representative manufacturing establishments that employed nearly 2,500,000 workers. During the year cement, knit goods, printing—book and job, newspaper and periodical—radios and phonographs, rayon, and woolen and worsted goods were added to the industries for which separate rates are published, increasing to 23 the total number of industries for which rates are shown separately. In each of these 23 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 for the following industries: Foundries and machine shops, petroleum refining, and slaughtering and meat packing. These special studies compare labor turn-over experience by rate groups and show turn-over rates by size of establishment.

Labor-productivity surveys.

Most of the surveys of labor productivity undertaken by the Bureau in cooperation with the National Research Project of the Works Progress Administration have been completed. Preliminary summaries were published during the fiscal year ended June 30, 1938, covering textiles, cigars, and cotton-garment industries. The complete reports have been prepared in bulletin form and will be published the coming year.

Industrial-accident statistics.

Continuing the expansion program begun the previous year in its annual survey of industrial accidents, the coverage of the 1936 survey was extended to approximately 28,000 establishments with more than 4½ million workers in 80 industries. The summary of the report as published shows that of every million workers employed during 1936 approximately 430 were killed, 1,790 permanently crippled, and 35,800 temporarily disabled.

During the year a comprehensive survey was completed of injuries to workers in the fertilizer industry, with particular reference to the causes of accidents and the possible means of prevention. The results of the study make clear that practically all of the disabling accidents reported could have been prevented. A survey of a similar nature in the construction industry covered 143 firms with more than

12,000 workers. While it is generally known that this industry is highly hazardous and that its employees have a large number of disabling injuries, relatively little information has previously been available on the extent and causes of the accidents. The published report includes brief descriptions of individual accidents and suggestions on how they could have been prevented.

In addition to the compilation of accident statistics as above described, the Bureau was active in several related fields. Graduate students at several universities were encouraged to undertake statistical studies in the field of workmen's compensation, being assisted by the personnel of the Bureau. One such study is being conducted in Chicago under the joint auspices of the University of Chicago and the Bureau. Also during the year the Bureau assisted several Federal agencies, notably the W. P. A., to develop statistics of practical value in accident prevention. The Federal accident statisticians, at the suggestion of the Bureau, were organized into a group that is now studying the statistical methods and problems of the various Federal agencies collecting accident statistics.

A study of the relation of employment changes to accident frequency during the various phases of the business cycle indicated a close relationship between the two, and emphasized the need for accident-prevention work during the business cycle upswing.

Several States were assisted in their work dealing with accident statistics. Outstanding among these was Pennsylvania, where the Bureau was instrumental in the adoption of a new technique in developing statistics of accident causes. This necessitated the development of a new report form, new office procedures, new statistical codes, and a new type of analysis and tabulation. The State modified its accident-prevention work and organization so as to take full advantage of the new statistics, building its prevention work around the new information.

Most of the material for a manual on accident statistics was completed. This bulletin is to replace Bulletin No. 276, Standardization of Industrial Accident Statistics.

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 report for December 15, 1937, also presented indexes by groups of items for each of the 32 cities as of each pricing period from the inception of the index through December 15, 1937. Indexes of cost of living of Federal employees living in Washington, D. C., are now published regularly once a year as of December 15.

The revision of indexes based on data derived from the Nation-wide study of purchases made by wage earners and lower-salaried clerical workers was brought close to completion during the past year. Quantity weights derived from this material more nearly reflect present-day consumption than those based on the Bureau's cost-of-living study made in 1917-19. Indexes based on the new material will be published during the coming year.

Expenditures of wage earners and lower-salaried workers.

Reports on the findings of the study of expenditures by families of employed wage earners and lower-salaried clerical workers, begun in the fall of 1934, were completed. Tables for six regional bulletins, presenting data for 42 cities, were prepared for printing in bulletin form. The reports include textual summaries of the procedures and principal results of the investigation, discussion of the significance and meaning of the findings, and detailed statistical tables regarding family incomes, family size and composition, and expenditures for food, housing, clothing, transportation, recreation, and medical care, as well as changes in assets and liabilities.

General survey of consumers' purchases.

Work was continued on the survey of consumer purchasing carried on 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, to which reference was made in the report for the fiscal year 1936-37. Preliminary releases and articles in the Monthly Labor Review presented data regarding nativity, color, family size, family incomes, rents paid, housing facilities, and expenditures for principal groups of consumption goods. The full reports for 32 cities, grouped by region, were prepared for printing as bulletins of the Bureau. These reports will answer many questions regarding the incomes and purchases of wage earners as compared with professional and independent workers, the kinds of commodities, such as automobiles, radios, and many other goods, bought at specified prices by families at different income levels and of different size. The tables on changes in family assets and liabilities, including payments for insurance premiums, are widely demanded by financial and research institutions and Government agencies concerned with the problems of volume and forms of saving.

Retail prices.

In the field of retail prices emphasis was placed, during the past year, on the more intensive study of individual food prices in individual cities.

A report dealing in detail with food-price movements from 1923 to 1936 (Bull. No. 635) was published in May. The bulletin contains, in addition to a full series of prices and index numbers, detailed statements of methods and technical procedures used in the collection of prices and computation of these indexes.

The policy of using local personnel employed on a contract basis was adopted to assist in the collection of prices of certain goods and services. These assistants work under the supervision of the Bureau's trained field representatives. This policy has three main advantages: It provides more time for the Bureau's trained field agents to collect price data of a technical nature; it reduces the time for price collection in each city; it takes advantage of the use of personnel familiar with local conditions in each of the cities selected for this type of work. The plan is of particular value in the collection of rents. It will be fully operative in 29 cities by March 1939.

The work on revision of the Bureau's sample of rented dwelling units, which are the basis for indexes of changes in rents, continued throughout the year. On June 30, 1938, this work had been completed in 22 of 33 cities. For these cities the Bureau has computed

indexes of rent changes by types of dwellings that have proved useful both to local groups and to organizations and individuals using information of this character.

The Bureau published a series of quarterly indexes of retail prices of electricity from 1919 to 1937 for each of 51 cities. They represent changes in prices for two residential services—the use of 25 kilowatt-hours per month for lighting and small appliances, and 100 kilowatt-hours including the additional use of current for refrigeration. These indexes form a part of the statistical data to be presented later in a general report on changes in retail prices of electricity.

Wholesale prices.

Increased interest in wholesale-price statistics is evidenced by the fact that during the past fiscal year the number of requests for information showed a rise of more than 30 percent over the preceding year. To meet the increased demand for wholesale-price data, the Bureau's research program was continued during the past year. The program involves the enlargement of industry coverage, more definite specifications, a complete reclassification of products, a survey of market practices, and a refinement of methods of weighting and index number computation. An important change was made in the method of calculation of the index. This change in method was essentially a shift from the "link-chain" formula used since 1908 to the "fixed-base" technique. The work of revision is being done for commodity groups. Beginning with January 1938, revised series for underwear, soap and soap products, farm machinery, and box-board were introduced into the existing indexes. As surveys covering other items and industries are completed, the revised series will be introduced into the calculation of the composite index number.

The number of commodities included in the index has been increased from time to time until at present it is composed of more than 800 individual price series. The number of items for which price data are collected is approximately 4,500. Manufacturers, producers, and other agencies cooperating with the Bureau in its wholesale-price work numbered approximately 1,250. Reports dealing with wholesale price trends continued to be published weekly and monthly.

The Bureau continued cooperation with the Treasury Department in the preparation of a daily index of 30 sensitive or basic commodities for the use of that Department.

Industrial disputes.

Although there was a slight lessening in number of strikes from the preceding year, popular interest in the subject increased the number of demands upon the Bureau for information regarding labor disputes. The Bureau's activities in this field included, as before, compilation of data showing the general trend in industrial disputes as indicated by the number of strikes beginning, continuing, and ending each month as nearly 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 in relation to the major issues out of which they grew. The compilation of strike data for the calendar year 1937, published in May 1938, presented

further analysis by States and cities, and by type of labor organization involved.

In addition, a general report bringing together substantially all available official statistics on strikes from 1881 to 1936 and containing a comprehensive statistical analysis of strikes for the 10-year period 1927 to 1936 was published in bulletin form.

Union agreements.

The files of collective agreements maintained by the Bureau grew during the past year to approximately 7,000, including current agreements of practically all the national and international unions. This increase reflects the expansion in trade-union activity and the growing number of agreements that are being effected. Increasing use of these files is being made by Government agencies, trade-unions, employers' associations, research agencies, and individuals.

Analytical studies were made of the provisions of union agreements of New York transport workers, radio and electrical workers, and metal miners, and a special study was made of the provisions in union agreements regarding hours of labor. Analyses of the agreements of the unions covered by the annual survey of union wages and hours were published in connection with reports resulting from that survey. A comprehensive study of the seniority provisions in union agreements is now in progress.

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 C. I. O., is kept up to date.

Legislation and court decisions affecting labor.

For many years the Bureau of Labor Statistics has regularly compiled and published information on labor legislation, including social-insurance legislation, as well as on important decisions of courts affecting labor. During the past fiscal year public and private individuals and organizations used this service to a greater degree than ever before, especially during the closing days of the Seventy-fifth Congress, when the wages-and-hours bill held national attention.

Through the medium of the Monthly Labor Review, several articles of immediate labor interest were published. These included comprehensive reviews of minimum-wage laws, State labor-relations laws, and laws regarding hours of employment for men. Important State and Federal court decisions affecting labor were also analyzed.

Two bulletins on labor legislation were published during the year: one on occupational-disease legislation in the United States; and the second a summary of State labor legislation, including workmen's compensation legislation, enacted in 1937.

Workmen's compensation survey.

For 3 years the Bureau of Labor Statistics has been carrying on a comprehensive survey of the administration of workmen's compensation laws in the United States and Canada. The field work of the study ended early in 1937. Published sections of the report that have appeared or are in press include: Ontario Procedure in Settlement of Workmen's Compensation Claims; Cooperation of Workmen's Administrations with Rehabilitation Agencies; Methods of Financing Work-

men's Compensation Administration and Funds; Claims Administration in Workmen's Compensation; and Adequacy of Benefit Payments under Workmen's Compensation.

Labor legislation in Latin America.

The trend toward nationalism in many Latin American countries has heightened interest in the legislation affecting persons employed there by American firms engaged in industrial and commercial enterprises. A summary of the legal restrictions on the employment of aliens in Latin America, in the July 1937 issue of the Monthly Labor Review, presented the legislation on this matter by countries. An article on legislation concerning paid vacations in the various Latin American countries and other brief articles on social and labor legislation in individual Latin American countries were published in various issues of the Monthly Labor Review.

Regulation of working conditions in motion-picture theaters.

A report on State laws and city ordinances relating to standards of construction and ventilation and the use of approved equipment and related factors affecting working conditions in motion-picture theaters was completed and published during the year. Interest in the results of this study has been shown by organized labor in the industry and persons engaged in safety work as it relates to theaters. In addition to the published material, a file of the more technical provisions of the regulations is maintained by the Bureau of Labor Statistics, broken down by subject and State and city regulations, for the use of groups dealing with this subject.

Prison-labor survey.

The Bureau continued to cooperate with the Prison Industries Reorganization Administration in gathering data concerning prison labor in State prisons of the United States, at the invitation of individual States. The primary purpose of these surveys is to facilitate the work of the Prison Industries Reorganization Administration in the employment of prisoners in State-use industries. The survey in most of the States was divided into three principal parts: (1) Production—the amount of goods produced in the prisons and other State institutions and the amount sold on the open market and to other State institutions and local governments; (2) consumption—the amount of all goods purchased by all State departments and institutions and county and municipal governments, as a means of determining the probable market under the State-use system; and (3) prison population census—age, sex, color, nationality, health, education, mental rating, crime, length of sentence, and so forth. Surveys were completed during the fiscal year ended June 30, 1938, in Indiana, Kansas, Missouri, and Nebraska. With the States completed previously, a total of 17 States and the District of Columbia have been covered in this study.

Consumers' cooperation.

The Bureau's general statistical survey of consumers' cooperative associations was completed during the year under review. Preliminary reports, covering such types of associations as housing, telephone, burial, retail stores, and credit unions, were published, as were also the results of several detailed studies of cooperatives in selected regions—Cleveland, Ohio, northern Wisconsin, and Chicago, Ill. The

results of the entire study will shortly be issued in bulletin form. The subject of consumers' cooperation remains one of widespread public interest, as evidenced by the large growth in inquiries and requests to the Bureau for information on the various phases of the cooperative movement.

Survey of State labor agencies.

A preliminary report of a survey of the various forms of governmental activity in the interest of labor, undertaken at the request of the executive board of the International Association of Governmental Labor Officials, was prepared for presentation at the 1338 conference of the association. The report included an analysis of the structure and functions of State departments of labor and of the inspection services of these agencies.

Labor requirements in various 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 plumbing and heating apparatus, the rail transportation of construction materials, and the production of clay products. Studies covering the sand and gravel industry and electrical supplies and apparatus are in progress.

A study of the labor and material involved in grade-crossing elimination was prepared and printed, as also a study of the relative cost of labor and material on 33 completed low-cost housing projects financed from Public Works Administration funds. In the latter study information was given on the average cost per dwelling unit and the average cost per room, type of material used, and employment provided in construction. This study is being continued, and when completed will cover all of the 52 P. W. A. housing projects.

Sickness insurance in foreign countries.

Public interest in health problems was stimulated by the appointment by the President of the Interdepartmental Committee to Coordinate Health and Welfare Activities in 1935 and the subsequent appointment of the Technical Committee on Medical Care. The latter committee was charged with making a study that would reveal the state of the Nation's health and was asked to outline proposals through which the national health may be improved. In line with this interest, special studies of sickness-insurance systems in foreign countries were made with the cooperation of the consular service of the Department of State, and articles covering the principal features of the systems in effect in Denmark, France, the Netherlands, Norway, and Poland were published in the Monthly Labor Review during 1937. Other countries will be covered in later articles.

Inquiries and correspondence.

The work of complying with requests for publications and for information on specific questions continued heavy during the fiscal year, the total number exceeding that of last year. As pointed out in the Bureau's reports of previous years, while a substantial part of these inquiries can be answered by published material, many others involve selection or retabulation of Bureau material, or extensive research. The number of requests received was 56,502.

Publications.

Labor Information Bulletin.

The demand for the Labor Information Bulletin has continued at a high rate and at times has taxed the ability of the Bureau to supply the copies desired. Several articles had to be reprinted in large quantities to satisfy a widespread demand for the information covered in those articles.

Monthly Labor Review.

The primary functions of the Monthly Labor Review are to provide a means for the prompt publication of the Bureau's special and continuing studies and to serve as a medium for presenting, as far as resources permit, an authentic record of developments in labor economics and related fields in the United States and foreign countries. The Monthly Labor Review also offers opportunity for other divisions of the Department to make current reports of their activities. During the year such reports were published monthly by the United States Employment Service and the Conciliation Service.

Bulletins.

Most of the bulletins published by the Bureau have been mentioned above in connection with the topics with which they deal. A complete list of the titles and bulletin numbers of all those issued or sent to the printer during the fiscal year just ended follows: Labor offices in the United States and in Canada (632); Characteristics of company unions (634); Retail prices of food (635); Statistics of building construction (650); Strikes in the United States, 1880 to 1936 (651); Occupational-disease legislation in the United States, 1936, with appendix for 1937 (652); Labor laws and their administration, 1937 (653); State labor legislation, 1937 (654); Union scales of wages and hours in the printing trades (655); The making and using of index numbers (656); Union scales of wages and hours in the building trades in 70 cities, May 15, 1937 (657); P. W. A. and industry (658). A limited mimeographed edition of the Secretary of Labor's preliminary report to Congress on the migration of workers was made available to meet several hundred requests received during the year since this report was submitted.

Looking to the future.

The marked changes in the past few years in our economic conditions and even in our ways of economic thinking have necessarily affected the character of the work done by the Bureau. Formerly the functions of such an agency as the Bureau of Labor Statistics were regarded as fulfilled when it had assembled the bare facts regarding wages, hours of labor, employment, cost of living, and other subjects within the traditional field of labor statistics. Now the imperative demand is that the Bureau not only extend its field, but that it go much more deeply into the reasons why the surface facts are as they are. Take, for instance, the simple example of the retail price of milk, a most important item in the consumption of every worker's family. The actual trend of milk prices in a given city can be easily ascertained by securing, say, once a month, the prices charged by a representative group of milk dealers in that city and averaging the results, with due regard to the amounts sold at various prices. The resulting series of averages will show whether and how much the retail price of milk is changing over a period of time in that particular city.

However, no information is thereby developed as to why price changes should occur. They may be due to such diverse reasons as a bona fide change in production costs, a change in the municipal inspection regulations, or an increase in the profits of the retailers. Nor will the above procedure assure that the price of milk in city A can fairly be compared with the price in city B. If there are price differences between two cities, these may be due solely to differences in the quality of the milk offered for sale, so that a price of 15 cents a quart in one city may, because of higher quality, be actually cheaper in terms of nutritional content than a price of 14 cents in another city.

It is this explanatory type of information that is particularly needed at the present time. The question is asked, for instance, and it is vital to the administration of much of our public legislation, whether, and if so to what extent, there are differences in the cost of living as between different communities. To answer this question it is necessary to compare the retail prices of all the major commodities entering into the budgets of ordinary families, after allowance is made, of course, for differences, if any, in the consumption habits of the several communities. To do this requires that the commodities priced be identical as to kind and quality, or that the differences be so clearly understood that allowance can be made therefor. To secure such intimate knowledge of commodity prices, however, requires far more extensive research than in the past has been required of the Bureau of Labor Statistics or of any similar agency dealing with price statistics.

Moreover, this need for an increasingly detailed knowledge of possible differences in the raw statistical figures and the reasons for such differences applies to the whole field of labor research. No longer, for instance, is it sufficient to secure and present the average wages in an industry by such simple classifications as occupation, sex, State, and district. Legislative policy and the requirements of both employers and workers necessitate a much finer break-down. For this purpose, wage statistics must be analyzed by type and size of establishment; by the characteristics of the working force, such as the ages of the individual employes; by apprenticeship and training programs; by continuity of operation and employment; and, particularly, by the annual earnings of the individual workers.

Also, as noted above, there is a constant pressure upon the Bureau to modify its field of activities. This is the result of the fact that the traditional limits upon what is to be considered as falling within the field of labor statistics have been rapidly breaking down. It has come to be more and more recognized that our industrial structure is closely integrated. The workers are paid wages for their work; such wages are clearly within the field of labor statistics. But the workers spend their wages—collectively, indeed, they constitute the largest part of the total consumer body. As consumers they want prices to be as low as possible. They are thus immediately and immensely concerned that industry as a whole should function efficiently, to the end that productivity should be as high as possible and that the benefits of increasing productivity should be reflected in prices.

The workers, therefore, are just as concerned as are businessmen, economists, and the public generally with knowing from day to day just how well industry is functioning. This concern is the basic justification for sound and comprehensive industrial statistics. They are necessary not only as a means of measuring industry's progress toward

its proper goal but as essential to the proper guidance of the whole economic machine. In the effort to improve our industrial system, mistakes are to be anticipated and forgiven. But there should be no mistakes attributable to lack of knowledge of the underlying facts.

To carry out the implications of these requirements will mean a constant development of the statistical services of the Government. Labor statistics, as now usually defined, are only a part of a larger picture embracing our whole economic structure. The problem of the future is to integrate and correlate these statistics so that they may serve their most useful purpose. In any case, there are two important things to remember: First, that the worker is concerned with practically all forms of economic development and not with any particular little acre of his own. And, second, that insofar as statistics deal directly with labor they are concerned with human beings and, therefore, should be gathered and analyzed, never with bias but always with sympathetic understanding.

Recommendations.

Migratory labor and farm labor.

Emphasis was placed on the need for more adequate information on these two subjects in the annual report for last year. The need continues, but the Bureau has been able to do very little to expand its activity in these fields. Evidence of growing concern with the problems of migratory labor is indicated by the study of this subject by the Interdepartmental Committee on Health and Welfare, a study in which the Bureau is cooperating. Among the available materials awaiting analysis are 26,000 records of migrant workers, taken from public employment offices, and 10,000 case records of nonresident applicants for relief furnished by social agencies. The Bureau has been urged to expand its employment and wage surveys to cover farm-labor groups, but no funds have been available to carry out this responsibility, which was placed upon the Department by its organic act.

Labor productivity and displacement.

The impact of technical changes upon the working population is increasingly recognized to be one of the outstanding economic problems of our age. The Bureau of Labor Statistics conducted the pioneer studies in this field, and more recently it has cooperated with the National Research Project in collecting a mass of new material. Much work remains to be done to interpret this information. Available descriptions of technical changes and their immediate effects need to be related to information on employment, prices, labor income, and investors' income. There is also need to look beyond the individual industry, to investigate the effects of the rise and fall of industries which compete with one another.

Income and expenditure patterns.

The consumer purchase study has provided basic data on the pattern of incomes and purchases by representative groups in widely different areas in the United States. Much of the significance of these figures remains to be extracted from the basic data. Changes in the cost of living for many different groups can be computed with much greater accuracy as soon as the expenditure data can be properly integrated with current prices. Beyond this the information now

collected can be made to furnish much needed light on economic conditions, social habits, competition between industries, and many other problems.

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 any 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 these latter two groups are looking to the Bureau of Labor Statistics for information on earnings and conditions of employment among their members. Two 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. Similar requests have been made by other professional and subprofessional groups, and the Bureau should be in a position to extend its regular services into 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 and proposals. The Secretary of Labor has initiated certain important studies in this field, but much of the information desired is of a character which 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:

In reporting on the activities of the Immigration and Naturalization Service for the fiscal year to June 30, 1938, it is perhaps desirable to call attention to the added responsibilities of the Service due to changes in the channels of travel of aliens coming to the United States either as immigrants or as visitors. It is a primary duty of the Immigration Service to inspect and identify every man, woman, and child, 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 point other than a legal port of entry. Although immigration into this country for permanent residence is subject to strict control by quota and quality limitations and is small in number as compared to immigration before the passage of the 1924 Quota Act, the problem of preventing illegal entry has been growing in much more than an inverse ratio to this decrease in immigration. In the past year, the records of the Immigration and Naturalization Service show 52,993,989 individual entries into the United States at ports of entry along our land borders (including each individual crossing of the border by any United States citizen or traveling alien). This total includes 14,230,131 alien entries and 15,740,505 citizen entries from Canada and 14,421,370 alien entries and 8,601,983 citizen entries from Mexico. To identify those claiming United States citizenship, and to determine how many of the aliens are entering for permanent residence and whether all immigrants and visitors have proper documents as required by law, is the duty of the Immigration Service.

Today there are 114 ports of entry on our land borders and 72 at seaports, whereas in 1907, the peak year of immigration in the old open days before the Quota Act, there were 49 land ports and 66 seaports. In that earlier epoch, entry ports were almost uniformly open for only 8 hours a day, while today our principal ports must be kept open 24 hours a day, requiring three shifts. In the old days inspectors habitually worked 7 days a week at border stations while today a 5½-day week is obligatory. In the peak year 1907 a great majority of the 1,438,469 aliens admitted came from Europe to the port of New York and were delivered direct to the immigration station at Ellis Island, where inspection "in bulk" could be made at the convenience of the inspectors. Today, while a preponderance of water-borne immigration still comes to New York, all primary inspection takes place on board the vessel of entry, thus eliminating unnecessary detention of immigrants but adding greatly to the distributive problem of inspection. Formerly inspection of land entries was made almost entirely on railroad trains or at railroad stations, as highways crossing the borders were few and automobile travel negligible. At present the number of highway ports of

entry is being constantly increased. The problem of entry by airplane has to be handled. And, above all, every alien must now be more carefully inspected, in the light of the strict quality and numerical limitations of the present laws and the increased incentive to evade them. Thus the work of inspection has greatly increased although immigration has decreased.

I. ADMISSION AND DEPARTURE

The tables directly following indicate that while immigration declined sharply during the first 3 years of the present decade, due to unfavorable economic conditions in the United States, the flow of immigration in more recent years has been on the increase. During the fiscal year 1938, alien immigrants numbering 67,895 were admitted for permanent residence, while 25,210 aliens are recorded as having abandoned domicile and left the country for permanent residence abroad. Furthermore, disturbed conditions in Europe justify the anticipation of greater numbers of immigrants and fewer emigrants in the immediate future.

In addition to the inward movement of new immigrants, 184,802 nonimmigrants were admitted. These were mostly temporary visitors for business or pleasure (see note under table I), aliens in transit, or resident aliens returning from visits abroad. During the fiscal year, 197,404 so-called nonemigrant aliens—visitors, transients, resident aliens leaving for visits abroad, and so forth—departed from the country. The excess of nonemigrant departures over nonimmigrant arrivals is chiefly due to the fact that many resident aliens who leave the country with reentry permits and are therefore classed as nonemigrants do not return; it is difficult to reclassify these accurately as permanent emigrants in subsequent tabulations.

TABLE I.—*Aliens admitted and departed, aliens debarred, and United States citizens arrived and departed, year ended June 30, 1938, 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.....	67,895	184,802	406,999	8,066	25,210	197,404	397,875
New York, N. Y.....	44,846	114,668	275,649	359	14,547	126,598	274,982
Boston, Mass.....	997	4,701	9,204	30	488	4,689	8,542
Philadelphia, Pa.....	33	698	1,026	21	10	132	933
Baltimore, Md.....	51	326	1,985	11	18	337	2,107
Miami, Fla.....	1,431	17,450	61,018	75	1,073	16,933	58,098
Tampa, Fla.....	88	991	4,624	7	9	993	5,357
New Orleans, La.....	243	1,443	6,904	30	283	1,302	7,465
Galveston, Tex.....	27	76	306	14	190	16	511
San Francisco, Calif.....	810	5,436	8,763	62	1,132	5,887	8,642
Seattle, Wash.....	144	1,872	3,567	34	250	1,108	1,669
Seaports near Mexican border.....	581	3,936	7,398	31	703	3,887	7,407
Other seaports.....	505	6,910	12,352	110	2,290	13,030	17,473
Canadian land border.....	15,500	21,359	13,653	6,596	763	19,968	3,250
Mexican land border.....	2,639	4,936	550	686	3,454	2,524	1,439

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, in terms of previous years, are shown in the following table:

TABLE II.—Immigrant aliens admitted and emigrant aliens departed, fiscal years 1935 to 1938, by countries of last or intended future permanent residence

Countries	Immigrants				Emigrants			
	1935	1936	1937	1938	1935	1936	1937	1938
All countries.....	34,956	36,329	50,244	67,895	38,834	35,817	26,736	25,210
Europe.....	22,778	23,480	31,863	44,495	20,414	19,667	14,258	13,185
Albania.....	203	224	222	254	21	65	24	46
Belgium.....	271	276	307	478	165	193	122	129
Bulgaria.....	87	91	93	123	122	70	35	26
Czechoslovakia.....	808	1,052	1,912	3,203	529	450	269	224
Denmark.....	162	162	203	366	192	232	266	223
Estonia.....	27	33	29	46	24	36	33	18
Finland.....	102	76	218	421	220	297	262	267
France.....	874	812	1,018	1,475	1,065	782	570	477
Germany.....	5,201	6,346	10,895	17,199	3,530	3,672	2,340	2,270
Austria.....	829	677	480		154	147	105	
Great Britain:								
England.....	1,070	1,028	1,377	1,890	3,435	2,862	2,276	2,034
Scotland.....	315	254	309	338	1,535	1,389	1,075	892
Wales.....	28	28	40	34	105	90	110	65
Greece.....	877	863	875	1,009	402	807	374	460
Hungary.....	438	559	739	973	271	216	149	119
Irish Free State.....	314	328	412	913	1,203	1,107	795	652
Italy.....	6,566	6,774	7,192	7,712	2,340	2,064	1,726	1,788
Latvia.....	61	58	92	125	37	33	15	20
Lithuania.....	161	129	193	305	97	95	105	99
Netherlands.....	374	342	646	698	282	216	234	209
Northern Ireland.....	140	116	119	171	133	245	242	168
Norway.....	311	287	427	635	596	617	580	506
Poland.....	1,504	809	1,212	2,403	458	442	422	400
Portugal.....	366	313	301	374	350	599	186	187
Rumania.....	286	244	349	346	355	277	180	152
Soviet Union.....	67	82	97	63	162	172	197	108
Spain.....	333	299	315	379	790	665	256	132
Sweden.....	215	196	341	385	1,039	1,085	731	976
Switzerland.....	264	266	462	617	286	235	160	171
Yugoslavia.....	282	435	632	1,019	443	425	335	290
Other Europe.....	242	261	356	540	82	73	84	77
Asia.....	682	721	1,065	2,376	3,256	2,979	2,826	1,665
China.....	229	273	293	613	2,031	1,648	1,808	672
Japan.....	88	91	132	93	781	851	763	726
Palestine.....	109	180	369	1,291	162	145	60	70
Syria.....	149	93	136	227	44	53	31	47
Other Asia.....	107	84	135	152	238	282	164	150
America.....	11,174	11,786	16,903	20,486	11,521	10,409	7,355	8,095
Canada.....	7,695	8,018	11,769	14,070	1,324	1,272	1,027	1,018
Newfoundland.....	87	103	212	334	81	88	82	58
Mexico.....	1,560	1,716	2,347	2,502	6,720	5,218	3,745	3,667
West Indies.....	931	985	1,322	2,110	1,947	1,788	1,379	1,919
Central America.....	427	470	484	582	497	465	376	453
South America.....	473	492	738	885	951	1,576	745	930
Other America.....	1	2	1	3	1	2	1	-----
Africa.....	118	105	155	174	151	109	138	97
Australia.....	99	118	106	179	147	115	142	88
New Zealand.....	33	29	39	49	48	39	32	39
Philippine Islands.....	63	72	84	116	3,275	2,472	1,980	2,020
Pacific islands.....	9	18	29	20	22	27	5	21

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 1935 to 1938, by principal occupations, sex, and age groups

Occupation, sex, and age	Immigrant				Emigrant			
	1935	1936	1937	1938	1935	1936	1937	1938
Total	34,956	36,320	50,244	67,895	38,834	35,817	26,736	25,210
OCCUPATION								
Professional.....	2,277	2,588	4,162	5,463	2,040	1,825	1,426	1,502
Commercial.....	1,387	1,904	3,655	5,813	1,802	1,819	1,322	1,121
Skilled.....	3,786	3,936	6,007	8,607	4,639	4,195	3,211	3,220
Servants.....	1,418	1,944	3,213	5,919	2,837	2,770	2,046	1,700
Laborers.....	1,705	1,420	2,118	2,817	11,032	9,285	6,801	6,606
Miscellaneous.....	1,895	1,547	2,292	3,264	2,217	1,860	1,419	1,162
No occupation ¹	22,488	22,990	28,797	36,012	14,267	14,063	10,511	9,899
SEX								
Male.....	14,010	14,776	21,664	29,959	24,383	21,778	16,434	15,417
Female.....	20,946	21,553	28,580	37,936	14,451	14,039	10,302	9,793
Includes alien wives of United States citizens.....	4,925	4,712	4,879	5,347				
AGE GROUP								
Under 16 years.....	6,893	6,925	8,326	10,181	2,520	2,650	1,927	1,609
16 to 21 years.....	4,960	4,923	6,998	10,017	1,895	1,661	1,173	1,096
22 to 29 years.....	8,760	8,634	12,590	16,912	8,054	6,731	4,480	4,007
30 to 37 years.....	6,124	6,651	9,475	13,076	9,625	8,743	6,346	6,032
38 to 44 years.....	2,713	3,183	4,844	7,063	5,670	5,347	4,070	3,913
45 years and over.....	5,566	6,013	8,011	10,646	11,070	10,685	8,740	8,553

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

Since 1899, immigrants admitted to the United States have been recorded by races or peoples as well as by countries of origin or last residence. The races or peoples principally represented during the fiscal year 1938 are shown in the table following:

TABLE IV.—Immigrant aliens admitted, year ended June 30, 1938, by principal races, countries of last permanent residence, and sex

Racial designation	Country of last residence										
	Great Britain	Germany	Italy	Poland	Czechoslovakia	Other Europe	Canada	Mexico	Other America	Other countries	Total
English.....	1,105	13	6			62	3,745	82	465	255	5,733
French.....	14	10	4			707	2,013	14	30	23	2,815
German.....	105	5,059	84	6	105	1,017	898	98	257	114	7,743
Greek.....	4	2	20			991	51	7	7	48	1,130
Hebrew.....	270	11,917	80	1,653	567	2,204	1,183	145	377	1,331	19,736
Irish.....	210	2	27	1		1,081	1,874	20	76	32	3,332
Italian.....	15	7	7,429			3,06	289	62	289	36	8,383
Polish.....	6	63	1	689	6	44	234	9	32	25	1,109
Russian.....	8	17	6	20	7	123	94	50	21	320	666
Scandinavian.....	10	9				1,443	466	20	14	11	1,973
Slovak.....	3	7	7		2,081	67	157	3	19		2,344
Spanish.....	8		5			356	14	23	132	9	547
Spanish American.....	2					19	2	11	821	2	857
All other.....	484	93	43	34	437	3,296	3,050	1,958	1,424	708	11,527
Total	2,262	17,199	7,712	2,403	3,203	11,716	14,070	2,502	3,914	2,914	67,895
Male.....	915	8,517	3,213	1,185	1,174	4,990	5,413	1,060	2,034	1,428	29,959
Female.....	1,347	8,682	4,499	1,218	2,029	6,726	8,657	1,412	1,880	1,486	37,936

¹ Includes alien wives of United States citizens, admitted nonquota.

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 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 1931 to 1938, by countries or region of birth and sex

Nationality or country of birth	Annual quota	Quota immigrants admitted in—							
		1931	1932	1933	1934	1935	1936	1937	1938
All countries.....	153,774	54,118	12,983	8,220	12,483	17,207	18,675	27,762	42,404
Albania.....	100	81	102	75	57	74	107	98	108
Belgium.....	1,304	524	117	59	104	173	185	211	278
Bulgaria.....	100	52	11	11	17	52	63	57	106
Czechoslovakia.....	2,874	1,448	304	171	389	610	766	1,519	2,853
Danzig, Free City of.....	100	52	6	10	8	13	16	41	89
Denmark.....	1,181	516	209	123	101	146	135	192	323
Estonia.....	116	71	15	17	36	28	34	30	40
Finland.....	569	300	69	72	114	105	72	215	496
France.....	3,086	1,226	288	257	308	413	464	566	720
Germany.....	127,370	10,100	2,086	1,324	3,515	4,891	6,073	11,127	17,868
Austria.....		524	187	121	229	641	569	409	
Great Britain and Northern Ireland:									
England.....	65,721	5,972	1,213	772	933	1,043	1,122	1,418	1,698
Northern Ireland.....		1,586	104	89	137	152	126	133	238
Scotland.....		4,875	723	266	443	434	340	483	634
Wales.....		501	59	44	53	50	50	73	66
Greece.....	307	308	141	108	200	324	347	370	351
Hungary.....	869	624	329	187	209	359	515	739	962
Irish Free State.....	17,853	6,780	452	282	322	301	367	447	1,100
Italy.....	5,802	4,245	2,012	1,109	1,362	2,127	2,467	2,905	3,428
Latvia.....	236	138	43	29	48	49	60	114	154
Lithuania.....	386	305	181	96	124	190	151	221	397
Luxemburg.....	100	41	7	4	2	12	5	10	18
Netherlands.....	3,153	1,142	185	128	136	244	245	347	331
Norway.....	2,377	1,156	260	141	155	208	197	330	518
Poland.....	6,524	2,841	917	961	1,138	1,682	1,250	1,855	4,218
Portugal.....	440	433	201	69	166	303	275	236	323
Rumania.....	377	497	318	236	199	295	282	371	407
Soviet Union.....	2,712	1,537	528	309	407	357	391	578	917
Spain.....	252	293	191	164	228	252	250	244	264
Sweden.....	3,314	1,247	260	165	153	160	154	303	364
Switzerland.....	1,707	797	132	122	133	192	189	312	427
Yugoslavia.....	845	523	252	165	110	215	291	527	852
Other Europe.....	2,500	448	90	68	183	190	174	173	208
Asia.....	21,649	1,344	530	392	433	393	399	467	886
American colonies ¹	(2)	1,144	150	67	159	251	264	339	516
Other quota regions.....	21,850	477	281	127	172	238	250	302	338
Male.....		24,463	5,818	3,573	5,920	7,953	8,709	13,673	20,913
Female.....		29,655	7,165	4,647	6,563	9,254	9,966	14,089	21,581

¹ The German quota of 25,957 and the Austrian quota of 1,413 were combined on April 28, 1938, by presidential proclamation.

² Quota for colonies, dependencies, or protectorates, in Other Europe, Asia, Africa, Pacific Islands, and America, included with allotment for European countries to which they belong.

Aliens debarred.

The record of aliens admitted to the United States as shown in tables I to V 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 1938 a total of 8,066 aliens applying for entry were debarred on various grounds at ports of entry. Of these rejections, 6,596 occurred on the Canadian border, 686 on the Mexican border, 359 at New York, and 425 at other seaports. Grounds for debarment were as follows:

Criminals.....	200
Immoral classes.....	38
Mental or physical defectives.....	188
Aliens previously debarred or deported.....	133
Contract laborers.....	194
Stowaways.....	330
Aliens likely to become public charges.....	2,326
Illiterates.....	29
Aliens without valid consular visa:	
Canadian border.....	3,811
Mexican border.....	481
Seaports.....	287
Miscellaneous.....	49

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.

Only 40 indigent aliens were thus removed in 1937, but since the passage of the amended act the number has steadily increased.

During the fiscal year 1938, 2,171 applications were received as compared with 117 in the fiscal year 1937, and 1,763 applications were granted as compared with 56 in the previous year. Of the 1,763 that were granted, 1,070 departed from the United States before the close of the fiscal year. The following tabulation gives the statistics in detail.

1937	1938
117 applications received.	2,171 applications received.
56 granted.	1,763 granted.
17 denied.	99 denied.
6 applications canceled after approval.	140 applications canceled after approval.
38 correspondence cases.	124 correspondence cases.

Deportations.

During the fiscal year 1938, 9,275 aliens were deported from the United States under warrants of deportation, while 9,278 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 18,553 as compared with 17,617 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, 1934 to 1938, by principal classes, countries, races or peoples, and sex*

Causes, destination, race or peoples, and sex	1934	1935	1936	1937	1938	Total
Number deported.....	8,879	8,319	9,195	8,829	9,275	44,497
Classes:						
Criminals.....	1,569	1,632	1,727	1,603	1,662	8,193
Violators of narcotic laws.....	122	111	154	118	81	586
Anarchists and kindred classes.....	20	17	47	17	8	109
Immoral classes.....	383	413	407	308	318	1,829
Mental or physical defectives.....	662	510	533	392	401	2,498
Previously debarred or deported.....	359	933	1,048	1,000	1,085	4,425
Remained longer than authorized.....	986	786	850	702	748	4,072
Entered without valid visa.....	3,611	2,824	3,181	3,294	3,545	16,455
Unable to read (over 16 years of age).....	539	416	502	550	676	2,683
Under Chinese Exclusion Act.....	101	77	53	37	30	308
Likely to become public charges.....	98	33	50	40	24	245
Miscellaneous.....	429	567	643	758	697	3,094
Destination:						
Czechoslovakia.....	111	99	68	78	40	396
Germany.....	200	191	176	150	120	837
Great Britain and Northern Ireland.....	403	305	335	251	297	1,591
Greece.....	156	130	165	109	144	684
Irish Free State.....	90	69	64	53	43	319
Italy.....	529	513	495	449	391	2,377
Norway.....	73	44	50	55	70	301
Poland.....	113	71	80	68	73	405
Portugal.....	75	97	89	75	67	403
Yugoslavia.....	128	77	105	83	38	431
Other Europe.....	540	431	385	277	282	1,915
China.....	412	169	151	134	134	1,000
India.....	46	48	51	50	63	258
Japan.....	95	55	68	62	56	336
Other Asia.....	77	32	44	25	12	190
Canada.....	1,577	1,554	1,784	1,833	1,941	8,689
Mexico.....	3,883	4,078	4,660	4,764	5,113	22,498
Cuba.....	45	48	70	56	63	282
British West Indies.....	101	92	114	67	88	462
Other America.....	189	169	165	140	160	823
Other countries.....	36	67	76	50	71	300
Races or peoples:						
Chinese.....	405	167	151	140	135	998
English.....	602	575	652	672	715	3,216
French.....	481	502	539	492	449	2,463
German.....	354	305	298	263	263	1,483
Greek.....	175	117	169	124	155	740
Hebrew.....	114	96	107	109	84	510
Irish.....	391	337	365	323	354	1,770
Italian.....	583	554	535	490	436	2,598
Scandinavian.....	186	167	152	155	190	850
Scotch.....	272	220	291	292	308	1,383
All others.....	5,316	5,279	5,936	5,769	6,186	28,486
Male.....	7,921	7,501	8,155	7,943	8,344	39,864
Female.....	958	818	1,040	886	931	4,633

States bordering on Mexico and Canada furnished 94 percent and 71.9 percent, respectively, of the total number of aliens deported to those countries.

Fifty-six of the aliens deported in 1938 were under 5 years of age, and 1,487 under 21. These were largely children belonging to family groups. Of the remainder, 6,413 were between 21 and 40 years of age, 1,004 between 41 and 50, and 371 over 50 years of age.

Of the aliens deported in 1938, 5,113, or 55.1 percent, were returned to Mexico; 1,941, or 20.9 percent, to Canada; 1,574, or 17 percent, to Europe; 265, or 2.9 percent, to Asia, and 382, or 4.1 percent, to other countries.

Criminal aliens deported.

During the last fiscal year, 1,662 criminal aliens were deported. Of these, 803 were returned to Mexico, 490 to Canada, and 296 to Europe. The principal criminal grounds of deportation were:

	1937	1938
Larceny.....	498	508
Burglary.....	343	353
Robbery.....	161	134
Perjury.....	149	188
Assault and battery.....	48	48
Forgery.....	45	50
Manslaughter or murder.....	70	45
Bigamy.....	26	28
Contributing to the delinquency or impairing the morals of a child.....	21	15
Counterfeiting.....	20	20
Attempt to kill.....	10	22
Kidnaping.....	3	3
Prostitution, other immorality, and other grounds..	209	248
Total.....	1,603	1,662

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 re-admission 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 9,278 deportable aliens who were allowed to leave the country at their own expense during the fiscal year, 4,801 were destined to Mexico; 3,695 to Canada; 403 to Europe; 257 to the West Indies; 68 to Central and South America; 32 to Asia, and 22 to other countries.

The required departures from the United States arranged by the Immigration and Naturalization Service since July 1, 1932, have been:

1933.....	10,347	1936.....	8,251
1934.....	8,010	1937.....	8,738
1935.....	7,978	1938.....	9,278

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. During the fiscal year 1938, for instance, the Immigration and Naturalization Service has been unable to deport 460 aliens for whom warrants have been issued, because the native countries of these aliens have refused to issue passports for them.

II. THE BORDER PATROL

During the fiscal year 1938, officers of the Immigration Border Patrol patrolled 7,402,797 miles, examined 801,673 conveyances, and questioned 942,985 persons in their effort to detect and prevent the smuggling and illegal entry of aliens into the United States. They apprehended 13,655 law violators, 112 of whom were smugglers of aliens, 12,851 illegal entrants, and 692 persons wanted for other law violations. They seized and delivered to other appropriate law-enforcement agencies 269 automobiles and trucks and 25 other conveyances, or restored them to owners from whom they had been stolen. The estimated value of seizures made was \$57,791.

The authorized force of this organization remained at 850 officers and employees of all grades. The transportation equipment consisted of 309 automobiles, 24 trucks, 4 saddle horses, 13 patrol boats, and 16 outboard-motor craft. Of the Patrol's 333 motor vehicles, 197 are equipped with short-wave radio receiving sets, while 13 have both transmitters and receiving sets.

The program to improve the communication facilities of the Border Patrol progressed with the installation of seven additional radio-broadcasting stations, bringing the total number of stations in operation at the end of the year to 17, with an 18th nearing completion. Additional transmitters installed in patrol cars and boats brought the total number to 16. Seven low-power transmitters were in use in observation towers in the vicinity of El Paso, Tex. By means of these towers, effective border control has been established during daylight hours in a sector where it has hitherto been most difficult to keep smuggling and illegal entries at a minimum. Results accomplished by radio communication in the Border Patrol have more than justified original expectations. Short-wave radio has made possible a more efficient functioning of the entire organization and has led directly to the apprehension of many additional law breakers.

The morale of the force is high. The men accept dangerous and arduous assignments and work many long hours of overtime with admirable loyalty.

This year's turn-over of 50 men was the smallest number in the history of the Border Patrol. Twenty were promoted to the administrative branch of the Service; 14 resigned (1 with prejudice and 13 without); 4 probationers were separated from the Service; 9 transferred to other law-enforcement agencies; 1 died; and 2 retired.

Forty-six new appointees were given a 3-months' course of training in the Border Patrol school at El Paso. Last year's class was the third to go through the training school. The course of instruction and instructing technique have both been improved.

An important milestone in the history of the Border Patrol was passed last year when the Civil Service Commission agreed to place Border Patrol officers in the 62-year age retirement group because of the arduous and hazardous nature of the duties of these officers. For nearly 14 years the retirement age for this service was 70 years, and with so high a retirement age, the Border Patrol would soon have begun to feel the burden of having a disproportionate number of officers who had passed the age of maximum efficiency for this difficult work.

The Service has been seriously handicapped by the necessity of detailing officers from the already too small patrol force to act as immigrant inspectors at ports of entry. This has been caused by the

shortage of regular immigrant inspectors, which is met with principally on the northern border in summer when there is the greatest need of a strong and active Border Patrol. Officers doing inspectional work at fixed ports of entry do not deter aliens from entering the country illegally at other points. Aliens who know or suspect that they will not be admitted at legal ports of entry, evade inspection by crossing the border through the fields or woods. That is a problem for the Border Patrol, and, without the strong deterrent effect that it exercises on smugglers and illegal entrants, the efforts of the immigrant inspectors at ports of entry would be largely nullified. Prior to the establishment of the Border Patrol in 1924, the situation then existing was likened "to a series of locked doors with no connecting walls between them." This simile still holds good when the Border Patrol is withdrawn from its own particular field to do inspection duty.

III. MINOR IMMIGRATION PROBLEMS AND DUTIES

Chinese.

By the terms of the Exclusion Law of 1882, Chinese laborers were excluded from admission to the United States. However, students, teachers, merchants, and travelers were allowed admission for permanent residence and continued to be admissible until the passage of the Immigration Act of 1924. Under the latter act the only alien Chinese admissible for permanent residence in the United States are returning residents, and ministers and professors and their wives and unmarried children under 18 years of age. Merchants in international trade are admissible and can remain indefinitely as long as they maintain their status. Students are admissible for the length of time during which they attend schools approved by the Secretary of Labor. By an amendment of this act, permanent admission is allowed to the Chinese wives of American citizens whose marriage took place prior to May 26, 1924.

During the fiscal year 1938 admission for permanent residence was accorded to 836 returning Chinese residents and to 82 wives of American citizens. Temporary admission was allowed to 185 merchants, 357 students, 425 temporary visitors, and 2,416 travelers in transit through the United States.

The problems surrounding members of the Chinese race who claim to be United States citizens and freely admissible as such are among the most difficult that face the Immigration and Naturalization Service. A son or daughter of a Chinese parent who is a citizen is held by existing law to have inherited citizenship provided the citizen parent has been a resident of the United States at some time before the birth of the child in question. This gives United States citizenship to many children who are born in China. These foreign-born citizens often raise difficult questions of identification, as a considerable number of Chinese offer themselves for admission on fraudulent claims of citizen parentage. During the last fiscal year the Service verified the citizenship of 1,790 Chinese claimants who presented themselves for admission for the first time and of 3,606 other Chinese who claimed to be citizens returning from visits abroad. Of this number, 87 claimants were found to be fraudulent and were debarred from entry.

During the fiscal year the Service effected the deportation of 135 Chinese aliens illegally in this country and excluded 136 who tried to enter without valid visas.

Alien seamen.

Alien seamen entering United States ports are subject to inspection under the immigration laws. During the fiscal year 1938 the Immigration and Naturalization Service conducted 978,737 such inspections. This does not mean that 978,737 individual alien seamen arrived at United States ports of entry, as many of them made several voyages and were inspected and counted on each arrival. Many 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.....	21, 875
Alien seamen removed to hospital on arrival.....	1, 577
Alien seamen deserting their ships.....	2, 841
Total not leaving on same vessel.....	26, 293
Alien seamen reshipped foreign.....	24, 539

Excess of alien seamen remaining in the United States..... 1, 754

The recorded alien seamen departures totaled 976,983, leaving 1,754 remaining in the United States, of which 303 were lawfully admitted as immigrants.

American seamen arriving at United States ports during 1938 numbered 439,977, as compared with 380,560 arrivals in 1937.

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, 1938, by districts*

District or port	Vessels boarded			Alien seamen			United States citizens
	In foreign trade	In coast-wise trade	Total	Arrived	Departed	Excess ¹	
All districts.....	32, 201	2, 828	35, 029	978, 737	976, 983	+1, 754	439, 977
New York, N. Y.....	4, 342	-----	4, 342	455, 254	454, 678	+576	127, 931
Boston, Mass.....	2, 566	61	2, 627	58, 188	58, 013	+175	43, 524
Philadelphia, Pa.....	818	44	862	20, 001	19, 959	+42	7, 797
Baltimore, Md.....	1, 640	531	2, 171	26, 588	26, 750	-162	14, 335
Jacksonville, Fla.....	4, 995	318	5, 313	38, 777	38, 456	+321	79, 471
New Orleans, La.....	1, 498	89	1, 587	32, 528	32, 246	+282	24, 846
Galveston, Tex.....	2, 014	364	2, 378	50, 245	50, 040	+205	11, 089
San Francisco, Calif.....	898	61	959	14, 897	14, 784	+113	3, 892
Seattle, Wash.....	5, 185	224	5, 409	124, 240	124, 027	+213	40, 899
Los Angeles, Calif.....	3, 093	514	3, 607	62, 684	62, 756	-72	34, 427
Honolulu, T. H.....	338	-----	338	30, 978	30, 968	+10	11, 908
San Juan, P. R.....	1, 200	552	1, 752	14, 813	14, 774	+39	23, 185
Great Lakes.....	3, 614	70	3, 684	49, 544	49, 532	+12	16, 673

¹ Excess of arrivals (+), of departures (-).

Nonquota students.

During the fiscal year 2,451 students were admitted as nonquota immigrants to attend educational institutions approved by the Secretary of Labor, an increase of 623 students over the previous year. As long as such aliens remain in this country their student status must be maintained. Student departures numbered, 1,419.

Contract laborers.

Petitions to the number of 1,581, involving 2,515 aliens; were filed by prospective employers during 1938 for waiver of the contract-labor provisions of the Immigration Act of 1917, as compared with 1,793 petitions covering 2,227 persons in 1937. 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 1938, favorable action was taken on 736, involving 880 persons, as compared with 1,127 petitions covering 1,263 persons in 1937. Petitions totaling 845, involving 1,635 persons, were denied, an increase of denials over 1937 of 179, involving 671 more persons.

Reentry permits.

There were 48,804 applications for permits to reenter the United States, filed with the service in 1938, 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 48,469 permits were issued and 403 denied.

Extensions of temporary stay.

Aliens admitted to the United States for business or pleasure to the number of 5,773 made applications in 1938 for an extension of temporary stay. Of these, 4,078 applications were granted and 1,622 denied, while 73 cases were pending at the close of the fiscal year.

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 624 were received during the year just passed, as compared with 934 received during the previous year. There were 505 granted in 1938, as compared with 846 during 1937.

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 return journey, they receive permission from the Secretary of Labor to reapply for admission. During 1938 there were 3,360 such applications received; of these, 351 applications were granted and 2,137 were denied.

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 1938, 1,905 such applications were received and 838 granted.

IV. NATURALIZATION**Naturalization applications and certificates.**

Naturalization courts admitted 162,078 aliens to citizenship during the fiscal year 1938, of whom 92,041 were males and 70,037 were females. Petitions for naturalization were denied by the courts for various reasons in 4,854 cases. Declarations of intention were filed by 150,673 aliens, of whom 111,521 were males and 39,152 females.

Aliens filing final petitions for naturalization numbered 175,413—102,921 males and 72,492 females.

Here follows a table showing, by decades, declarations of intention and petitions for naturalization filed, and certificates of naturalization issued, during the past 32 years, which constitute the entire record of Federal administration of our naturalization laws.

TABLE VIII.—Declaration of intention and petitions for naturalization filed, and certificates of naturalization issued for fiscal years 1907 to 1938

Period	Declarations filed	Petitions filed			Certificates issued		
		Civilian	Military	Total	Civilian	Military	Total
Total, 32 years, 1907 to 1938.....	6,932,497	4,250,351	325,018	4,575,369	3,794,287	313,999	4,108,286
Years, 1907-10.....	526,322	164,036	-----	164,036	111,738	-----	111,738
1907.....	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
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.....	247,958	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.....	342,253	105,514	63,993	169,507	87,456	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
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.....	258,295	235,298	5,041	240,339	198,493	4,311	199,804
1928.....	254,588	235,328	4,993	240,321	228,006	5,149	233,155
1929.....	280,645	254,799	7.0	255,519	224,197	631	224,728
1930.....	62,138	111,209	1,942	113,151	167,637	1,740	169,377
Years, 1931-38.....	1,010,252	1,122,158	23,514	1,145,672	1,080,898	13,493	1,094,391
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	136,600
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	1,568	167,127	140,784	481	141,265
1937.....	176,195	157,670	7,794	165,464	162,923	2,053	164,976
1938.....	150,673	169,131	6,182	175,313	158,142	3,936	162,078

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

The principal nations to which aliens admitted to citizenship during the fiscal year 1938 formerly owed allegiance were: Great Britain, 42,106; Italy, 26,306; Germany, 19,312; Poland, 18,356; Soviet Russia, 11,189; Czechoslovakia, 6,158; Yugoslavia, 4,365; Sweden, 4,112; Hungary, 3,168; Norway, 2,848. Those from all other countries numbered 24,158.

Preliminary applications to obtain certificates of arrival and to file declarations of intention were received during 1938 from 196,256 aliens in comparison with 161,751 received in 1937. There were also received in 1938 applications for certificates of arrival and for petitions for naturalization from 206,159 aliens, as compared with 160,189 in 1937. These figures for the two kinds of applications are approx-

imately double those of 5 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 1938 there were 210,740 certificates of arrival issued as a basis for filing declarations of intention and petitions for naturalization, as compared with 178,726 such certificates issued during 1937.

Naturalization examiners, in the course of administrative hearings, examined or reexamined 191,051 petitioners in person and 12,280 by correspondence, as compared with 182,816 and 10,867, respectively, in 1937. They also questioned 349,485 witnesses in person, as compared with 336,260 last year; and 26,861 by correspondence, as compared with 24,449 in 1937; and attended 3,438 court hearings as compared with 3,385 in the previous year. The courts canceled 1,085 certificates of naturalization for various causes, compared with 991 in 1937.

The Naturalization Certification Division in the central office issued 13,132 duplicate naturalization certificates, as compared with 10,385 in 1937, and 1,828 new declarations in intention, as compared with 1,527 in 1937, to replace originals that had been lost, mutilated, or destroyed. During the last fiscal year, 3,201 certificates of derivative citizenship were also issued, as compared with 2,664 in 1937, and 1,135 other documents of various kinds, as compared with 829 in the preceding year.

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 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 1938 13,660 applications for registry were received, of which 10,790 were granted and 1,998 denied. The number of registry applications received in 1938 was greater than in any year since 1932, and more than double the number received in 1933.

Petitions for immigration visas.

The Immigration Act of 1924 includes a clear-cut 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. During 1938, 16,163 such petitions were received, and 14,532 of them,

involving 18,137 prospective immigrants, were approved. In this way American citizens secured priority for 11,559 aliens in the nonquota class, and 6,578 in the quota preference class, including 5,609 wives, 4,711 unmarried minor children, and 1,239 husbands in the nonquota group, and 1,436 fathers, 2,709 mothers, and 2,433 husbands as quota preference beneficiaries.

V. EDUCATION FOR CITIZENSHIP

The educational test given to petitioners for naturalization by examiners of this Service is based upon the principles of the Constitution of the United States, the naturalization law requiring that a petitioner show his attachment to such principles. As an aid to applicants in their preparation, not only for their examination but also for their duties and responsibilities as citizens, the Service distributes a textbook on citizenship training. A total of 50,634 of these books was furnished to the public schools during the fiscal year 1938 for the use of several times that number of applicants for naturalization, the same book being used repeatedly by different students. This practice was made necessary because the supply of textbooks available was insufficient to permit each student to retain a book for his use alone.

As in the preceding year, the public schools of 40 States used this publication. The naturalization statute which authorizes the publication and distribution of a textbook provides also for the cooperation of the Service with the public schools in this work of good citizenship.

In response to requests from supervisors and teachers of adult alien education in the public schools, steps were taken to revise the textbook material to bring it into harmony with present-day educational methods 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 given the Service the benefit of their counsel and advice in the production of a more satisfactory citizenship textbook. With the publication of the new material, there is every reason to believe that the cooperation between the Service and public schools, groups of educators, and social service and other public-spirited agencies will be closer and the results more far reaching than ever before.

VI. NEW LEGISLATION ON NATURALIZATION AND CITIZENSHIP

Three laws were enacted during the fiscal year 1938 concerning naturalization and citizenship. They dealt with the citizenship of persons born in the Canal Zone and the Republic of Panama, the naturalization of certain persons born in Puerto Rico, and the effect on naturalization of absences from the United States for extended periods.

The act of August 4, 1937, declares to be citizens of the United States persons born in the Canal Zone or in the Republic of Panama on or after February 26, 1904, who had a citizen parent or parents. In the case of persons born in the Republic of Panama, the law is limited to children one at least of whose parents at the time of the birth was a citizen of the United States employed by the Government of the United States or by the Panama Railroad Company.

The act of May 16, 1938, makes provision for the acquisition of United States citizenship by certain natives of Puerto Rico born there on or after April 11, 1899, whose fathers elected, on or before April 11, 1900, to preserve their allegiance to the Crown of Spain under the treaty of peace between the United States and Spain. Such children must have erroneously but in good faith exercised the rights and privileges and performed the duties of a citizen of the United States, and have failed to exercise the privilege of establishing United States citizenship previously through misinformation regarding their status. In such cases a sworn declaration of allegiance to the United States is required to be made before a United States district court.

A measure of considerable importance is the joint resolution of June 29, 1938, which modifies the previous law concerning the effect of absences from the United States in certain classes of cases. Under the new legislation, an alien lawfully admitted to the United States for permanent residence who has resided in this country for at least 1 year thereafter, who has made a declaration of intention, and who hereafter has been sent abroad as an employee of or under contract with the Government of the United States, or has thereafter proceeded abroad as an employee or representative of or under contract with an American institution of research recognized as such by the Secretary of Labor, or as an employee of a concern engaged in the development of the foreign trade and commerce of the United States, may be absent from the United States without such absence breaking the continuity of his residence. This result follows if the reason for such absence has been established to the satisfaction of the Secretary of Labor, and if such alien proves to the naturalization court that his absence from the United States has been for one of the reasons described. The requirement of a year's residence in the United States after permanent admission is a new restriction not previously in effect.

This legislation also declares that an alien who has been lawfully admitted to the United States for permanent residence, and who is the wife or husband of a citizen of the United States so engaged abroad, shall be considered as residing in the United States for the purpose of naturalization notwithstanding any absence therefrom. This latter provision should make it possible for a number of the wives of officials of the United States Government, whose husbands' duties require the presence of the families abroad, to become naturalized without the long delays and expense which the more rigorous provisions of the law had previously imposed.

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

The following compilation of Immigration and Naturalization Service figures and estimates gives a fairly accurate idea of the steady decrease in 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 the effective date of the Quota Act of July 1, 1924, and includes the

year ending June 30, 1938. The estimated net decrease in the un-naturalized 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 1938

Fiscal year	Immigrants arrived	Estimated decrease in resident alien population					Ratio of decrease
		Departures ¹	Naturalization		Deaths of alien population ²	Total	
			Aliens naturalized	Derivatives ³			
1925.....	294,314	92,728	162,457	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	73,360	199,804	55,000	126,719	454,889	135.7
1928.....	307,255	77,457	233,155	60,000	121,757	492,360	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	113,669	37,200	103,864	294,504	999.3
1935.....	34,956	38,834	118,945	38,900	101,716	298,395	853.6
1936.....	36,329	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
† Total.....	2,137,287	852,033	2,220,293	530,100	1,557,707	5,160,083	241.5

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

² Resident foreign-born minor children of aliens naturalized.

³ Deaths among alien population based on available mortality statistics.

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 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 8 years and 3 months between April 1, 1930, and the end of the fiscal year 1938 it is possible to apply the actual figures and estimates of the Immigration and Naturalization Service 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 April 1, 1930:	
Naturalized.....	1,140,315
Derivatives.....	246,100
Immigrant children of citizens.....	17,843
Excess of nonemigrant departures over non-immigrant arrivals.....	161,853
Less excess of immigrants over emigrants.....	14,599
	147,254
Deaths.....	844,173
Total decrease.....	2,395,685
Estimated alien population, as of on July 1, 1938.....	3,838,928

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The Immigration and Naturalization Service further estimates that at least 700,000 valid unexpired declarations of intension were outstanding on July 1, 1938, 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.....	\$555,000
Field service, coast and land border patrol.....	9,031,600
Total.....	9,586,600
Physical maintenance and upkeep of immigration stations.....	100,000
Total.....	9,686,600
Net amount expended for all purposes after deducting refunds to the appropriation not properly chargeable to the Government was ..	9,665,754
Net balance.....	20,846
When balanced against the expenditures mentioned, there was collected as hereinafter shown the sum of.....	3,101,095
Resulting in the net cost of operation.....	6,564,659

Income and sources thereof (net collections)

Naturalization fees.....	\$1,448,043.50
Head tax.....	1,029,327.01
Administrative fines.....	74,800.50
Entry permits and extensions.....	171,066.17
Certificates of registry.....	107,760.10
Immigration overtime.....	126,097.59
Bonds forfeited and paid without suit, including interest coupons on Liberty bonds.....	30,792.70
Sale of exclusive privileges (feeding, money, etc.).....	303.67
Expenses of deporting aliens (reimbursed).....	144.95
Sale of Government property.....	4,219.41
Miscellaneous collections.....	725.96
Mail box collections (New York, Boston, Philadelphia and Seattle).....	578.81
Collections on account of persons detained in hospitals of Public Health Service under the immigration laws and regulations.....	80,771.25
Overnight maintenance.....	26,463.50
Total.....	3,101,095.12

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 activities 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:

	1938	1937	1936	Decrease or increase 1938 over 1937
Naturalization fees.....	\$1,448,043.50	\$1,862,567.25	\$1,772,478.00	-\$414,523.75
Head tax.....	1,029,327.01	951,412.53	788,101.00	+77,914.48
Administrative fines.....	74,800.50	65,651.51	51,627.00	+9,148.99
Entry permits and extensions.....	171,066.17	197,020.17	193,508.00	-25,954.00
Certificates of registry.....	107,760.10	98,910.00	90,330.00	+8,850.10
Mail box collections.....	80,771.25	46,071.50	34,065.00	+34,699.75
Overnight maintenance.....	26,463.50	25,196.94	11,213.00	+1,266.56

The personnel of the Immigration and Naturalization Service, which 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 eight executive officers and a legal and administrative staff of 261; and a field service consisting of 69 executive and supervisory officers, 1,186 inspectional and investigative employees, 1,139 naturalization examiners, 850 Border Patrol employees, 777 clerks, 49 interpreters, and a custodial force of 436 employees; or a total of 3,775 persons.

Respectfully submitted.

JAMES L. HOUGHTELING,
Commissioner.

CHILDREN'S BUREAU

KATHARINE F. LENROOT, *Chief*

To the SECRETARY OF LABOR:

As the fiscal year 1938 drew to a close, the third anniversary of the passage of the Social Security Act was approaching, and the Fair Labor Standards Act of 1938 had just been signed. By these two measures, each of which included far-reaching provisions affecting the health and welfare of children, the responsibilities of the Children's Bureau have been extended beyond research, consultation service, and dissemination of information, to include the development with the State agencies of health, welfare, and labor of joint undertakings for the advancement of the well-being of children and youth. Programs under the Social Security Act rest upon the principle of Federal aid to the States, granted on the basis of plans developed and administered by the State agencies but subject to Federal review and approval. The responsibilities of the Children's Bureau under the Fair Labor Standards Act rest upon a different legal principle—the establishment of legally enforceable standards relating to the employment of children in industries producing goods that enter into interstate commerce—but the approach to the States in protecting children from industrial exploitation and occupational hazards will be developed on a basis not dissimilar to that underlying the administration of Federal aid.

In approaching its work under the Fair Labor Standards Act, the Children's Bureau has for guidance not only the research work in fields relating to the employment of children that it has carried on for more than 25 years and the consultative and advisory work carried on during this period but also actual experience in administering the first Federal child-labor act, in effect in 1917 and 1918. Similarly, in undertaking responsibilities under the Social Security Act, the Bureau had as a background 7 years of Federal aid to the States for the promotion of the welfare and hygiene of maternity and infancy under the Sheppard-Towner Act of 1921.

Review of accomplishments under the provisions of title V, parts 1, 2, and 3, of the Social Security Act indicates the end of the initial period of setting up Federal and State administrative organization and determining general policies of operation, and the beginning of a period of increasing effectiveness in extending the services contemplated by the act throughout the country, particularly in rural districts and needy areas, and improving the protection and care extended to mothers and children through these services. The supply of qualified personnel is still inadequate to meet the demand but is being steadily increased through the application of personnel standards developed by national professional organizations, associations of responsible State officials, and committees advisory to the Children's Bureau, and through training programs. Cooperation between the State agencies and organized professional groups, agencies giving

services under private auspices, educational institutions, and groups of citizens is being extended. Progress is being made in the development of integrated State and local programs of health and welfare in which specialized services for mothers and children have full opportunity not only for their appropriate functioning but also for helping to develop increased awareness and capacity to meet opportunities throughout the field of health and social service for consideration of the needs and interests of children. Moreover, as was predicted when the Social Security Act was under consideration, provision of actual services has uncovered needs hitherto unrealized and has made it possible to project the lines along which further advance in health and social protection is urgently required and eminently feasible.

In 1937 the first major advance which should be made in the program of Federal and State cooperation for maternal and child welfare had been clearly envisioned by the Children's Bureau Advisory Committee on Maternal Health, Advisory Committee on Maternal and Child Health Services, and General Advisory Committee on Maternal and Child Welfare Services, and also by the conference of State and Territorial health officers. Recommendations made by these organizations covered two aspects of maternal and child care; namely, (1) increased and improved maternity care and care of the newborn infant, and (2) a program of training in these fields for physicians and nurses. Carrying out a suggestion incorporated in these recommendations, the Children's Bureau early in the fiscal year 1938 addressed to State and Territorial health officers a questionnaire regarding existing facilities for maternal care. Of 50 responding, only 2 reported such facilities in their States to be adequate, 41 reported them definitely inadequate, and 6 reported them inadequate in at least some important respects.

Technical advice and the advice of responsible administrative officials indicated that the time had come to press for a major advance in public provision for the care of mothers and babies in childbirth and the entire cycle of maternity and infancy. But in accordance with the general policy maintained throughout its history, the Children's Bureau felt that the understanding and cooperation of widely representative citizens' groups were essential. Accordingly, on October 19, 1937, a small conference was held with representatives of national organizations to consider the next steps necessary. It was the sense of this conference that a larger and more representative group should be called in conference in January 1938 to discuss the needs known to exist and the measures that should be undertaken to meet these needs.

A committee representing 46 organizations was appointed to assist in making plans for the conference, which met in Washington, under the title Conference on Better Care for Mothers and Babies, January 17 and 18, 1938, on the invitation of the Chief of the Children's Bureau. The object of the conference was to consider existing resources for the care of mothers and newborn infants in the United States, the extent to which maternal and infant mortality may be reduced, the measures successfully undertaken in certain localities and among certain groups, and the ways by which such services may be made available everywhere. The conference attendance of 481 included representatives of 86 national organizations, professional associations,

health and social agencies, and Federal, State, and local health and welfare officials; chairmen of State advisory committees; chairmen of maternal-welfare committees of State medical societies; presidents of State pediatric societies and State nurses' associations; and others actively concerned with the problems of maternal and infant care. Reports of four committees of the conference—on professional resources, community resources, resources of citizens' groups, and general findings—were presented, accepted, and made a part of the proceedings of the conference.

The report of the committee on findings, after reviewing the evidence concerning the unnecessary loss of maternal and infant life in the United States, the opportunities presented for saving life, the inadequacy of medical and nursing care, and recent advance in provision of such care, found that "preserving the lives and health of mothers and babies is of such importance to all the people that it warrants immediate and concerted national consideration and national action." It recommended a plan of action to include increasing professional resources and developing in both cities and rural areas complete service for mothers and newborn infants, through the utilization of available competent service under both public and private auspices and through the extension and improvement of public services when these services are not adequate to meet the need. The committee found that if this plan of action is to be carried out Federal participation will be necessary, and it recommended the amendment of title V, part 1, of the Social Security Act, to authorize the annual appropriation of a larger sum for grants to the States for maternal and child-health services, with provision that the increased payments be used for the improvement of maternal care and the care of newborn infants. It recommended further that the authorization should provide for gradual development of the program, in both its educational and its administrative aspects, and for necessary increases in appropriation until a sum is reached that will insure care for all women who are unable to obtain care otherwise, either because of economic reasons or because of inaccessibility of care in the communities in which they live. A similar recommendation, providing for the amendment of title V, was made by the committee on community resources.

On recommendation of the committee on resources of citizens' groups, a resolution was adopted by the conference to the effect that provision be made for a continuing committee to give clearance service to the participating organizations, to provide the organizations with material for study, and to assist in the effort to increase public interest in better care for mothers and babies. It was further recommended that the committee might consider the legislation deemed necessary to advance this work, and, when such legislation has been prepared, provide a means through which organizations endorsing the legislation may act in supporting the measure. Such a committee was formed in March 1938 under the name National Committee on Better Care for Mothers and Babies. Fifty-eight organizations are included in the membership.

The conference stimulated a great deal of newspaper and magazine publicity on problems of maternal and infant care, which has been helpful in developing public awareness of the problem and the ways in which it may be met.

On April 8, 1938, the State and Territorial health officers in conferences with the Children's Bureau approved a draft of a bill to amend title V, part 1, of the Social Security Act so as to provide enlarged service during maternity and infancy. The measure was introduced in the Senate by Senator Barkley (S. 3914) and in the House by Representative Doughton (H. R. 10241), but it came before the Congress too late in the session for hearings to be held or action to be taken.

The need for expansion of maternal and child-health services was given first place in a report, "The Need for a National Health Program," prepared by the Technical Committee on Medical Care of the Interdepartmental Committee To Coordinate Health and Welfare Activities, accepted by the Interdepartmental Committee, and presented to the President of the United States, with recommendations for a national health program, in February 1938. The Assistant Chief of the Children's Bureau served as chairman of the technical committee, the membership of which included representatives of the United States Public Health Service, the Social Security Board, and the Children's Bureau.

The recommendations for a national health program, including expansion of general public-health services, maternal and child-health services, hospital facilities, medical care for the medically needy, and a general program for medical care, were presented to and discussed by the National Health Conference called by the Interdepartmental Committee on the suggestion of the President in Washington, July 18, 19, and 20, 1938. Recommendations in the field of maternal and child health called for a gradually expanding program reaching at least by the tenth year a total additional expenditure of \$65,000,000 distributed as follows:

Maternity care and care of newborn infants-----	\$95,000,000
Medical care of children-----	60,000,000
Services for crippled children-----	10,000,000

The committee recommended that approximately one-half the cost of the expanded program be met by the Federal Government.

Statistics of births and infant deaths show the need for more adequate maternal and infant care. During 1936, the latest year for which final figures have been issued by the Bureau of the Census, 4,447,790 live births were registered, giving a birth rate of 16.7 per 1,000 estimated population, the lowest, with the exception of 1933, since the establishment of the birth-registration area. Had the 1915 rate prevailed in 1936, more than a million additional births would have been registered. Provisional figures for 1937 show 2,201,609 more births, or a provisional birth rate of 17.

The stillbirth rate of 34 per 1,000 live births for 1936 represents a slight decrease as compared with rates of 36 for 1934 and 1935. The infant mortality rate of 57 per 1,000 live births in 1936 was higher than the 1935 rate (56) but lower than that of any year prior to 1935. The provisional rate of 54 for 1937, if maintained, will be the lowest record for the United States. It is interesting to note that the lowest infant mortality rates are for cities of 100,000 or more population. The maternal mortality rate in 1936 (57 per 10,000 live births) was one point lower than the lowest previous rate.

The Fair Labor Standards Act of 1938 bears a significant relation to child welfare, not only because of the provisions relating to "oppressive child labor," but also because the wage-and-hour provisions of the

act, by raising the standard of living of those who have been underpaid and overworked, should contribute to a higher level of family life and child care in this country.

The minimum standard which the Fair Labor Standards Act fixes for the employment of young persons excludes children under 16 years of age from work in all occupations covered by the act; that is, all work in establishments producing goods for interstate or foreign commerce. In addition, it excludes children 16 and 17 years of age from such occupations in those establishments as may be found and by order of the Chief of the Children's Bureau declared to be particularly hazardous for the employment of children of such ages or detrimental to their health or well-being; permits employment of children by their parents in occupations other than manufacturing or mining; and gives the Chief of the Children's Bureau power to exempt from the 16-year minimum age such employment of children 14 and 15 years of age in nonmanufacturing and nonmining occupations as will not interfere with their schooling, health, or well-being. Goods produced in establishments in the United States in which children have been employed contrary to these standards within 30 days prior to the removal of such goods from the establishment, are prohibited from shipment across State lines or to any foreign country.

Through the enactment of these child-labor standards, Federal law has embodied for the fourth time the realization that the social evil of child labor is a national as well as a local problem. Two Federal child-labor laws and the child-labor provisions of the codes adopted under the National Industrial Recovery Act had attempted to set Federal standards but were rendered ineffective by decisions of the United States Supreme Court. Concern over the evils of child labor was one of the major factors that brought about the establishment of the Federal Children's Bureau in 1912.

The Fair Labor Standards Act, like the first Federal child-labor law, authorizes utilization of existing machinery for the administration of State labor laws. The practicability of such cooperative relationships between Federal and State labor officials was effectively demonstrated in the administration of the child-labor law of 1916. All officials charged under the statutes with the enforcement of State child-labor laws at that time were commissioned as inspectors under the Federal law, and employment certificates issued under State law in more than three-fourths of the States were accepted as Federal certificates, after adjustments and agreements had been made in regard to acceptable standards regulating their issuance. The Fair Labor Standards Act of 1938 provides that employers may protect themselves from unwitting violations of the child-labor provisions by obtaining and keeping on file for their minor employees certificates which have been issued under regulations prescribed by the Chief of the Children's Bureau, and the Bureau is authorized to cooperate with State and local agencies charged with the administration of State labor laws. Thus the work of the Bureau can be carried on in close contact with the inspection and employment-certificate systems which have been developed by State governments for the protection of their children.

Recent years have seen a shift in child employment from manufacturing to commercial and service industries. Studies made by the Children's Bureau and other agencies indicate continuing need for completion of ratification of the child-labor amendment to the Federal

Constitution. Action looking toward clarification of the legal status of the amendment was taken by the United States Supreme Court when it granted writs of certiorari under which conflicting decisions of the highest courts of Kentucky and Kansas will be reviewed. The Supreme Court heard argument on these cases on October 10 and 11.

The Children's Bureau has continued its activities in research, assembling of current child-welfare statistics, consultative service, and preparation and distribution of bulletins for parents and others. In these areas of its work, however, it has been seriously hampered by lack of any material increase in appropriations for these purposes over a long period of years. Careful attention is given continuously to the organization of the research and statistical work of the Bureau on the most efficient basis possible. Many urgent requests for help in the development of State and local child-welfare programs and for research needed as a basis for improvement in health and social protection for mothers and children have to remain unmet for lack of funds. The distribution of popular bulletins and the preparation of exhibit material are far below the demand, yet such printed and exhibit material is the least expensive way of bringing to mothers and fathers authoritative information that will help them in fulfilling their responsibilities as parents and as citizens.

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

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, 1938, were as follows:

	<i>Annual appropriations</i>	<i>Deficiency appropriations</i>
Maternal and child-health services.....	\$3,700,000	\$904,000
Services for crippled children.....	2,800,000	749,000
Child-welfare services.....	1,475,000	201,000
Federal administration.....	306,000	-----

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 following the close of the fiscal year for which the appropriations are made, except for \$980,000 (fund B) for maternal and child-health services, authorized for payments to States without matching and available only for a single fiscal year.

Plans approved.

For the year ended June 30, 1938, plans were submitted by the State and Territorial agencies and approved by the Children's Bureau as follows: Maternal and child-health services, 51; services for crippled children, 50; child-welfare services, 50. All the States and Territories to which the act applies were cooperating in maternal and child-health services; all except Louisiana in services for crippled children; all except Wyoming in child-welfare services. In addition to original plans, many revised, supplemental, and amended plans were considered and approved, thus permitting the programs in the States to

be kept flexible and subject to change as experience indicated need for modification.

Allotments, payments, reports, and audits.

Payments to States on the basis of approved plans for the year ended June 30, 1938, from appropriations for 1938 and from unpaid balances of 1936 and 1937 appropriations, totaled \$7,775,245.35, distributed as follows:

Maternal and child-health services-----		\$3,728,930.58
Fund A (matched by State or local funds) ..	\$2,747,517.10	
Fund B (matching not required)-----	981,413.48	
Services for crippled children (matched by State or local funds) ..		2,694,676.33
Child-welfare services-----		1,351,638.44

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

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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 1937 ²	Allotment for fiscal year ended June 30, 1938					Total	FUND A	FUND B
			Total	FUND A		FUND B				
				Uniform allotment	Allotment on basis of ratio of live births in State to total live births					
Total.....	\$4,647,534.06	- \$947,534.06	\$3,800,000.00	\$1,020,000	\$1,800,000.00	\$980,000.00	\$4,358,016.77	\$3,728,930.58	\$2,747,517.10	\$981,413.48
Alabama.....	107,837.00	10	107,836.90	20,000	51,732.00	36,104.90	108,079.96	107,837.00	71,732.10	36,104.90
Alaska.....	62,196.06	24,242.32	37,953.74	20,000	1,069.74	16,884.00	31,980.00	31,845.52	14,799.02	17,046.50
Arizona.....	52,192.83		52,192.83	20,000	7,596.18	24,596.65	52,384.10	50,320.05	26,172.64	24,147.41
Arkansas.....	66,437.55	655.34	65,782.21	20,000	29,659.93	16,122.28	78,409.93	56,851.53	40,729.25	16,122.28
California.....	133,720.88	34,693.14	99,027.74	20,000	66,603.53	12,424.21	136,396.35	126,728.18	114,303.97	12,424.21
Colorado.....	67,387.47	4,925.48	62,461.99	20,000	15,656.99	26,805.00	94,886.54	56,239.63	29,434.63	26,805.00
Connecticut.....	44,433.32	934.85	43,500.47	20,000	18,500.47	5,000.00	47,150.00	36,849.44	31,884.78	4,964.66
Delaware.....	28,854.66		28,854.66	20,000	3,354.66	5,500.00	29,015.82	28,854.66	23,354.66	5,500.00
District of Columbia.....	41,246.41		41,246.41	20,000	8,979.26	12,267.15	41,478.30	41,475.44	28,979.26	12,496.18
Florida.....	75,215.00		75,215.00	20,000	23,315.51	31,899.49	83,713.30	75,215.00	43,315.51	31,899.49
Georgia.....	126,727.01		126,727.01	20,000	52,580.64	54,146.37	127,110.88	126,726.37	72,580.00	54,146.37
Hawaii.....	37,373.12		37,373.12	20,000	7,643.56	9,729.56	38,436.05	37,273.56	27,643.56	9,630.00
Idaho.....	46,719.01	1,099.47	45,619.54	20,000	7,870.46	17,749.08	51,664.84	42,845.83	25,096.75	17,749.08
Illinois.....	200,127.31	87,131.23	112,996.08	20,000	92,996.08		173,417.50	124,756.90	124,756.90	
Indiana.....	94,154.53	22,653.46	71,501.07	20,000	43,977.06	7,524.01	79,771.07	75,850.59	68,326.58	7,524.01
Iowa.....	90,847.14	25,896.67	64,950.47	20,000	34,192.37	10,758.10	56,566.73	50,353.67	39,595.57	10,758.10
Kansas.....	85,219.00	21,763.27	63,455.73	20,000	25,425.05	18,030.68	67,822.62	49,548.40	31,517.72	18,030.68
Kentucky.....	97,113.88	355.82	96,758.06	20,000	47,971.73	28,786.33	98,419.45	97,113.88	68,327.55	28,786.33
Louisiana.....	95,547.45	359.33	95,188.12	20,000	35,134.11	38,054.01	97,072.99	91,844.19	53,790.18	38,054.01
Maine.....	60,289.63	8,882.95	51,406.68	20,000	13,068.68	18,333.00	68,518.09	54,853.47	36,515.47	18,333.00
Maryland.....	59,988.17		59,988.17	20,000	22,638.10	17,350.07	59,998.50	59,988.17	42,638.10	17,350.07
Massachusetts.....	82,715.37		82,715.37	20,000	52,365.37	10,350.00	86,420.78	82,452.80	72,102.80	10,350.00
Michigan.....	114,388.40	15,284.64	99,103.76	20,000	72,683.64	6,420.12	112,954.90	107,363.66	100,943.54	6,420.12

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 Amount includes adjustment on account of underpayment 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 services under the Social Security Act, title V, part I, fiscal year ended June 30, 1933—Continued.

State	Federal funds available						Federal funds budgeted in State plans as approved	Payment		
	Total	Balance of fund A available from allotment for fiscal year 1937	Allotment for fiscal year ended June 30, 1933					Total	FUND A	FUND B
			Total	FUND A		FUND B				
				Uniform allotment	Allotment on basis of ratio of live births in State to total live births					
Minnesota.....	\$72,052.99	\$2,362.43	\$69,690.56	\$20,000	\$38,202.84	\$11,487.72	\$75,316.29	\$72,052.99	\$60,565.27	\$11,487.72
Mississippi.....	91,348.69	41	91,348.28	20,000	40,162.77	31,185.51	96,899.06	90,737.49	59,551.98	31,185.51
Missouri.....	116,526.78	43,217.50	73,309.28	20,000	47,625.94	5,683.34	92,018.96	66,001.75	60,318.41	5,683.34
Montana.....	51,943.89		51,943.89	20,000	8,335.94	23,607.95	54,660.71	50,077.82	26,469.87	23,607.95
Nebraska.....	105,605.56	50,125.41	55,480.15	20,000	19,389.01	16,091.14	32,091.14	27,760.15	11,669.01	16,091.14
Nevada.....	85,517.10	28,424.91	57,092.19	20,000	1,182.78	35,909.41	41,415.23	39,289.41	3,380.00	35,909.41
New Hampshire.....	48,838.43	10,515.12	38,323.31	20,000	6,456.64	11,866.67	37,877.64	27,290.47	15,423.80	11,866.67
New Jersey.....	79,297.60	8,986.49	70,311.11	20,000	45,311.11	5,000.00	79,297.60	79,283.94	74,284.10	4,999.84
New Mexico.....	64,663.60		64,663.60	20,000	10,933.30	33,700.30	70,155.54	64,662.60	30,963.30	33,699.30
New York.....	274,985.25	97,832.52	177,152.73	20,000	153,223.60	3,929.13	237,480.50	166,977.07	163,813.52	3,163.55
North Carolina.....	144,327.72	15,662.57	128,665.15	20,000	65,453.15	43,207.00	145,035.14	133,837.53	90,630.53	43,207.00
North Dakota.....	72,412.98	23,604.62	48,808.36	20,000	11,349.81	17,458.55	66,859.31	53,611.52	38,820.91	14,790.61
Ohio.....	151,144.89	47,109.78	104,035.11	20,000	84,035.11		153,957.80	141,639.00	141,639.00	
Oklahoma.....	96,928.96	21,343.05	75,585.91	20,000	36,315.22	19,270.69	100,944.56	79,241.41	59,970.72	10,270.69
Oregon.....	66,427.78	23,065.27	42,762.51	20,000	10,954.17	11,808.34	72,000.96	59,249.93	47,446.59	11,808.34
Pennsylvania.....	255,560.61	101,602.17	153,958.44	20,000	133,958.44		226,570.00	147,847.85	147,847.85	
Rhode Island.....	38,161.50	4,670.97	33,490.53	20,000	8,490.53	5,000.00	38,314.74	35,945.48	30,945.48	5,000.00
South Carolina.....	104,061.53		104,061.53	20,000	33,744.37	50,317.16	105,698.75	104,061.53	53,744.37	50,317.16
South Dakota.....	75,938.83	23,083.24	52,855.59	20,000	10,680.70	22,174.89	50,689.69	43,695.43	22,174.54	22,174.89
Tennessee.....	100,048.44		100,048.44	20,000	44,313.70	35,734.74	106,029.08	96,404.51	60,669.77	35,734.74
Texas.....	236,741.73	47,937.29	188,804.44	20,000	95,354.15	73,450.29	227,318.80	183,123.39	109,673.10	73,450.29
Utah.....	51,422.03	5,046.84	46,375.19	20,000	10,551.87	15,823.32	66,201.91	40,607.92	24,784.60	15,823.32
Vermont.....	62,583.90	20,339.99	42,243.91	20,000	5,478.34	16,765.57	39,828.67	36,376.97	19,611.40	16,765.57
Virginia.....	95,438.17		95,438.17	20,000	42,795.13	32,643.04	95,894.27	100,817.62	62,795.13	38,022.49
Washington.....	51,995.00		51,995.00	20,000	18,615.17	13,379.83	52,543.94	47,888.07	34,508.24	13,379.83
West Virginia.....	66,523.75		66,523.75	20,000	34,721.84	11,801.91	70,495.71	56,415.68	44,613.77	11,801.91
Wisconsin.....	75,400.64	3,848.51	71,552.13	20,000	43,688.64	7,863.49	75,555.07	62,595.61	55,065.80	7,529.81
Wyoming.....	42,902.51	19,276.90	23,625.61	20,000	3,625.61		25,200.00	7,999.50	7,999.50	

* Amount includes adjustment on account of underpayment for fiscal year 1937.

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, 1938

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 1937 ²	Allotment for fiscal year 1938 ²				
			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:	\$4,051,300.30	\$1,201,300.30	\$2,850,000.00	\$1,020,000.00	\$1,830,000.00	\$3,191,092.41	\$2,694,076.33
Ala.....	82,681.40	25,585.36	57,096.04	20,000	37,096.04	78,000.00	78,000.00
Alaska.....	40,566.98	25,903.75	20,663.23	20,000	663.23	5,360.00	4,925.19
Ariz.....	39,995.06	3,810.52	36,184.54	20,000	16,184.54	48,760.00	38,203.22
Ark.....	109,541.97	64,210.46	45,331.51	20,000	25,331.51	62,125.00	52,943.32
Calif.....	131,529.88	54,235.74	77,294.14	20,000	57,294.14	155,219.23	115,700.99
Colo.....	38,724.18	4,205.40	34,518.78	20,000	14,518.78	61,708.28	21,879.97
Conn.....	91,229.81	53,476.46	37,753.35	20,000	17,753.35	60,000.00	33,735.60
Del.....	54,617.65	31,956.98	22,660.67	20,000	2,560.67	5,405.00	4,349.16
D. C.....	52,122.79	27,966.74	24,156.05	20,000	4,156.05	45,548.78	34,201.66
Fla.....	60,885.61		60,885.61	20,000	40,885.61	57,792.89	57,792.89
Ga.....	143,525.03	83,225.08	60,299.95	20,000	40,299.95	25,000.00	25,000.00
Hawaii.....	44,637.77	19,620.53	25,017.24	20,000	5,017.24	27,689.50	14,050.29
Idaho.....	35,807.09	10,140.21	25,666.88	20,000	5,666.88	29,210.62	21,629.89
Ill.....	236,053.99	136,339.94	99,714.05	20,000	79,714.05	135,328.57	135,328.57
Ind.....	107,251.27	51,937.73	55,313.54	20,000	35,313.54	83,010.00	31,134.75
Iowa.....	68,679.47	8,614.03	60,065.44	20,000	40,065.44	68,679.47	68,679.47
Kans.....	60,091.73	12,188.96	47,902.77	20,000	27,902.77	46,690.00	44,996.80
Ky.....	82,852.12	857.67	81,994.45	20,000	61,994.45	82,852.12	83,038.28
La.....	115,101.25	67,469.13	47,632.12	20,000	27,632.12		
Maine.....	40,816.00	8,238.92	32,577.08	20,000	12,577.08	42,646.00	32,489.44
Md.....	56,127.09	17,988.53	38,138.56	20,000	18,138.56	49,500.00	40,444.58
Mass.....	93,041.45	12,833.57	80,207.88	20,000	60,207.88	93,041.45	84,667.70
Mich.....	97,819.20	.01	97,819.19	20,000	77,819.19	97,820.16	97,819.20
Minn.....	67,997.56		67,997.56	20,000	47,997.56	67,997.56	62,599.86
Miss.....	100,369.86	52,438.08	47,961.78	20,000	27,961.78	36,647.78	34,851.39
Mo.....	64,520.71	5,656.44	58,864.27	20,000	38,864.27	60,980.00	60,980.00
Mont.....	36,685.66	10,426.18	26,259.48	20,000	6,259.48	35,000.00	30,069.88
Nebr.....	55,775.46	19,611.54	36,163.92	20,000	16,163.92	62,520.57	55,775.46
Nev.....	50,420.26	29,555.22	20,865.04	20,000	865.04	1,000.00	1,000.00
N. H.....	56,157.11	31,262.65	24,894.46	20,000	4,894.46	11,900.00	11,884.74
N. J.....	83,122.23	15,101.70	68,020.53	20,000	48,020.53	114,095.04	50,906.47
N. Mex.....	47,541.31	1,547.25	45,994.06	20,000	25,994.06	47,541.31	48,904.58
N. Y.....	223,274.28	76,217.78	147,056.50	20,000	127,056.50	143,869.77	120,308.46
N. C.....	84,710.10	7,396.57	77,313.53	20,000	57,313.53	88,355.50	84,710.10
N. Dak.....	58,887.35	29,664.75	29,222.60	20,000	9,222.60	51,306.25	45,185.12
Ohio.....	144,507.67		144,507.67	20,000	124,507.67	149,507.67	138,786.07
Okla.....	93,986.16		93,986.16	20,000	73,986.16	93,986.16	93,986.16
Oreg.....	71,259.06		29,501.22	20,000	9,501.22	36,386.25	24,257.50
Pa.....	167,089.30	41,787.84	140,094.11	20,000	120,094.11	166,888.82	131,629.79
R. I.....	68,722.88	31,111.29	27,611.59	20,000	7,611.59	34,664.00	34,545.75
S. C.....	65,667.19	19,388.74	46,278.45	20,000	26,278.45	48,402.65	47,169.24
S. Dak.....	31,000.39	2,224.31	28,776.08	20,000	8,776.08	35,006.12	29,798.78
Tenn.....	86,560.09	32,306.17	54,253.92	20,000	34,253.92	51,067.10	35,914.27
Tex.....	145,712.09	12.27	145,699.82	20,000	125,699.82	150,000.00	119,074.85
Utah.....	29,999.99	682.12	29,317.87	20,000	9,317.87	38,576.11	29,999.99
Vt.....	39,060.69	15,082.46	23,978.23	20,000	3,978.23	19,592.20	19,233.11
Wash.....	70,663.25		70,663.25	20,000	50,663.25	71,782.02	70,663.25
W. Va.....	52,791.04	11,149.09	41,641.95	20,000	21,641.95	57,160.00	50,516.42
W. Va.....	70,118.37	415.37	69,703.00	20,000	49,703.00	69,703.00	69,121.97
Wisc.....	65,871.46	3,938.65	61,932.81	20,000	41,932.81	65,871.46	59,843.66
Wyo.....	39,169.99	10,522.92	22,647.07	20,000	2,647.07	20,000.00	3,588.49

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 Reduced from \$48,515 because State plan was not in operation during first quarter of fiscal year.

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, 1938

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 1937 ²	Allotment for fiscal year ended June 30, 1938 ³				
			Total	Uniform allotment			Allotment on basis of ratio of rural population in State to total rural population
Total	\$2,074,646.89	\$587,404.92	\$1,487,151.97	\$500,000	\$987,151.97	\$1,893,989.83	\$1,351,638.44
Ala.	47,834.50	2,992.09	44,842.41	10,000	34,842.41	48,764.18	39,607.66
Alaska	10,942.31		10,942.31	10,000	942.31	9,665.00	5,725.00
Ariz.	25,110.85	9,876.78	15,234.07	10,000	5,234.07	3,015.44	2,335.00
Ark.	64,605.18	27,646.77	36,958.41	10,000	26,958.41	32,100.00	22,176.47
Calif.	71,287.20	33,503.50	37,783.70	10,000	27,783.70	56,491.65	23,896.16
Colo.	25,927.48	6,476.51	19,450.97	10,000	9,450.97	27,018.64	20,107.92
Conn.	27,116.72	412.73	18,703.99	10,000	8,703.99	19,233.99	13,028.58
Del.	18,757.35	6,646.37	12,110.98	10,000	2,110.98	11,362.50	9,643.10
D. C.	16,918.11	6,918.11	10,000.00	10,000		9,850.00	7,700.91
Fla.	31,417.54	8,439.71	22,977.83	10,000	12,977.83	31,477.70	29,477.26
Ga.	60,183.12	13,306.59	45,876.53	10,000	36,876.53	77,214.03	42,478.06
Hawaii	13,121.55		13,121.55	10,000	3,121.55	13,051.85	11,415.68
Idaho	17,901.74	2,121.61	15,780.13	10,000	5,780.13	20,575.00	14,453.35
Ill.	71,469.94	24,924.74	46,545.20	10,000	36,545.20	61,584.50	48,553.36
Ind.	51,662.22	15,234.93	36,427.29	10,000	26,427.29	53,846.08	31,000.18
Iowa	51,357.28	14,031.71	37,325.57	10,000	27,325.57	49,575.00	32,626.54
Kans.	33,925.56	2,837.29	31,088.27	10,000	21,088.27	35,380.30	21,809.44
Ky.	56,247.92	12,988.50	43,259.42	10,000	33,259.42	71,614.97	47,580.71
La.	40,311.18	7,081.49	33,229.69	10,000	23,229.69	41,557.50	27,119.39
Maine	29,634.84	10,916.48	18,718.36	10,000	8,718.36	25,158.00	17,936.67
Md.	29,255.74	7,539.06	22,029.34	10,000	12,029.34	37,804.41	14,344.73
Mass.	58,361.70	11,594.93	17,660.81	10,000	7,660.81	15,900.00	12,292.07
Mich.	44,209.68	20,085.76	38,215.94	10,000	28,215.94	65,455.00	44,170.02
Minn.	40,610.62	7,278.81	33,330.87	10,000	23,330.87	44,712.47	38,073.84
Miss.	50,010.81	7,581.62	42,429.29	10,000	32,429.29	40,922.08	37,474.18
Mo.	21,816.95	5,284.92	16,532.03	10,000	6,532.03	21,410.00	16,888.94
Mont.	37,860.84	11,522.87	26,337.97	10,000	16,337.97	29,369.25	23,542.23
Nebr.	12,698.13	1,661.38	11,036.75	10,000	1,036.75	14,789.50	12,268.82
Nev.	13,835.02	314.74	13,521.18	10,000	3,521.18	15,385.99	13,835.92
N. H.	37,729.86	14,868.23	22,861.63	10,000	12,861.63	34,080.00	21,354.76
N. J.	18,352.88	2,554.88	15,798.00	10,000	5,798.00	19,798.51	16,732.36
N. Mex.	86,907.96	39,058.69	47,849.27	10,000	37,849.27	59,419.72	50,958.49
N. Y.	76,941.46	23,700.61	53,240.85	10,000	43,240.85	78,135.00	61,088.76
N. C.	24,818.16	4,421.38	20,396.78	10,000	10,396.78	20,930.00	16,368.92
Ohio	85,250.40	39,059.95	49,190.45	10,000	39,190.45	41,485.00	32,150.10
Okl.	67,206.28	28,365.49	38,840.79	10,000	28,840.79	49,568.57	40,869.58
Oreg.	30,029.34	11,528.57	18,500.77	10,000	8,500.77	34,615.00	22,074.39
Pa.	120,708.68	53,959.17	66,749.51	10,000	56,749.51	116,800.50	62,637.22
R. I.	10,953.84		10,953.84	10,000	953.84	3,250.00	3,250.00
S. C.	35,054.71		35,054.71	10,000	25,054.71	34,228.75	31,484.17
S. Dak.	23,678.64	3,384.39	20,294.25	10,000	10,294.25	26,793.00	20,432.31
Tenn.	54,579.51	13,070.38	41,509.13	10,000	31,509.13	72,820.29	38,587.77
Texas	106,466.10	33,533.39	72,932.71	10,000	62,932.71	93,856.03	65,519.34
Utah	16,746.46	2,320.88	14,425.58	10,000	4,425.58	20,500.00	7,630.12
Vt.	16,151.24	1,739.19	14,412.05	10,000	4,412.05	16,065.00	14,494.55
Va.	55,111.37	15,135.63	39,975.74	10,000	29,975.74	59,847.01	51,851.59
Wash.	22,436.02		22,436.02	10,000	12,436.02	23,429.98	21,616.10
W. Va.	3,944.77	6,771.25	32,673.52	10,000	22,673.52	42,695.00	38,623.52
Wisc.	42,177.83	6,802.94	35,374.89	10,000	25,374.89	41,965.00	40,613.45

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 Of \$1,500,000 available for allotment, \$12,848.03 was not allotted.

Additions to the staff of the State Audits Unit of the Children's Bureau have made it possible to proceed more promptly than in previous years in the review and approval of plans and budgets, review of expenditure reports, and field audits of expenditures in the States.

At the request of official State agencies, regional conferences for discussion of budget and accounting procedures were held in Boston, Chicago, San Francisco, New Orleans, and Washington, D. C., and were helpful in clearing up many questions and difficulties.

The statistical consultant made visits to 13 States, at the request of the State agencies, to help work out plans for reports of activities under the maternal and child-health and crippled children's programs and to review record systems and statistical procedures in the State offices.

A meeting of the General Advisory Committee on Maternal and Child Welfare Services was held June 2, 1938. Reports by the Directors of the Maternal and Child Health, Crippled Children's, and Child Welfare Divisions were presented and discussed. A statement of principles relating to personnel standards, to be drawn up by a subcommittee, was authorized. After approval by the general committee the statement was sent, in September, to State administrators and national organizations for their information and for dissemination throughout the States.

Maternal and child-health services.

The staff of the Maternal and Child Health Division of the Children's Bureau was strengthened during the year by the appointment as assistant director of a pediatrician who had been director of a State division of maternal and child health, and of an obstetric consultant. All the cooperating States and Territories except Hawaii were visited at least once—many of them more than once—by regional medical consultants, who were able to give more time than in previous years to the study and evaluation of services being rendered under the cooperative Federal and State programs. One or more visits by public-health-nursing regional consultants were made to each State and Territory. The Negro pediatrician spent the entire year in service to the Alabama State Department of Public Health, giving postgraduate lectures and clinics for the Negro physicians of the State. The specialist in nutrition received requests for consultation service from 29 States and made field trips to 26 States for consultation and advisory service in relation to the maternal and child-health program.

Administration of the maternal and child-health provisions of the Social Security Act has been greatly facilitated by service from advisory committees and conferences with State officials.

On April 8, 1938, the State and Territorial health officers met in conference with the Children's Bureau. A progress report was presented by the Director of the Maternal and Child Health Division.

Addenda to the report of the committee appointed to consider standards of personnel for State divisions of maternal and child health, first adopted June 19, 1935, for the guidance of State health agencies, were considered and approved. They dealt with qualifications of specialists for clinical consultation service, of local practicing physicians paid for services in child-health or prenatal clinics and conferences, and of members of the public-health-nursing and nutritionist staffs. They also included suggestions for postgraduate education in pediatrics and obstetrics financed from maternal and child-health funds.

State directors of maternal and child health met in conference with the Children's Bureau September 30 and October 1, 1937. Discussions covered a wide range of subjects and revealed the progress that is

being made in all parts of the country in both intensifying and extending service for safeguarding the health of mothers and children.

Through arrangements by the public-health-nursing consultants of the United States Public Health Service and the Children's Bureau, regional conferences of State directors of public-health nursing were held in Richmond, Va., and Portland, Oreg. A joint meeting of State directors of public-health nursing and directors of public-health-nursing courses was held in New York City, October 7, 1937, with all the regional public-health-nursing consultants present. The public-health-nursing advisory committee held its first meeting December 15, 1937.

During the year four studies were made by the Maternal and Child Health Division as follows:

Study of maternal care in selected rural areas of New York State, to determine the number of women receiving prenatal, delivery, and postpartum care at public expense and the cost of care. The study was made in cooperation with the New York State Departments of Health and Social Welfare. A report was prepared for administrative use and a final report is being prepared for publication.

Survey of resources and facilities for maternity care and care of newborn infants, based on questionnaires sent to State and Territorial health officers.

Survey (questionnaire) of clinical obstetric education of physicians in undergraduate and graduate years, based on the obstetric education of 2,538 medical-school graduates of the year 1936.

Survey (questionnaire) of hospital maternity care in cities of less than 50,000 population and in rural areas, based on replies from 1,449 of the 2,816 hospitals addressed.

State programs of maternal and child health in all the States, Alaska, Hawaii, and the District of Columbia are under the direction of physicians, of whom nearly all have had special preparation in obstetrics, pediatrics, or public-health administration. Professional services in State and local programs were reported as follows for the fiscal year ended June 30, 1938:

Amounts budgeted from Federal, State, and local funds

For professional service (salaries, travel, part-time services, and staff education)-----	\$6, 006, 946. 11
Physicians-----	\$1, 415, 992. 30
Dentists-----	390, 469. 92
Public-health nurses-----	4, 017, 231. 58
Nutritionists-----	104, 941. 67
Health educationists-----	78, 310. 64
For nonprofessional staff, supplies, equipment, publications, and miscellaneous-----	1, 349, 152. 82

State budgets showed 120 full-time and 73 part-time physicians provided for on State maternal and child-health staffs, and 213 full-time or part-time physicians provided for on local staffs. More than 2,500 local practicing physicians were paid for service in maternal and child-health clinics and conferences. The salaries of approximately 2,700 public-health nurses were paid in whole or in part from maternal and child-health funds, which have enabled the States to place 1,000 new public-health nurses in the field during the past 2½ years. A number of State health departments have reorganized their work so that every area in the State has a certain amount of nursing service.

There are still, however, 972 counties which have no public-health-nursing service paid for by public funds.

The majority of the States have made every effort to obtain qualified personnel for new appointments and to provide additional training for those not fully qualified. In the fiscal year 1937, 23 staff physicians, 305 nurses, and 24 dentists were provided tuition, stipends, and travel for postgraduate training with the aid of maternal and child-health funds. Postgraduate lecture courses in obstetrics for local practicing physicians were held in 316 centers in 32 States and were attended by more than 8,000 physicians. Postgraduate lecture courses in pediatrics were attended by more than 6,000 physicians in 243 centers in 26 States. Incomplete reports from 38 States show that in the fiscal year 1938, 274 public-health nurses were granted stipends for further training from Children's Bureau funds. Institutes dealing with nutrition, maternity nursing, supervision, and orthopedic nursing have been held for public-health nurses in a number of States.

Reports of progress and activities under the maternal and child-health program show steady improvement in both the extent and the quality of services rendered. Some indication of the extent of the service is given by the following figures derived from reports from the official State health agencies for the calendar year 1937:

Maternal and child-health services reported for the year ended December 31, 1937

MEDICAL SERVICE

Conferences for maternity service, total patients' visits.....	185, 541
Antepartum service.....	170, 012
Postpartum medical examination.....	15, 529
Conferences for child-hygiene service, total patients' visits.....	777, 594
Infants.....	385, 358
Preschool children.....	392, 236
Health examinations of school children.....	1, 405, 807

PUBLIC-HEALTH-NURSING SERVICE

Total office and home visits.....	5, 894, 285
Maternity service, total office and home visits.....	880, 691
Antepartum.....	508, 284
Delivery.....	11, 357
Postpartum.....	361, 050
Child hygiene, total office and home visits.....	5, 013, 594
Infants.....	1, 092, 188
Preschool children.....	945, 616
School children.....	2, 975, 790

IMMUNIZATIONS

Diphtheria, number of persons immunized.....	898, 506
Smallpox, number of persons immunized.....	1, 078, 779

DENTAL INSPECTIONS

Inspections by dentists or dental hygienists.....	1, 308, 119
Preschool children.....	57, 549
School children.....	1, 250, 570

MIDWIFE SUPERVISION

Midwives under planned instruction.....	12, 505
Midwife meetings.....	9, 957
Attendance at midwife meetings.....	61, 868

In nearly all parts of the country local areas are beginning to assume more financial and administrative responsibility for maternal and child-health services. Cooperation of the various agencies responsible for public health in the States with the medical, nursing, and dental professions, with social workers, and with citizens' groups has progressed rapidly.

Under the Social Security Act every State maternal and child-health plan must include provisions for special demonstrations. Two principal types of demonstrations have been developed: (1) Provision in one county or district of more extensive maternal and child-health services than are generally available, organized usually in full-time health units with the best-trained personnel in the State and used as training centers for both medical and nursing personnel; (2) provision of a special type of service in a limited area or to a selected group of the population. Examples of the second type are mobile dental units, medical and nursing service provided to children of migratory workers, nurse-midwife service, delivery nursing service, and provisions for saving the lives of premature infants. Organized home-delivery nursing service has been established in 113 counties in 29 States. In a few selected areas the plans provide complete medical and nursing service, for those unable to purchase such service, during the prenatal, delivery, and postpartum periods. The funds now available do not permit further extension of strictly medical services for the large number of mothers and children unable to procure such care. A few States provide for consultation services given by obstetricians and pediatricians to local physicians on difficult cases, either by employing such specialists on the State staff or by providing funds for moderate fees for consultants who may be called from a list approved by the State medical society.

Services for crippled children.

By June 30, 1937, every State had designated an official agency to administer services for crippled children, and State plans had been approved for 42 States, Alaska, Hawaii, and the District of Columbia. During the fiscal year 1938 State plans for services for crippled children were approved for 5 additional States: Arkansas, Connecticut, Delaware, Nevada, and Oregon.

By the end of the year the program was in operation in every State except Louisiana. In 24 States the program was administered by the department of health; in 15, by the department of welfare; in 5, by a crippled children's commission; in 4, by the department of education; in 1, by a university hospital; and in 1, by an interdepartmental committee.

Necessary additions to the staff of the Crippled Children's Division were made during the year in order to carry on the increased activities and responsibilities. A second orthopedic surgeon was added to the staff on a part-time basis to give assistance on technical problems to the Western States. One of the regional medical consultants was selected for the newly created position of assistant director; an additional physician was appointed to the position thus left vacant. Two medical-social consultants were transferred from the Division's special-study staff to the regular staff, to further the social aspects of

the program and to assist in the correlation of health and welfare services.

The five regions into which the country has been divided for consultation purposes correspond to the regions served by the United States Public Health Service. Regional medical and public-health-nursing consultants serve both the Crippled Children's Division and the Maternal and Child Health Division. Medical-social consultants, of whom there are only three, child-welfare consultants on the staff of the Child Welfare Division, and auditors are available for assistance in the development of well-rounded programs. The medical-social consultants visited 30 States during the year, to assist in beginning or extending medical-social work and in clarifying professional relationships and relationships with cooperating agencies.

The Crippled Children's Division works closely with other divisions of the Children's Bureau, with the United States Public Health Service, with the Vocational Rehabilitation Service of the Office of Education, and with the Office of Indian Affairs. During the year there has been an increase in the development of cooperative relationships with private organizations interested in services for crippled children.

A conference was held on April 6 and 7, 1938, with representatives of State agencies for services to crippled children. At this conference 44 States, Alaska, Hawaii, and the District of Columbia were represented; 40 State directors of crippled children's services were present. Professional persons attending the conference included orthopedic surgeons, public-health nurses, medical-social workers, physical-therapy technicians, vocational-rehabilitation workers, and social workers. The program was developed around the central theme of the needs of the crippled child.

On April 8, 1938, the Children's Bureau staff met with the State and Territorial health officers to report on the crippled children's programs and to discuss procedures in the administration of such of these programs as are carried on in the State departments of health. The health officers approved a resolution urging the adoption of reciprocal agreements between State agencies for the provision of care of crippled children, irrespective of State residence.

There has been gratifying evidence in State plans of the development of a broader philosophy and a wider diversity of services in crippled children's programs. Most of the States have taken steps to improve the quality of medical care and to provide the necessary auxiliary services to make medical care effective. Although great emphasis has been placed on the prevention of crippling conditions, there is need of continuing effort to bring children under care earlier, to keep them under continuous treatment as long as is necessary, and to make more readily available the essential aftercare services.

With increased recognition by the State agencies of the importance of strengthening their administrative staffs has come improvement in personnel, either through the addition of technically qualified persons to the staffs or through further training to those already employed. The services in 30 States were directed by a physician, on either a full-time or a part-time basis, in 1938 as compared with 23 States in

1937. In addition, physicians acted as full-time or part-time assistant directors in 7 States in 1938. The State agency renders its service to crippled children through a special nursing staff in 23 States and through a generalized nursing staff in about 25 States.

A summary made early in the year from 49 State plans then in operation showed the following totals: Surgeons employed, 392; public-health nurses, 351; medical-social workers, 34; other social workers, 27; physical-therapy technicians, 48. These figures, however, do not represent the actual totals, since several States carrying on large and active services through State university facilities did not enumerate the professional personnel in their plans.

A review of State plans showed that the standards of national organizations were taken into consideration by State agencies in the selection of the various types of personnel, as follows: Surgeons, 24 States; public-health nurses, 16 States; medical-social workers, 19 States; and physical-therapy technicians, 20 States.

Training programs for State personnel were provided for in approved State budgets as follows: Public-health and orthopedic-nursing training in 24 States; medical-social-work training in 5 States; and physical-therapy training in 2 States. Postgraduate courses for local physicians in the early recognition and treatment of crippling conditions were provided for in 7 States.

More effective methods for locating crippled children have been put into operation by State agencies during the past year through the use of epidemiological reports and data on birth certificates.

The States have gradually raised age limits in their eligibility requirements. There is evidence of a tendency toward more liberal interpretation of requirements for economic eligibility. A majority of the States required residence in the State, but many of the official agencies manifested an interest in working out reciprocal relationships with other States for the care of children without residence in the State in which they are living. Definite progress has been made in liberalizing the eligibility requirements for diagnostic service in order to bring under care every crippled child in need of treatment. There has been a tendency to relax the requirement of referral by a physician in those cases that have not been under medical supervision.

Diagnostic-clinic services have been greatly extended during the past year. The clinics have been better arranged and have included, in addition to the services of orthopedic surgeons, those of specialists in many fields.

State plans showed that 546 hospitals were approved by State agencies for the fiscal year 1938 for the care of crippled children. Descriptions of the standards being established by State agencies for the approval of hospitals indicated that 25 States used approval by the American College of Surgeons as a basis for accepting a hospital. Registration by the American Medical Association was also considered in deciding whether a hospital should be used. The standards for hospitals recommended 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. Because of the growing interest and activity in the crippled children's program, hospital staffs have been increased and strengthened and much needed equipment has been provided.

The use of convalescent and foster homes in providing aftercare services for crippled children has become an increasingly important factor, especially in achieving desirable results in cases requiring prolonged care and in adjusting the child to the transition from the hospital to his own home. In a number of the homes used, increasing attention has been given to providing medical, nursing, physical therapy, and social services. There is great need for improvement and extension of convalescent services.

Most of the States have made special efforts to solve the difficult problem of extending satisfactory aftercare services to crippled children in rural areas. There has been a growing awareness in the States of the value and importance of meeting the needs of the child in his own home and in his own community if much of the benefit derived from medical and hospital care is not to be lost.

Better procedures have been worked out for relating phases of treatment to plans for the education and vocational rehabilitation of crippled children. The special facilities and personnel for education are still very meager outside the large cities, and in no State are they really adequate on a State-wide basis. In a number of States provision has been made for special teachers for crippled children through projects of the Works Progress Administration.

Satisfactory plans for enlisting the cooperation of other groups, both public and private, have been slow in development, but it is believed that definite progress has been made along this line during the past year. More effective use was made of general and technical advisory committees. Of the 41 States having a general advisory committee, 31 had also a technical advisory committee and 5 other States had a technical committee only. There was general improvement in relationships with Shrine hospitals, Elks' lodges, and civic clubs. Many States indicated definite plans for cooperation with them.

During the year the Crippled Children's Division completed preliminary studies of intake and discharge policies and procedures relating to crippled children's services in 12 States. The purpose of the studies was to learn the most satisfactory methods for determining eligibility for care and arranging for discharge from hospitals, as revealed through an evaluation of their effectiveness in the care of individual crippled children.

Progress was made in developing State registers of crippled children. The total number of crippled children on the registers of 46 States, Alaska, and Hawaii, as of June 30, 1938, was 151,909. A guide setting forth registration policies for the use of the States was issued on April 5, 1938.

A guide for the diagnosis of crippling conditions (in accordance with the terminology used in the Standard Nomenclature of Disease) issued on April 26, 1937, was expanded during the year to include numerous subtitles in order to provide a uniform basis for separating orthopedic and plastic conditions from other types of physical handicap.

Reports received during the year on direct services rendered to crippled children through the State agencies have given valuable factual data on which to base plans for the future development of State services. The totals in the following list include some services provided by other public and private agencies in the various States:

*Summary of reports of activities for crippled children for the year ended December 31, 1937*¹

<i>Type of service</i>	<i>Number</i>
Medical services in clinics (diagnostic or treatment):	
Individuals admitted.....	77, 055
Visits.....	193, 928
Care in hospitals:	
Children under care at beginning of year.....	3, 796
Children admitted to care during year.....	38, 277
Days' care.....	1, 322, 750
Care in convalescent homes:	
Children under care at beginning of year.....	1, 337
Children admitted to care during year.....	3, 831
Days' care.....	380, 331
Care in foster homes:	
Children under care at beginning of year.....	350
Children admitted to care during year.....	757
Days' care.....	57, 843
Field and office visits by—	
Public-health nurses.....	212, 248
Physical-therapy technicians.....	187, 250
Medical-social workers (January–June) ²	47, 573
Other social workers (January–June) ²	15, 797
Individuals admitted by—	
Medical-social workers (July–December) ²	4, 773
Other social workers (July–December) ²	4, 688
Children referred for vocational rehabilitation.....	3, 654

¹ Figures are preliminary and incomplete. They represent primarily activities of the official State agencies but include some services provided by other public and private agencies in the various States. They include corrections received in the Children's Bureau through July 31, 1938.

² Because of revision of report forms, effective July 1, counts of individuals admitted to case-work service are available only for the last 6 months of the year.

Child-welfare services.

At the end of the fiscal year 1937, 44 States and the District of Columbia were cooperating in child-welfare services provided under title V, part 3, of the Social Security Act. During the fiscal year 1938 plans were approved for Mississippi, Rhode Island, South Carolina, Alaska, and Hawaii, bringing the total number of States and Territories participating in these services on June 30, 1938, to 50. The only State not included is Wyoming.

The staff of the Child Welfare Division includes the Director, the Assistant Director, five field consultants, and a specialist on problems of child welfare among Negroes. During the year all the States, the District of Columbia, and Alaska were visited at least once, and most of the States several times, by the field consultants. The specialist on Negro child-welfare problems assisted the State Welfare Department of Virginia in the development of county-wide service for children in a rural area and in strengthening State services for the placement of Negro children committed to the State as delinquents. She assisted the Kentucky State Department of Welfare in the development of a program of foster care for dependent Negro children who had been in a State-subsidized institution from which State funds had been withdrawn because of unsatisfactory conditions. This specialist has also given general advisory service through correspondence, participation in group meetings, and in other ways.

Title V, part 3, of the Social Security Act provides that plans for child-welfare services shall be developed jointly by the State agency and the United States Children's Bureau. Through joint planning it has been possible to relate the extension, strengthening, and localization of services to children to existing, new, and expanding programs in

the broad field of public welfare and child care. Standards and procedures for programs for child-welfare services have exercised an important influence upon the stimulation and development of aspects of State and local child care and protection not receiving Federal aid.

At the time the Social Security Act went into effect 11 States had no administrative unit of State government responsible for child welfare, aside from institutions. Twelve other States, although carrying on certain child-welfare activities, had no comprehensive program of community organization and preventive and protective work for children. In States having already developed State-wide child-welfare programs the content of these programs varied greatly in scope and effectiveness. The Federal funds were used in the first group of States to develop initial services for children. When budgets are prepared for the 1939 sessions of the legislatures, there are indications that, without exception, the group of States that initiated public services for children on a State and local basis through the use of Federal funds will include in their budgets estimates for amounts to provide for increasing assumption of responsibility by the State.

On April 4, 5, and 6, 1938, a conference of State child-welfare directors, attended by 112 representatives from 44 States and the District of Columbia, was held in Washington. Subjects discussed included the relationship of child-welfare services to other State and local activities for the care and protection of children, to services for special groups, to aid to dependent children, and to foster care; mental-hygiene problems and services in rural communities; case recording in local public agencies; and development of services for rural children within a State child-welfare division. An outgrowth of the conference was the appointment of a small committee to work on suggested case records for the child-welfare work of public agencies.

The Children's Bureau Advisory Committee on Community Child-Welfare Services met on April 5, 1938, at the time of the conference of State child-welfare directors. The committee adopted two resolutions: (1) Requesting the Children's Bureau to express to the Social Security Board the committee's deep interest in the extension of the program of aid to dependent children; its opinion that the objectives of the program cannot be fully attained until the Federal Government contributes on as generous a basis as in the case of old-age assistance and assistance to the blind, namely, at least 50 percent of the total costs; and its belief that increase in the Federal Government's share in the program should be accompanied by requirements that would tend to assure the granting of aid in each case sufficient to maintain home life for children in accordance with minimum standards of health and well-being; and (2) requesting the Children's Bureau in its cooperative relationships with the States to bring to the attention of the various States the necessity of making legal and financial provision for the whole program of child care and protection, so that its benefits may reach all rural and all urban areas.

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 27, 1938, in connection with the annual meeting of the Association of Professional Schools of Social Work.

In July 1937 the Child Welfare Division issued a memorandum on policies governing programs of training personnel for child-welfare

services. In preparation of the memorandum, State plans were reviewed and the major training procedures followed by the States were summarized.

An examination of plans for the fiscal year ended June 30, 1938, revealed the following facts regarding training programs in the various States: 27 States had granted educational leave to qualified staff members; 20 States were providing training through supervision, given either by members of the regular child-welfare supervisory staff or through the special services of the training supervisor or consultant; 7 States were operating training units, of which 5 were working in cooperation with approved schools of social work; 9 States had utilized the institute method as a means of orientation for staff members.

Stimulation of interest in additional professional training for qualified persons through the use of educational leave has undoubtedly affected not only the program of child-welfare services under the Social Security Act but the entire child-welfare program in the States. The training value of improved supervision of workers on the job and the use of Federal funds for the purpose of providing additional supervision so that there might be teaching content in the supervisory method have also contributed to the improvement of personnel.

The Child Welfare Division has received requests from a large number of States for assistance in planning studies of child-welfare problems and the results of child-welfare services. The Division has attempted to meet this need in a constructive way by offering guidance in experimentation by the various States in developing current recording and monthly reports by local child-welfare workers. Although types of problems dealt with and methods employed differ from State to State according to the stage of development of child-welfare work, certain primary problems and procedures are common to all localities in which there is any organized child-welfare service. The State welfare departments are working out practicable methods of obtaining reports on activities that will serve the needs of the child-welfare worker and State and local officials.

The States were asked to submit progress reports as of December 31, 1937, and again as of June 30, 1938. A special report showing local services rendered during the month of June 1938, and a report covering State and local staffs paid in whole or in part from Federal funds constituted the progress report requested for the period ending June 30, 1938.

As of June 30, 1938, Federal funds for child-welfare services were providing all or part of the salaries of professional and clerical workers on State welfare-department staffs and of social workers and clerical workers assigned to local demonstration units or working under the direct supervision of the State departments in districts in which some case-work service was given, as follows:

Child-welfare staff paid in full or in part from Federal funds

	<i>In full</i>	<i>In part</i>
Total	631	187
State staff:		
Professional.....	179	66
Clerical.....	70	29
Local staff:		
Professional.....	333	70
Clerical.....	49	21

In 29 States child-welfare workers had been assigned to counties and were working directly under local boards or welfare officials; 247 counties had a total of 241 workers. In 17 States (including 2 of the above) 103 workers directly under the State welfare department had been assigned to 181 counties.

In States in which local work was still in the process of organization and in areas of a few of the States included above, 51 workers under the direct supervision of the State department were doing some case work in districts covering a number of counties as a part of their work in developing local interest and participation in the child-welfare program. This type of service was being given in approximately 807 counties. In 4 of the New England States in which administration of welfare service is not on a county basis, 9 workers had been placed in 7 areas including 144 towns.

Analysis of the education and training of 478 of a total of 553 professional workers on State and local staffs as of January 3, 1938, paid in whole or part from Federal child-welfare funds, shows the following: 391 were college graduates, and of these 93 had had post-graduate training in fields other than social work. In all, 358 of the 478, or three-fourths, had had some training in a school of social work, including 93 with training of 1 year but less than 2 and 121 with training of 2 years or more. Specialized child-welfare experience was reported for 208 of the 471 workers whose experience was reported.

Number of children receiving services.

Reports received from the States show that more than 42,000 children were given service during the month of June 1938 by workers whose salaries were paid in whole or in part by Federal child-welfare services funds. Included in this group were children who presented conduct problems in the school or the community; children in need of treatment or special training because of physical handicaps; mentally defective children for whose care plans had to be made; and children whose home conditions threatened their physical or social well-being.

RESEARCH AND ADVISORY WORK

Division of Research in Child Development.

Studies continued or begun during the year.—These included:

1. A study of physical fitness of school children in New Haven, Conn. This study of 713 children has been made to evaluate four of the indices of nutrition which are in more or less general use at the present time. It has also afforded an opportunity for studying growth, nutrition, and the relationship between these factors. Each child was observed over an average period of 20 months during 1934-36. Eight anthropometric measures by a trained observer and physical examinations by a pediatrician were made, and medical histories and socioeconomic data were obtained. Analysis of the material is nearly completed.

2. A study of stillbirths in cooperation with the Division of Statistical Research, based on 6,750 stillbirths occurring in hospitals widely scattered throughout the United States. Four papers based on this study have already been published. Analysis of the material and classification of causes of stillbirths are nearing completion.

3. Studies in the District of Columbia. A study of all neonatal deaths occurring in 1935 has been completed and the report has been

published. The study of maternal mortality begun in cooperation with the Health Department of the District of Columbia and the Maternal Welfare Committee of the District Medical Society has continued. A survey of health facilities for mothers, infants, and preschool children in the District of Columbia, made as part of a health survey undertaken by the United States Public Health Service at the request of the Commissioners of the District of Columbia, has been completed and the report was in press at the close of the year.

4. Studies of premature infants at New York and Baltimore hospitals. Metabolic studies of premature infants have been carried on at the New York Hospital and two reports have been prepared. An analysis of feeding records of premature infants is being made as a basis for developing controlled studies of methods of feeding such infants. In the Johns Hopkins Hospital study data in regard to premature infants have been collected. Preliminary analysis showed the importance of including all births that occurred in that hospital during the period of the study. A report was prepared and presented at a meeting at the Johns Hopkins Hospital which gave certain data on race and sex in relation to the growth and development of infants. A similar study is being made of all births occurring in the Union Memorial Hospital in Baltimore. This study will give information in regard to growth and development of mature and premature infants in the neonatal period.

5. Rickets study at Johns Hopkins Hospital. The pathologic studies were continued, and much valuable information concerning evidences of scurvy as well as of rickets was obtained.

6. Oklahoma child-health and child-welfare demonstration, conducted in cooperation with the State departments of health and public welfare, the United States Public Health Service, and the Office of Indian Affairs. This demonstration, begun in April 1936, was completed January 1, 1938, when the staff supplied by the Children's Bureau was withdrawn because the State was prepared to carry on the service.

Information and advisory services.—Demands for this service have increased, particularly those coming from the medical profession and from the maternal and child-health divisions of the State, city, and county health departments. New York City has asked for advisory service in the program to reduce morbidity and mortality from premature birth; the Chicago Health Department has asked for assistance in making a city-wide study of maternal, infant, and neonatal deaths and stillbirths; the Health Department of the District of Columbia has asked for assistance in making a survey of the hospitals in relation to their provision for the care of newborn and prematurely born infants; Louisville, Ky., and county health departments in Michigan and Louisiana have asked for consultation service in regard to studies of neonatal deaths and stillbirths; the State of Washington has asked for several consultations in regard to a nutrition study in one of the counties of that State; the State of Maine has asked for assistance in a research program in connection with vitamin-C deficiency.

A revision of Infant Care was completed and published, and a separate of the section on the premature baby was issued. A new publication, Appraisal of the Newborn Infant, for the use of physicians, was prepared and issued, and a report by Dr. Lydia Roberts on What

Is Good Nutrition, is being prepared for publication. Several bibliographies and reading lists have been prepared.

Advisory committees.—The Pediatric Advisory Committee has given help and advice in regard to the revision of Infant Care. Individual members of the Obstetric Advisory Committee have conferred with members of the Children's Bureau staff in regard to the stillbirth study.

Industrial Division.

Studies continued or begun during the year.—These include:

1. Child labor in six States. The report of this study is nearing completion. It covers 450 workers under the age of 16 years, of whom approximately three-fourths were in occupations other than manufacturing, and 1,569 workers 16 and 17 years of age, of whom 55 percent were employed in manufacturing concerns. The study gives evidence of the shift, in occupations entered by children, away from manufacturing and toward trade and service industries.

2. Children in industrialized agriculture. The report of the study of the use of children in the production and cultivation of sugar beets is practically ready for publication.

3. Junior-placement services. The final report of this study, undertaken at the request of the United States Employment Service and covering junior-placement services operated by public employment offices and by public-school systems, is in preparation. Information was obtained from about 70 communities in which were maintained offices staffed by counselors giving full time to junior-placement work. A preliminary report was made available to the Advisory Committee on Education.

4. Children employed in street trades in Detroit. This study, covering 515 children under the age of 17 years, was undertaken at the request of a local committee; field work and statistical work were completed during the year.

Legal research.—Information concerning State and Federal legislation, proposed and enacted, affecting child labor and the employment of minors, has been collected and analyzed.

Consultative and advisory service.—During the past year the Division has continued its consultative and advisory service to State and local groups working for improvements in State child-labor standards, by drafting new laws or suggesting standards to be used in drafting new legislation and in improving administration. The Children's Bureau has continued to serve in a consultative capacity, in matters affecting employment of young workers, the Division of Public Contracts in the Department of Labor, which has responsibility for the administration of the Public Contracts Act approved June 30, 1936.

Administrative functions under the Fair Labor Standards Act.—The administration of the child-labor provisions of the Fair Labor Standards Act, approved June 25, 1938, will involve the development of cooperative relationships with the State labor department in every State and the State and local agencies responsible for supervising the issuance of employment certificates; the extension of the Bureau's program of industrial research into new fields, as a basis for the determination of policies under the act; and expansion of consultative services to assist the States in so improving State legislation and administrative procedures that children employed in occupations

covered only by State laws may receive protection in some degree commensurate with that afforded those employed in industries producing goods that enter into interstate commerce.

Social Service Division.

Studies continued or begun during the year.—These included:

1. Children placed for adoption. Analysis of the statistical and social data obtained in the study of adoptions in States in which social investigations are made under the auspices of a State department was completed during the year and the first draft of the report and also an article on State services relating to adoption have been prepared. A leaflet on adoption intended for persons desiring to adopt children was issued.

A study of adoptions in Baltimore was made and a report prepared for the use of the Council of Social Agencies. The findings of the study were presented at the State Conference of Social Work in June. The study reinforced evidence obtained in other studies concerning the need for legislative changes which are now being considered by the State Conference of Social Work and the Baltimore Council of Social Agencies.

2. Children born out of wedlock. Gathering of information with regard to children born out of wedlock in Baltimore was completed, analysis of material was under way, and some of the basic problems disclosed by the study were brought to the attention of the Baltimore Council of Social Agencies. Analysis of the material obtained in a study of children born out of wedlock in five cities continued and a preliminary report on the study made in one of these cities was prepared for its Council of Social Agencies. The study revealed the need for case-work services for the mothers of the children through cooperation of public and private agencies. A study of procedures and standards of agencies providing boarding-home care for expectant unmarried mothers and for mothers and babies was begun during the year. Fifteen groups in widely separated cities have been in cooperation with the Children's Bureau during the year in exchanging information on activities and services for the protection and care of unmarried mothers and their children, and an informal news-letter service for these groups has been started by the Children's Bureau. Special articles in this field have also been published in the Bureau's news summary, *The Child*.

3. Supervisory services of State departments. A study of State services related to the supervision and improvement of standards of care of child-caring agencies and institutions and boarding homes was undertaken during the year because of many requests received by the Children's Bureau for information and advice. The States visited were Alabama, Connecticut, Georgia, Illinois, Indiana, Maryland, Minnesota, New Jersey, North Carolina, and Wisconsin.

4. Mentally deficient children. For some years the Children's Bureau has been aware of the great need for studies of community and institutional provision for mentally handicapped children. Although resources for a comprehensive study have not been available, some information was gathered during the year on services given to mentally deficient children by State and local agencies providing foster-home care, and an analysis was made of legislation authorizing State and local welfare departments to undertake services

for feeble-minded children not in institutions. Additional material on this subject will be gathered in the coming year.

5. Housekeeper service. On November 6, 1937, at the request of a group of representatives of New York City agencies, a small conference on housekeeper service was held in the Children's Bureau and was attended by representatives of Federal, other national, and local agencies. In defining the scope of the problems to be considered, the term "housekeeper service" was limited to services of women employed under the auspices of social or health agencies as homemakers or mother substitutes, housekeeper aids giving services in the homes of needy persons, and visiting housekeepers combining practical services with the teaching of home management. A continuing committee was appointed and a study of programs of housekeeper service in Buffalo, Detroit, Rochester, and Toronto was undertaken. Following analysis of the data collected, meetings of executives of agencies giving this service are planned for the consideration and development of standards and further committee work.

Legal research.—An analysis and tabular summary of State laws relating to paternity and the support of children born out of wedlock was completed and has been issued. A similar publication on adoption laws was nearly completed. Summaries of legislation relating to dependent children have been kept up to date and copies have been lent to individuals and groups considering proposals for new legislation. Provisions of marriage laws relating to physical examination and waiting period have been compiled. Other legal research work has been carried on.

Consultative and advisory service.—Assistance in planning studies, preparing legislation, and improving standards of service to children is requested increasingly and is given to the maximum extent permitted by the resources of the Social Service Division.

Delinquency Division.

Studies continued or begun during the year.—These include:

1. Institutional treatment of delinquent girls. Field work, including return visits to the three State schools studied, was completed during the year. Case-record data for 691 girls admitted to and released from the schools in 1935 were prepared for tabulation. Preliminary reports on two schools have been completed, and the report on the third was in preparation at the close of the year.

2. Studies of cottage life, classification procedure, and educational and recreational programs in State training schools. These studies covered two schools for boys and one school for girls, and were made at the request of the Bureau's Advisory Committee on Training Schools for Socially Maladjusted Children, which recommended extension of the studies to other institutions.

3. Juvenile-court studies. A study of the juvenile court of Marion County (Indianapolis), Ind., was made at the request of the study group on juvenile delinquency of the Indianapolis Council of Social Agencies, and a report, in manuscript form, was sent to the judge of the juvenile court and to the executive secretary of the Council of Social Agencies.

4. Demonstration of community methods of prevention and treatment of behavior problems of children. This project, begun during the fiscal year 1937 in a district of St. Paul, Minn., covering approximately 2 square miles and having a population of approximately

16,000 persons, was continued during the year, in cooperation with five local agencies, which are supplying part of the cost of the project. The staff was strengthened by the addition of a part-time psychologist and a psychiatrist. The project includes the treatment of juvenile delinquents without first invoking the authority of the juvenile court, under policies agreed upon by the court, the police, and the project staff; the establishment of effective working relationships with other city-wide and local community agencies and institutions; and efforts to develop an interpretative and organization program within the area itself with the object of preventing delinquency.

Since January 1937, 153 cases have been referred, 107 during the past fiscal year. The majority of the cases have been referred by the schools and the police. A local advisory committee has assisted in the development of the program and the correlation of project services and services of other agencies in the area. A recreation worker assigned by the recreational department of the Works Progress Administration has stimulated increased recreational activities on the part of churches and other agencies and has developed several groups for children who have had no other connection with organized recreation, leadership being provided by volunteers. A technical advisory committee on research has helped to develop means for the evaluation of the work.

Consultative and advisory service.—The Delinquency Division continued to work with the Advisory Committee on Training Schools for Socially Maladjusted Children. It seeks to focus attention upon ways and means of improving standards of institutional care and of relating the institutional programs to community services.

At a meeting of the advisory committee on April 1, 1938, the subcommittee on philosophy and study presented statements on objectives for training schools and the place of training schools for socially maladjusted children in a public-welfare program. Both of the statements were adopted by the entire committee and were published in the March–April 1938 issue of *The Child*. The advisory committee urged increased staff in the Children's Bureau for advisory service, studies of institutions, and other work related to institutional care for delinquent children.

The subcommittee on statistics and records is looking forward to the development of a statistical system for training schools that will make available financial, administrative, and social data on a comparable basis. At the request of this subcommittee the Delinquency Division assembled population data for 95 schools as of January 1, 1938, by means of a questionnaire sent to the training schools. The subcommittee recommended that the Children's Bureau establish a system of current reporting in State schools, to constitute a fourth project of the Bureau in current statistical reporting.

The subcommittee on information service has concerned itself with methods of collecting current data and literature relating to the plans, policies, and growth and development of programs in institutions. During the year annual reports were received from about 90 schools and literature of a general nature was received from several schools.

In addition to studies made in three institutions, the staff member assigned to work with the advisory committee made brief visits to 16 schools to gather information or to give advisory service.

The numerous requests for advisory and consultative service received during the year were met as far as possible by visits, office interviews, or correspondence, depending upon the nature of the need and the availability of staff. From officials, social agencies, and citizens of Denver, Colo., urgent requests were received that the Children's Bureau set up a project for the prevention and treatment of delinquency in Denver similar to the one now being conducted in St. Paul. A similar request was received from persons in Birmingham, Ala., for a project in that city. Budgetary limitations make it impossible to conduct more than one project of this type.

Division of Statistical Research.

Organization and general activities.—Major emphasis during the year has been placed on those phases of the Division's activities designed to increase the effectiveness of the staff or to reduce or simplify the work to be carried on.

Special emphasis was given to the development of cooperative relationships with outside organizations. By agreement with the Social Security Board, responsibility for checking and tabulating reports and assisting in field work in fields related to public assistance was assumed by the staff of the Board. Plans were worked out with the Bureau of the Census by which releases of that Bureau on maternal and infant mortality would be put into such form and distributed in such manner as to make unnecessary the summaries heretofore issued by the Children's Bureau based on census material.

Substantial simplification in the form used in reporting juvenile-delinquency cases resulted in considerable saving in statistical work on this project. The tabulating work of the Statistical Division was reorganized on a more efficient basis. The staff of the Division, especially in the current-reports section, was strengthened, but additional personnel for this section, as for other sections of the Division, is greatly needed, especially a staff available for field work in connection with social-security and current-reporting projects.

Considerable time was spent on assembling basic data needed for the Conference on Better Care for Mothers and Babies and the National Health Conference.

The Advisory Committee on Current Reports met December 21, 1937, reviewed developments, and made helpful recommendations.

Four issues of the Social Statistics Supplement to the Children's Bureau's publication *The Child* were prepared during the year. This supplement, previously limited to material gathered through the social-statistics project, also included brief articles on employment-certificate and juvenile-court statistics.

Current reports—Employment-certificate statistics.—Employment-certificate statistics have been compiled annually by the Children's Bureau since 1921. This project is carried on by the Industrial Division and the Division of Statistical Research of the Bureau in cooperation with State and local employment-certificating officials. At the end of 1937 reports of the number of employment certificates issued for children 14 and 15 years of age were received from areas including 58 percent of the population of the United States.¹ The area for reports for minors 16 and 17 years of age was smaller.²

¹ Eighteen States, the District of Columbia, and 28 cities of 25,000 to 50,000 population and 78 cities of 50,000 or more population in 19 other States.

² Four States, the District of Columbia, and 32 cities of 25,000 to 50,000 population and 67 cities of 50,000 or more population in 10 other States.

Although these reports do not by any means give a complete count of the number of children entering gainful employment each year, they serve to indicate the trend from year to year in the number of children leaving full-time school to go to work for the first time. Thus, the data obtained from the reports give indirectly some measure of the extent of gainful employment of children in the intercensal years.

Analysis of the 1937 figures indicates that in the States and cities reporting monthly to the Bureau in which legal minimum-age standards were not changed during 1936 or 1937³ the number of first regular employment certificates issued for children 14 and 15 years of age dropped from 10,205 in 1936 to 10,081 in 1937, or 1 percent. The number reported for the first 6 months of 1937, however, showed a 20-percent increase over the number reported for the corresponding period of 1936, a trend which coincided with the rise in general economic activity. On the other hand, the figures reported for the second 6 months of 1937 showed a substantial decrease (16 percent) as compared with the number reported for the comparable period of 1936 (6,052 to 5,103), a trend which also corresponded roughly to the movement in general business conditions.

In the entire area reporting monthly to the Bureau,⁴ including cities in New York and Rhode Island, where the establishment of a 16-year minimum-age standard in 1936 brought a virtual end to the issuance of employment certificates for children under 16, the drop in employment certificates in 1937 from the 1936 level was 41 percent. The effect of improved legal regulations in New York and Rhode Island is shown clearly by the fact that in the first half of 1936, before this legislation became effective, more than half of all certificates issued in the entire reporting area were issued in these States.

Information received by the Bureau regarding the number of certificates issued for boys and girls 16 and 17 years of age is more limited than that received for children 14 and 15 years of age because many States do not require certificates for minors after they reach the age of 16. In the States and cities reporting in 1936 and 1937,⁵ 94,059 certificates were issued for minors 16 and 17 years of age in 1937 as compared with 83,989 in 1936, an increase of 12 percent.

Current reports—Juvenile-court statistics and Federal juvenile offenders.—Juvenile-court statistics have been compiled annually by the Children's Bureau since 1927. The areas served⁶ by all courts reporting in 1937 include 36 percent of the total population of the United States.

In 1937 there was a reversal in the downward trend of juvenile-delinquency cases coming before the courts that report to the Children's Bureau. This reversal follows decreases that have occurred each year from the peak year 1930 to 1936. In view of the 6-year downward trend and the fact that year-to-year comparisons are subject to many different factors, the significance of the increase in 1937 cannot be fully determined at the present time.

In the areas served by 28 courts that have reported to the Bureau each year since 1929, the number of delinquency cases in 1937 was 11 percent greater than in 1936⁷ (31,038 as compared with 27,849) and

³ Nine States, the District of Columbia, and 93 cities of 50,000 or more population in 22 other States.

⁴ Nine States, the District of Columbia, and 108 cities of 50,000 or more population in 24 other States.

⁵ Three States, the District of Columbia, and 76 cities of 50,000 or more population in 11 other States.

⁶ Eight States, the District of Columbia, and 42 courts in 22 other States.

⁷ In the areas served by 336 courts that reported in both 1936 and 1937 the total number of delinquency cases increased from 63,706 to 69,695, or 9 percent.

almost 2 percent greater than in 1935. The increase in 1937 was fairly uniform throughout the area.

Information obtained from a number of courts indicates that a variety of factors contribute to the variations from year to year in the number of delinquency cases disposed of. Therefore it is uncertain to what extent the 1937 figures reflect an actual increase in juvenile delinquency in these areas. It is definitely known that the number of children brought before the courts is affected considerably by such factors as changes in the administrative procedures of the courts, changes in the policies of the police departments and other agencies in referring cases to the courts, and changes in the relationship of the courts to the other agencies in the communities.

During the year an analysis of juvenile-court statistics for the 2-year period ended December 31, 1936, was prepared for publication.

Data regarding Federal juvenile offenders (juveniles under 19 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, United States Department of Justice, and analyzed by the Children's Bureau. During the fiscal year ended June 30, 1937, the number of cases of juveniles under 19 years of age reported by United States probation officers was 2,501, 12 percent more than the number reported for the year ended June 30, 1936. In 33 percent of the cases the juvenile was placed on probation and in 33 percent he was committed to jail or to a Federal institution. In 7 percent of the cases he was transferred to State authorities.

Current reports—Health and welfare services in urban areas.—The year 1938 marks the tenth year of this project, and the eighth year that it has been conducted by the Children's Bureau. Forty-four urban areas of 50,000 or more population, representing about one-fifth of the total population of the United States, are now submitting uniform monthly reports regarding health and social-welfare activities. The data are gathered by local organizations, usually the community chest or council of social agencies. The project has greatly aided the development of social-research programs in the cooperating communities.

Increased interest in the project has been apparent in the reporting areas as well as in other areas, many of which have installed local reporting systems based on forms and instructions developed by the project. Because of the limited staff and facilities available it has not been possible to encourage these additional areas in their hopes for early admission to the project. Completeness and accuracy of reporting have improved, and a renewed effort to make better use locally of the material gathered has been especially evident.

Undoubtedly an important factor in these developments has been the consultant service, renewed during the year. Two persons are now assigned on full time to this work, and they visited 27 areas during the year. Because of the large number of fields covered by the project and the time between visits to an area, the usual visit has covered a period of approximately 10 working days.

Toward the close of the year a new series of informal letters of information addressed to the local supervisors of the social-statistics project was begun.

Work on a manual of records for use by agencies in the group-work field continued during the year. The advisory subcommittee on group-work reporting procedures reviewed two drafts of the manual,

which is nearly ready for publication. It will include definitions of terms, basic record forms, and suggestions for proper use of data gathered in the field. A preliminary analysis of group-work statistics published in the December 1937 supplement to *The Child* was based on reports for the first 6 months of 1937.

During the last 6 months of the fiscal year by far the greatest part of the services of the two field consultants and a significant amount of time of the Washington office was given to a special study of health and welfare costs in 16 cities during 1936. The project was carried on in cooperation with Community Chests and Councils, Inc. Only a few attempts have been made previously at relating the costs of various types of health and social-welfare programs usually found in a community, and the study is regarded as a pioneer effort.

A summary of reports on dependent and neglected children as of December 1936, published in the March 1938 supplement to *The Child*, presented fairly complete statistics from 33 urban areas. The number of children receiving aid to dependent children increased approximately 41 percent from December 1935 to December 1936 in 25 of these areas for which figures for the 2 years were available. The number of children receiving protective and foster care showed relatively little change, though the number receiving foster care continued to show a slight increase and the number in institutions showed a slight decrease.

An analysis of maternity-home statistics, published in the June 1938 supplement to *The Child*, was based on reports from 39 of the 43 areas listed to report in this field—a distinct improvement in completeness of reporting. The report, covering 85 homes, indicated an increase of 7 percent in the number of women under care from December 31, 1936, to December 31, 1937.

Current reports—Maternal and child-welfare activities under the Social Security Act.—The quarterly reports of activities in maternal and child-health and crippled children's services had been received for seven quarters at the close of the year ended June 30, 1938. Definite progress was made in the organization and development of State reporting of these services. Current procedures in the States in the registration of crippled children were reviewed and excellent cooperation was received from the States in revising their systems to the end that comparable data may be available throughout the country.

The case-record forms for maternity service and for infant and preschool service, issued by the Children's Bureau last year and now available in printed form, are in use in a number of States, and their introduction in additional States is contemplated as part of extensive revision of record systems now under way.

Cooperation has been given in the revision of the record forms for public-health-nursing service issued by the National Organization for Public Health Nursing, to bring them into agreement with procedures recommended in the maternal and child-health and crippled children's programs. Preliminary work has been done on plans for a record manual for crippled children's services.

TRENDS IN LEGISLATION AFFECTING CHILDREN

Between July 1, 1937, and June 30, 1938, regular sessions of State legislatures were convened in 9 States and special sessions were called in 15 States.

The outstanding Federal measure affecting children was the Fair Labor Standards Act, with its provisions relating to child labor and the employment of young persons. Child-labor provisions were included in nearly all the wage-and-hour bills that were introduced in the Seventy-fifth Congress before the Fair Labor Standards Act became law, and the further interest of the Congress in child labor was shown by the introduction of a number of separate child-labor bills in the House and in the Senate. Child-labor provisions were included in the Sugar Act of 1937, approved September 1, 1937.

Eight resolutions proposing a new child-labor amendment, giving the Congress power to pass laws regulating the employment of children and young persons, were also introduced in the Seventy-fifth Congress.

Minimum-wage laws were passed in two States, Kentucky and Louisiana, relating, in Kentucky, to women and minors, and in Louisiana, to women and girls. In Louisiana, South Carolina, and Virginia laws regulating hours of work were enacted for all employees or for all females, which have the effect of shortening the hours of work previously established for minors. Advances in street-trade and school-attendance laws were made in New York. Apprenticeship legislation was enacted in Louisiana, Massachusetts, and Virginia.

Public interest in the child-labor provisions of wage-and-hour legislation and in the child-labor bills introduced in the Seventy-fifth Congress was paralleled by efforts for ratification of the child-labor amendment in a number of the legislatures which were in session. However, no additional States ratified the amendment. Eight more ratifications are needed.

Progress in authorizing treatment of Federal juvenile offenders based to some extent on juvenile-court principles is represented in the new Federal Juvenile Delinquency Act approved June 16, 1938. Although this act, which applies to persons 17 years of age or under who commit Federal offenses not punishable by death or life imprisonment, still keeps procedure in such cases within the general framework of the criminal law, it does provide for the following significant modifications in criminal procedure: (1) District courts may try persons of the age specified, who consent to such procedure, as juvenile delinquents instead of on specific charges; (2) trial may be in chambers or otherwise, without jury; (3) possibilities for treatment on probation or by public or private agencies are broadened; (4) safeguards and restrictions with reference to jail detention are provided.

Efforts of nearly a quarter of a century to obtain a new juvenile-court law for the District of Columbia in place of a law based for the most part on criminal procedure finally achieved their goal through the passage of a law based for the most part on provisions of the Standard Juvenile Court Act.

Marked improvements in State and local welfare organization were made by laws passed in Louisiana, Virginia, Massachusetts, and Mississippi. Virginia authorized cooperation with the Social Security Board in aid to dependent children, and Rhode Island authorized cooperation with the Children's Bureau in child-welfare services under the Social Security Act.

New laws were passed in New Jersey, New York, and Rhode Island requiring physicians to make serologic blood tests for syphilis for all women receiving medical care during the prenatal period.

A publication summarizing child-welfare legislation enacted in 1937 was written during the year.

INTERNATIONAL COOPERATION

At the June 1937 session of the International Labor Organization, attended by the Director of the Industrial Division as technical adviser on child labor, two conventions were adopted which establish a basic minimum age of 15 for the employment of children in both industrial and nonindustrial occupations, exclusive of agricultural and maritime work. In addition they make provision for a higher minimum age for occupations that may be determined to be hazardous or injurious to the health and welfare of young workers. In accordance with the requirement that conventions adopted by the International Labor Organization shall be submitted within a year to the competent authority in each member State, these conventions have been sent to Congress by the President.

The International Labor Organization draft convention fixing the minimum age for admission of children to employment at sea, revised in 1936 to raise the minimum age for such employment from 14 to 15, was ratified by the Senate on June 13, 1938, with the understanding that it apply only to navigation on the high seas, and that it apply to all territory over which the United States exercises jurisdiction except the Philippine Islands and the Panama Canal Zone, with respect to which this Government reserves its decision.

The Director of the Delinquency Division of the Children's Bureau substituted for the Chief of the Bureau at the meeting of the Advisory Committee on Social Questions of the League of Nations, held in Geneva in April 1938. She and other members of the staff, notably the Bureau's specialist in foreign-language research, did a large amount of work in the preparation of the final report on child placing in families, collaborating closely on this project with the representative of Canada, who was "rapporteur" for a corresponding subcommittee in charge of the final preparation of the report, which was revised and adopted at the 1938 session of the advisory committee.

The Chief of the Children's Bureau attended, on the invitation of the Governor of the Federal District, the first Venezuelan Child Congress ever held. The congress met in Caracas, February 1 to February 7, and gave marked impetus to the encouraging progress already made in child-health and child-welfare work in the past 3 years.

PUBLICATIONS AND OTHER INFORMATION SERVICES

Publications issued and distributed.

During the fiscal year 1938, 58 new publications and 1 revised publication were issued, 16 new publications were in press at the close of the year, and 20 were in preparation. Eleven issues of *The Child—Monthly News Summary*, with four social-statistics supplements, were published.

The total number of publications distributed by the Children's Bureau was 1,503,941. The distribution by the Children's Bureau of the publications for parents on the care of mothers and children was as follows:

Publication	1937	1938	Since publication
Prenatal Care.....	198, 100	218, 368	3, 695, 346
Infant Care.....	546, 074	513, 401	8, 479, 194
The Child From One to Six.....	217, 833	218, 756	3, 069, 167
Child Management.....	1 19, 888	80, 168	805, 810
Are You Training Your Child To Be Happy?.....	84, 185	56, 769	402, 466
Good Posture in the Little Child.....	13, 749	16, 281	70, 674
Guiding the Adolescent.....	29, 764	33, 820	151, 742

¹ Under revision during most of the period.

Sales of publications for parents by the Superintendent of Documents for the fiscal years 1936 and 1937, and total sales since publication, were as follows:

Publication	1936	1937	Since publication
Prenatal Care.....	44, 185	131, 319	805, 373
Infant Care.....	104, 752	168, 594	1, 732, 021
The Child From One to Six.....	32, 341	105, 037	762, 306
Child Management.....	1 14, 283	41, 483	478, 008
Are You Training Your Child To Be Happy?.....	6, 546	34, 405	99, 714
Good Posture in the Little Child.....	3, 770	22, 675	26, 445
Guiding the Adolescent.....	11, 352	34, 301	64, 773

¹ Under revision during most of the period.

Correspondence.

The total number of letters received during the year was 261,331, an increase of 16,216 over the previous year. This increase of correspondence was due in part to radio talks.

Radio talks.

During the fiscal year 1938, 51 radio talks were written. The regular weekly broadcast over the National Broadcasting Company network on problems of parents and child, interrupted for more than a year, was resumed on December 4, 1937. A special series of weekly talks on juvenile delinquency and crime prevention was broadcast over the Mutual Broadcasting System network from October 19 to December 28, 1937. A regional program of popular talks on child care and training was broadcast over the Columbia Broadcasting System from February 1 to April 26, 1938. The response to these talks has been very good, and many requests for copies of the scripts have been received.

Exhibits and films.

Special exhibits were prepared for and shown at the following meetings: American Hospital Association, American Legion Auxiliary, American Library Association, American Medical Association, American Public Health Association, General Federation of Women's Clubs, National Medical Association, National Conference of Social Work, twenty-fifth anniversary celebration of the United States Department of Labor, Women's National Exposition of Arts and Industries. Exhibits previously constructed, as well as publications, were sent to 18 organizations and meetings.

Sixty-two other requests for exhibit material were received from medical and health organizations; women's groups; religious and educational organizations; labor, social-work, and youth organizations;

and State and county fairs. To these it was possible to respond only by sending the Bureau's limited assortment of posters, charts, and maps, in addition to publications.

Three new films and three additional prints of the Bureau's posture film were purchased. Film shipments during the year numbered 270, or 125 more than in 1937.

Thirty-five replies were received in response to a question about the type of film that exhibitors would be interested in having the Bureau make. The subject on which films were requested included maternal, infant, and child care; home delivery and home nursing in maternity cases; safety; nutrition; and prevention of disease.

May Day—Child Health Day, 1938.

"Speed children on the road to health" was the slogan announced by the Children's Bureau for Child Health Day, 1938. The President issued his proclamation on April 4, designating May 1 as Child Health Day. The State health officers, who through the State and Provincial Health Authorities of North America sponsor the observance of Child Health Day, appointed State May Day chairmen to plan State and local activities.

Reports received by the Children's Bureau show that there was active celebration of Child Health Day in 42 States, the District of Columbia, Alaska, and Hawaii. Thirty-five Governors issued Child Health Day proclamations or statements. State-wide publicity on child health, community meetings to consider child-health needs, the launching of new child-health projects, school programs, and exhibits were the characteristic features of Child Health Day. It is the consensus of opinion of the majority of State leaders engaged in this work that Child Health Day affords a useful opportunity for local groups to express their interest in child health and that it contributes toward the development of stronger, year-round child-health programs in local communities.

RECOMMENDATIONS

1. Expansion of the Bureau's program of research and dissemination of technical and popular information for meeting the continuing needs in the following fields: (1) Maternal care and maternal mortality; (2) child growth and development and infant mortality and morbidity, particularly in the first month after birth; (3) the effectiveness of various forms of care of crippled children; methods of determining the mental status of the crippled child in relation to eligibility for care; and studies of the construction, weight, cost, and availability of appliances used in the treatment of crippled children; (4) medical and social care of children suffering from heart disease, diabetes, defective vision, defective hearing, and other chronic disabilities; (5) methods of diagnosis, community supervision, and institutional care of mentally deficient children; (6) methods of providing for dependent, neglected, and delinquent children and demonstrations of community methods of preventing and dealing with juvenile delinquency; (7) effectiveness of Federal and State cooperative programs of child-welfare services in areas predominantly rural and the need for Federal and State leadership in the improvement of community facilities for child care and protection in urban areas.

2. Expanded resources for advisory and consultative service, especially service to the States in the administration of Federally aided

programs of maternal and child welfare, such as regional advisory services in medical-social work, nutrition, and dental hygiene; consultative service in child-welfare organization and methods of caring for children in need of social protection; and assistance to State agencies in developing and extending professional and in-service training for staff members.

3. Adequate appropriations for both administrative and research work necessary for the effective administration of the child-labor provisions of the Fair Labor Standards Act of 1938.

4. Extension of field and office service in developing and extending throughout the Nation satisfactory systems of current reporting of activities of juvenile employment, juvenile-court statistics, and health and social services to children.

5. Amendment of title V, parts 1 and 2, of the Social Security Act, to provide a gradually expanding program of maternal and child-health services as recommended in the National Health Program presented to the National Health Conference of July 1938 by the Interdepartmental Committee To Coordinate Health and Welfare Activities. These recommendations related to extension of maternity care and care of newborn infants; medical care for children; and extension of the program of services to crippled children, including increased facilities for orthopedic and plastic services and for care of children suffering from heart disease, injury due to birth or accident, or other diseases or conditions that require prolonged care to insure recovery or restoration leading to self-support.

6. Completion of ratification of the child-labor amendment if the United States Supreme Court holds that it is still pending.

7. Extension to Puerto Rico of the maternal and child-welfare provisions of the Social Security Act.

8. Continued focusing of public and professional interest on problems of maternal and child care and child welfare, standards insuring employment of qualified personnel, and methods of service.

Respectfully submitted.

KATHARINE F. LENROOT,
Chief.

WOMEN'S BUREAU

MARY ANDERSON, *Director*

To the SECRETARY OF LABOR:

An important byproduct of the World War was the creation of the Women's Bureau, which for years had been an objective of many leaders of American thought but which crystallized into being, as the Woman in Industry Service, only in the emergency of employing women under unusual conditions during the war. In the two decades since its inception in 1918, the Bureau has become the recognized source of information on the gainful employment of women in all its various ramifications: Their occupations, opportunities, and exploitation; their health and welfare; their wages, hours, and working conditions; the trends of their employment and earnings; their income; cost of living, and responsibilities; their economic and legal status; the census and other data concerning them; the legislation in their behalf; and the efforts of various groups—Federal, State, and private—to improve their condition.

Dependence on the Women's Bureau is attested by the thousands of requests annually—in the past year, from the 48 States and several foreign countries—for specific information on the matters just listed; for copies of Bureau publications, charts, and exhibit material, and the loan of other exhibits and of films; for assistance in surveys of an industry, a locality, or a condition, several examples of each of which are covered in this year's report; for assistance in the passage, the support, and the administration of legislation, chiefly in the matter of minimum wage; for thorough studies, as of the legal status of women in the various States requested of the State Department by the League of Nations, and the Nation-wide survey of manufacturing conditions in the millinery industry requested by the Millinery Stabilization Commission. In addition to requests for these kinds of assistance, the Bureau receives hundreds of complaints of unfavorable or illegal conditions of employment, which are replied to and referred to the proper State or local authorities.

Minimum-wage activities.

The Women's Bureau held its annual minimum-wage conference in Washington, October 21 and 22, 1937. The attendance of representatives from 15 States, the District of Columbia, Puerto Rico, and Canada was gratifying evidence of the spirit of cooperation existing among the various administrators in this important work.

During the year the Bureau's minimum-wage division has been increasingly active in all phases of the movement, especially in the following:

1. Assisting the States in setting up their minimum-wage machinery, particularly in the direction of a standardization of procedure that will make for efficiency in the minimum-wage field in general. The director of this work in the Women's Bureau has served as secretary of the interstate committees on scope and statistics that are working to this end.

2. Acting as a clearing house for information on the laws, orders, State policies and procedures, and all other minimum-wage matters. A compilation of the laws and orders will shortly go to press. Various classifications of orders have been issued in mimeographed form. The device of renting booths in beauty parlors to operators, as a means of evading minimum-wage laws, has been dealt with in a digest of legal rulings and opinions, State and Federal. This material, which shows that, in most cases of this sort the operators have been considered employees, also was made available in mimeographed form.

3. Field surveys to obtain wage and hour data as a background for wage legislation were made, at the request of State authorities, in Kentucky, Colorado, Utah, and Arizona.

4. A study of the effects of minimum-wage laws, based on conditions in adjoining States—one having and one not having such legislation—is in press at the close of the year. It covers the power-laundry industry in New York and Pennsylvania and the dry-cleaning and dyeing industry in Ohio and Indiana.

5. A considerable body of information was prepared on the distribution of women at work in the various States in certain important woman-employing industries, for the use of the States in the setting of minimum-wage rates in such industries.

6. The Women's Bureau cooperated with the Bureau of Home Economics and the Bureau of Labor Statistics in the preparation of a bulletin entitled "Factors To Be Considered in Preparing Minimum-Wage Budgets for Women." This was presented to the minimum-wage conference under Women's Bureau auspices in October, and has since been used as the basis for cost-of-living studies made by several States for minimum-wage purposes. Information on rooms for working girls in the District of Columbia was secured by the Women's Bureau agents for use of the minimum-wage commission. Bureau agents also supervised the cost-of-living studies made in Colorado and Arizona.

7. Cooperating in the revision of the standard minimum-wage bill for women and minors.

Public contracts surveys.

In the past 2 years the Women's Bureau has made a number of surveys of industries that come within the scope of the Public Contracts Act, with the purpose of supplying wage and hour data that would show the conditions prevailing in such industries. Thirteen of these surveys covered various branches of men's wear, of which the United States Government purchases large quantities. The high points of these studies, now in press, are as follows:

In the work-clothing survey, wage and hour data were obtained in 154 establishments, employing more than 21,000 workers, the great majority of whom were women. Week's earnings averaged \$13.55 for all employees; hourly earnings, 37.2 cents. Two-fifths of the 18,000 employees whose hours worked were reported worked less than 40 hours in the pay-roll week recorded; just over one-fourth worked 40 hours, and the remaining one-third worked more than 40. In four States with both union and nonunion plants scheduled, hourly earnings in the union plants averaged 44.8 cents, in contrast to 35.4 cents in those nonunion.

Twenty-two plants making chiefly work shirts were surveyed. These employed 3,450 workers, more than 90 percent of whom were

women. Week's earnings averaged \$10.40; hourly earnings, 28.9 cents. Well over half (56 percent) of the 2,900 employees with hours worked reported worked less than 40 hours in the week recorded; 17 percent worked 40 hours, and 27 percent more than 40.

The survey of the dress-shirt industry, which includes the everyday negligee and business shirt, covered 59 plants, employing nearly 15,000 workers, about nine-tenths of them women. Week's earnings averaged \$14.10; hourly earnings, 37.3 cents. Of the 11,500 employees with hours worked reported, almost one-half (47 percent) worked less than 40 hours, one-fourth worked 40, and somewhat more than one-fourth exceeded 40 hours.

In the men's-underwear survey, 72 plants made the knit product and 22 used woven cotton materials. The knit-underwear plants had almost 17,000 employees, and 79 percent were women. Week's earnings averaged \$14.05; hourly earnings, 35.5 cents. Of the 15,500 employees with hours worked reported, not far from one-fourth worked 40 hours, the remainder being almost evenly divided between under 40 and over 40 hours.

The 22 plants making woven cotton underwear employed almost 4,700 workers, about nine-tenths of them women. Week's earnings averaged \$11.85; hourly earnings, 29.2 cents. Time worked in that week, reported for less than 3,900 employees, was 40 hours for 1 in 7 of the workers, less than 40 for 2 in 7, and more than 40 hours for 4 in 7.

The seamless-hosiery survey covered 158 plants, with more than 30,000 employees, the great majority of them women. Average week's earnings were \$13.15. Hourly earnings were 36.1 cents. Time worked in the week recorded, reported for about 20,000, was less than 40 hours for not far from half the employees; for just over one-fourth, the hours were 40; for slightly more employees, they were over 40.

Data for welt shoes, of which the Government buys large quantities, were obtained in 111 plants, with 33,700 workers. Only 39 percent of the employees were women. Average week's earnings were \$21.55; hourly earnings, 53.8 cents. Time worked, reported for 30,000 employees, was under 40 hours for almost one-third of them, 40 hours for practically the same number, and over 40 hours for just over one-third.

Data of the same type for raincoats, sport jackets, caps and cloth hats, neckwear, work and knit gloves, and handkerchiefs, transmitted some time ago to the Division of Public Contracts, are being prepared for publication in pamphlet form.

Also procured and analyzed for the Division of Public Contracts were wage and hour data for milk condenseries; drug, medicine, and cosmetic manufacturing; and cereal preparations. The figures, collected in the spring of 1938, have been transmitted to the Board. They will be published in pamphlet form by the Women's Bureau.

The 113 milk condenseries surveyed employed more than 3,100 persons, 95 percent of them men. Week's earnings averaged \$23.25; hourly earnings, 48.8 cents. Five-sixths of the employees worked more than 40 hours in the week recorded. Most of the others worked less than 40.

Practically 12,500 workers were employed by the 220 plants surveyed that made drugs, medicines, and cosmetics. Almost half the employees were women. Week's earnings averaged \$22.25; hourly

earnings, 57.2 cents. Almost one-half the employees worked 40 hours in the week recorded; less than one-third worked under 40 hours, and one-fifth exceeded 40.

Twenty-nine plants that employed 4,300 workers in the making of cereal preparations furnished pay-roll data for that industry. Only 32 percent of the employees were women. Week's earnings averaged \$25.55; hourly earnings, 66.5 cents. Almost half the employees worked less than 40 hours in the week recorded; most of the others exceeded 40 hours, only 1 in 7 of all employees working exactly 40 hours.

Trends in women's employment and wages.

Women's earnings are showing, in general, a slow but definite rise, and their manufacturing employment has tended upward since the depression low, according to data reported recently or collected from the sources available in earlier years. This statement is greatly modified by short-term ups and downs in employment and wages, and the situation varies greatly in different localities and among the various industries. Women are likely to be considerably aided eventually by the new Fair Labor Standards Act, since, according to representative figures for March 1938, women's wages average less than 40 cents an hour in 10 of 43 industries that are chief manufacturing employers of women.

Within the past year an important step has been taken to secure representative figures on a considerable scale to measure the progress of women's employment and wages, data available for such an evaluation having been very meager in the past. The Women's Bureau now has undertaken an analysis of material furnished, by sex, twice each year from wage, employment, and man-hour reports sent by employers to the Bureau of Labor Statistics.

The employment and wage figures thus obtained are believed fairly representative of conditions for women industrial workers in the country as a whole. They comprise reports from the industries that employ at least two-thirds of the women in manufacturing occupations in the United States, according to the Census of Manufactures, and also from two nonmanufacturing occupations. The reports are from 12 large industrial States that employ three-fourths of all the women in manufacturing—California, Connecticut, Illinois, Indiana, Massachusetts, Michigan, Missouri, New Jersey, New York, North Carolina, Ohio, and Pennsylvania.

As September is a busy month in manufacturing, it is not surprising that the March figures show employment declines since September in practically all the industries covered. On the other hand, average week's earnings had increased in a number of the industries, and in many others had declined less than had employment—which indicates a level of women's wages somewhat better than before.

Comparisons of figures for the two sexes show the employment decline worse for women than for men in the greater number of industries. In a number of cases, women's average hourly earnings had increased more than men's, which shows that, compared to their own previous status, women were somewhat better off than men. However, when average weekly earnings are considered—the amounts the worker actually has to live on—declines were greater for women than for men in most industries. Coupled with the fact that women always

receive considerably lower earnings than men, this means a continuing need for the establishment of better wage standards for women.

Completed studies.

Trends in the employment of women, 1928-36.

The limited State data available that indicate employment trends by sex have been assembled with the purpose of showing how the unemployment situation in recent years has affected women in the chief woman-employing industries. Though scattering and presenting no clear-cut picture, such facts as do emerge are significant.

The five States reported upon—New York, Massachusetts, Ohio, Illinois, and Virginia—provide an aggregate of 128 indexes, most of them for the period 1928 to 1936 or 1935, that show for industry groups or subgroups the changed status of the two sexes. Of the 128 comparisons possible, women had fared somewhat better than men in 49 cases, men somewhat better than women in 77 cases, and in 2 the changes had been alike.

Because the totals for manufacturing include the heavy industries that are not important woman-employers and that suffered most severely from the depression, women's employment in manufacturing as a whole was found to have declined less than men's in three of the five States; in Ohio it had declined less than men's even in all lines of employment combined. But in a number of industries that traditionally are women's special field, men had fared better than women in all or most of the cases reported—in all reports for textiles, stores, hotels and restaurants, and office work, and in most cases in laundries, men's clothing, and confectionery manufacture. In four States reporting on women's clothing, men had fared the better in two States and women in two.

The effects of minimum wage in the laundry and dry-cleaning industries.

The Bureau has in press a study of the effects of minimum-wage laws, undertaken to determine whether such laws attain their objectives when put into operation at a time of business depression or of fundamental changes in an industry.

No other State has put a minimum wage into effect under such adverse business conditions as still obtained when New York passed its first wage law and its laundry order in 1933; and no other wage order has been issued when such fundamental readjustments were being made in an industry as were going on in dry cleaning when Ohio made mandatory its order for that industry in 1935.

Accordingly, pay-roll records before and after these orders have been studied in the power-laundry industry in New York and Pennsylvania, the latter having no minimum-wage law at the time, and in the dry-cleaning and dyeing industry in Ohio and Indiana, the latter with no legal control of women's wages.

The findings show conclusively a number of important things: (1) That the minimum-wage orders in these industries were effective in spite of abnormal conditions; (2) that they caused no change in the proportion of women among all employees; (3) that they not only practically eliminated very low hourly rates for women but increased greatly the proportions of women in the highest brackets; (4) that rates in the adjoining non-minimum-wage States remained at their low levels and increases there in the period studied were slight; (5) in short, that minimum-wage legislation for women, rightly framed, does

not interfere with equal opportunity to work, but does interfere with the unsocial tendency to oppress women workers at the expense of the welfare of the State.

Differences in the earnings of women and men.

One of the most frequent requests received by the Women's Bureau for information concerning women's wages has to do with the relation of women's wages to those of men. Such demands have come repeatedly from trade-unions and employers, educators and students, and various official bodies, including most recently the International Labor Office. To supply such information the Bureau has brought together some of the scattered data on wages of the two sexes and has computed the percents that women's earnings comprise of men's earnings. The figures presented show an almost uncanny uniformity in such percents, in spite of changes in wage levels, in business conditions, in source of labor supply, or other qualifying factor.

For example, there are cited the rates paid to clerical workers in Ohio, over a period of 21 years and covering all clerical employees. Though both men's and women's average rates more than doubled during the years reported, women's rates were always from 56 to 60 percent of men's rates. Among office workers in New York factories, reported for 14 consecutive years, women's earnings varied only from 48 to 51 percent of men's earnings.

Factory earnings or rates for women in New York over a period of 14 years were consistently from 52 to 58 percent as much as men's; in Illinois, over 13 years, they were from 55 to 60 percent, and in Ohio, also over 13 years, they were 53 to 63 percent. The report presents also data showing that the wages of semiskilled women are below those of men and boys in unskilled jobs and below the entrance rates of male common labor.

Unattached women on relief in Chicago.

A group of 604 nonfamily women, whose names were taken from the records of some 12,500 such women on relief in Chicago on February 1, 1937, were interviewed by investigators in a study made by the Women's Bureau in cooperation with the Chicago Relief Administration and the School of Social Service Administration of the University of Chicago. The purpose of the study was to secure the data necessary for the development of a program that would restore a large number of these women to a condition of self-support and that would make more effective the administering of relief.

Women as much as 65 years of age, to whom a program of rehabilitation obviously was not suited, were omitted from the survey, though they constituted 31 percent of all nonfamily women on relief. Of the women interviewed, less than one-fourth were under 40 years old and practically four-fifths were widowed, separated, or divorced.

The questions as to former employment disclosed that three-fifths of the women had been in domestic and personal service, 2 in 3 of this group in private families. The next largest group, only one-sixth of the total, had been in manufacturing.

Only 1 in 12 of the women had no physical or mental disability, a finding that was given much attention because of its close relation to the matter of employability. From careful study of the nature and extent of the various disabilities, it was estimated that 17 percent of the women were wholly employable, and 16 percent were employable

but with a handicap. Almost 29 percent were temporarily unemployable, and almost 39 percent were unemployable permanently.

The following are among the most important of the recommendations resulting from the study: A recognition that relief is a permanent, not a temporary, problem; an increase in the staff of the relief organization; more adequate facilities for medical care; health insurance; unemployment compensation for household employees; vocational training and retraining. The unemployables—the aged and the chronically ill, who seem to constitute not far from 60 percent of the 12,500—must be referred to the agencies best equipped to serve them, thus confining rehabilitation to those capable of profiting by such a program.

Industrial injuries to women, 1932-34.

The series of bulletins on industrial accidents to women, begun in 1927 and reporting periodically all State figures available, has stressed particularly the meagerness of such material in spite of its great importance in accident prevention. Though 25 States furnished some accident data for one or more years from 1920 to 1934, only 7 States furnished such data for each of the 15 years.

The fourth bulletin in the Women's Bureau series, covering the years 1932 to 1934, has been prepared for publication. In these 3 years, 19 States made accident data by sex available. Reports were received from 11 of the 18 States that rank highest in woman-employment. The most complete reporting is by Michigan, which makes available not only the number of women injured, but the industry, cause, nature of injury, extent of disability, age, wage, and compensation. Pennsylvania reports almost as completely.

Of the 16 States reporting for 1934, 9 had more than 1,000 women injured in that year; 3 of these States reported more than 4,000 each, and the 16 States had an aggregate of close to 30,000. One large industrial State reported, for the 3-year period studied, 4,000 women permanently disabled.

Members of the staff have attended the meetings of Federal accident statisticians and the conference of the International Association of Industrial Accident Boards and Commissions.

State surveys.

Surveys for minimum-wage purposes, requested by the State authorities of Utah, Colorado, Arizona, and Kentucky, were made by the field staff of the Women's Bureau. The findings have been transmitted to the States. Progress toward a short workweek is apparent.

Utah.

In Utah, 153 establishments, employing nearly 8,300 persons, were visited; 5,400 of the employees were women. More than three-fourths of the workers were employed in Salt Lake City. In department stores, the week's earnings of women averaged \$13.50, the hourly earnings 32.6 cents. In limited-price stores, week's earnings averaged \$14, an unusually high figure, and hourly earnings 32.9 cents. In manufacturing, where 37 percent of the women worked less than 40 hours in the week recorded, average week's earnings were \$12.10 and average hourly earnings 30 cents. The women in laundries, 26 percent of whom worked under 40 hours, averaged \$11.05 a week and 25 cents an hour. Women in restaurants averaged \$10.45 a week and 27.8

cents an hour; those in the lodging departments of hotels, where only a small proportion worked less than 40 hours, had slightly higher week's earnings (\$10.85) but a lower average per hour (22.3 cents). Women in beauty parlors averaged \$15.45 a week and 35.3 cents an hour; and those in clerical work in the various industries surveyed, \$15.50 a week and 34.1 cents an hour.

Colorado.

The survey of Colorado, requested by the industrial commission of the State, covered only the trade and service industries—stores, laundries, hotels and restaurants, hospitals, and beauty parlors. The 458 establishments visited employed very nearly 10,000 women, well over one-half being in stores.

The women on the regular force in department stores had average week's earnings of \$15.55 and hourly earnings of 35.6 cents; those in women's apparel shops, \$15.95 and 35.7 cents; and those in limited-price stores, \$13.45 and 29.2 cents. The more than 1,300 part-time workers with hours and earnings reported had averages as follows: In department stores, 33.1 cents an hour and \$4.10 a week, 48 percent of them working less than 12 hours; in women's apparel shops, 32.3 cents an hour and \$8.75 a week, 29 percent working less than 12 hours; in limited-price stores, 24.7 cents an hour and \$2.55 a week, 57 percent of them working less than 12 hours, in all probability Saturday only.

Women in laundries averaged \$11.60 a week and 25 cents an hour; 24 percent of them worked less than 40 hours. Those in hotels averaged \$9.60 a week and those in restaurants \$9.10, in each case exclusive of the meals supplied. Earnings in hospitals were somewhat higher, cash earnings averaging \$10.40 and meals and lodging being supplied quite commonly. Average week's earnings in beauty parlors were \$15.20.

Arizona.

In Arizona also the survey covered only stores and service industries, the extent being 353 establishments and 3,700 women.

For the women on a weekly basis in stores, average earnings were as follows: In department and general merchandise stores, \$15.10 a week, 31.7 cents an hour; in ready-to-wear stores, \$15.40 a week, 31.6 cents an hour; in limited-price stores, \$12.95 a week, 27.1 cents an hour. Part-time employment was common, constituting about half the force in limited-price stores and almost one-third of that in the department and general-merchandise group and in ready-to-wear shops. In the department-store group, 44 percent of the part-time employees worked less than 12 hours; earnings during the week for all part-time workers averaged \$4.80. In limited-price stores, 69 percent worked less than 12 hours; average earnings were \$2.55.

Week's earnings in laundries and dry-cleaning plants averaged \$11.20 and hourly earnings 25.9 cents; 38 percent of the women worked less than 40 hours.

The week's average cash wages in hotels and restaurants, where employees usually are given one or more meals, were \$10.60 in hotels and \$10.65 in independent restaurants. In hospitals the average cash earnings were \$11.40; 90 percent of the women were given their meals, many of them lodging also, and for these the cash wages averaged \$10.

Kentucky.

A survey of the hours and earnings of women in the State of Kentucky, requested by the Louisville League of Women Voters and the Kentucky Department of Agriculture, Labor, and Statistics, was made in the late months of 1937. It covered 359 establishments, employing more than 41,000 workers, 53 percent of whom were women. This report has been published by the Women's Bureau.

Though the Kentucky hour law permits a workweek of as much as 60 hours, the practice in industry is far removed from such a standard; for only 15 percent of the women surveyed were the required hours in excess of 48, and for 53 percent they were 40 or less. In manufacturing, about 60 percent of the women had a 40-hour 5-day week; in the pay-roll week recorded, 74 percent worked 40 hours or less.

Women's average hourly earnings in manufacturing were 36 cents. Average week's earnings for women who worked 40 hours or more were \$14.85. Year's earnings, reported for about 750 women, averaged \$675.

In stores, almost two-thirds of the women had hourly earnings of 25 and under 35 cents, most of this group earning below 30 cents. Average week's earnings were \$13.60. Daily hours were shorter but weekly hours longer than the average in factories.

In laundries, 23 percent of the women worked 50 or more hours. Hourly earnings averaged 20.8 cents. The average earnings for a week of 40 hours or more were \$9.75. Year's earnings, reported for 135 women who had worked 48 weeks or more, averaged just over \$500. In dry cleaners, 38 percent of the women worked 50 hours or more. Average hourly earnings were 27.6 cents; for 40 or more hours of work, week's earnings averaged \$13.60.

In hotels and restaurants, 87 percent of the women had weekly hours in excess of 40; 11 percent of the women in hotels and 9 percent of those in independent restaurants had a scheduled week of over 56 hours. As many as 63 percent of the women in hotels, and 23 percent of those in independent restaurants, had a 7-day week.

From 75 percent to 95 percent of the dining-room and kitchen workers were given meals—most of them 2 meals. The average cash earnings ranged from \$4.70 for dining-room workers in hotels to \$11.35 for kitchen workers in hotels. Dining-room workers in independent restaurants averaged \$8.45; women in hotel lodging departments averaged \$8.60. Among the women in hotels whose workweek was longer than 40 hours, almost three-fifths of those who were not given meals had a rate below \$10.

Studies in progress.**Millinery-stabilization study.**

At the request of the Millinery-Stabilization Commission, the Women's Bureau has made a survey to obtain the body of facts necessary for the cooperative efforts planned by employers and workers to put the millinery industry on a firm footing. After repeated conferences with the Stabilization Board, various Government agencies, and other authorities the Bureau undertook the survey of manufacturing methods, leaving to other investigators the matter of wholesale and retail distribution. Field work was done in 14 States, from coast to coast and from the extreme north to the farthest south. Tabulation and analysis of the data are now in progress.

Canning and dried-fruit packing.

In progress at the close of the year is an extensive survey of the canning and dried-fruit-packing industry, made with the following purposes:

To furnish a basis for development of feasible methods of establishing State minimum-wage rates and hour regulations in canneries by State minimum-wage commissions;

To furnish the Public Contracts Board with 1938 wage-and-hour conditions within the canning and dried-fruit-packing industries, as well as with a picture of the seasonal variations in earnings and hours, in order to permit the establishment of minimum prevailing rates for Government contracts on an enforceable basis;

To permit the Administrator of the Fair Labor Standards Act to interpret the act as it relates to the canning industry in accordance with current facts on operations;

To furnish the Unemployment Compensation Division of the Social Security Board with data concerning the volume of unemployment during the year in order that equitable adjustments may be made in unemployment compensation regulations.

Legal status of women.

Of the 49 summaries—48 States and the District of Columbia—in preparation by the Women's Bureau in this important study, about two-thirds are already available in printed form. They are to be incorporated later in the complete report, which also will give a digest for the country as a whole. A preliminary report, including complete material for some States, partial information for others, was sent to Geneva by the Secretary of State in response to a request from the Secretary-General of the League of Nations. It was printed as an official League of Nations document, September 29, 1937 (League of Nations, Official No. A. 14 (e) 1937. V).

Women's family responsibility.

From the 1930 census reports the Women's Bureau has made an analysis, similar to that made in 1920, indicating from facts reported for certain cities the share in family support borne by women in this country. The material covers the more than 58,000 women gainfully employed in the representative industrial communities of Fort Wayne, Ind., Bridgeport, Conn., and Richmond, Va. For both single and married women, the occupation, age, and marital status are correlated with family relationship, responsibility for family support, size of family, and number of small children. The report is being prepared for printing.

Other important studies being worked upon as time permits are The Nation's Need of Women's Productive Service, The Negro Woman Worker, and The Older Woman Worker.

The Woman Worker.

Early in 1938 permission was secured for the mimeographed News Letter, inaugurated in 1920 at the request of State labor officials and issued periodically ever since, to become a bimonthly printed publication. Entitled "The Woman Worker," this bulletin of news notes and brief articles concerning women and their employment is available at 5 cents a copy or 25 cents a year. The January, March, and May issues have had a wide distribution to subscribers.

Compilation of labor laws.

Continued activity in the States in hour and minimum-wage legislation necessitated further revision of the Bureau's published analyses of labor laws for women. The outstanding events that made such revision necessary were the following:

South Carolina passed the first 40-hour law, applicable to men and women in textiles and women in garment factories. A 48-hour limit applies to finishing, dyeing, and bleaching plants. In textiles the week is limited to 5 days.

Louisiana and Virginia adopted the 48-hour week.

Oklahoma issued industrial welfare orders reducing the legal workweek in a number of industries from 54 to 48, thus bringing to five the number of Southern States with a legal maximum not over 48 hours.

Utah's Industrial Commission set women's hours in retail stores at 7 a day, 42½ a week.

Oregon extended the coverage of its 44-hour regulation, and New York the coverage of its 48-hour regulation.

Kentucky and Louisiana passed minimum-wage laws, the first in Southern States east of the Mississippi. With the old Kansas law again valid by ruling of the Attorney General, the number of minimum-wage laws now stands at 27—25 States, the District of Columbia, and Puerto Rico.

Many new minimum-wage orders have been issued, setting rates for industries not previously covered or revising earlier orders and raising the minimum rates.

Household employment.

In response to heavy demands, the Women's Bureau has given much attention during the past year to the subject of household employment. Among the activities in this field are the following:

The revision of a bibliography of references on the subject.

Speeches on various aspects of household employment by staff members before such groups as the National Convention of the Y. W. C. A. at Columbus, Ohio; a conference of the Chicago Domestic Workers' Association; the District of Columbia Domestic Workers' Training School Advisory Committee; the Adult Education Council of Metropolitan Cincinnati; the New Jersey Federation of Colored Women's Clubs at Asbury Park, N. J.; and the Washington (D. C.) Domestic Workers' Union.

Attendance by a staff member at the regional Y. W. C. A. Conference of Business and Industrial Girls at Lake Okoboji, Iowa, to lead household-employment study group.

Articles prepared for the American Federationist on Domestic Workers and Unions.

Cooperation in a survey of household employment by Fortune magazine.

Consultation both in Washington and in the field with numerous individuals and organizations interested in household-employment standards. Another service was the drawing up of suggestions for a survey of domestic service in Ottawa, in response to a request from the Canadian Department of External Affairs.

Public information.

The past year has witnessed a great increase in requests for many types of public-information assistance, already one of the Bureau's heaviest responsibilities. Particularly noticeable has been the growth in demands for workers' education help from labor unions with large numbers of women members. Much material has been supplied to these organizations and careful thought given to their needs. Vocational guidance counselors are another group making increasing use of Women's Bureau data, which they find valuable in a realistic analysis of women's occupations.

Popularly written leaflets on the benefits of minimum-wage legislation, the desirability of short working hours, and the problems brought about by industrial home work have been distributed by thousands to the end of increasing public interest in these important work problems of women.

In order to meet continual requests for nontechnical material on Negro women workers, a bulletin along these lines is being prepared for distribution in the next fiscal year.

Exhibits.

The first Women's Bureau sound film made its appearance toward the close of the year. "What's in a Dress," filmed the year before, is now available in sound.

Bureau exhibits of one sort or another have been sent on request to all 48 States, to Hawaii, and to Canada. The total distribution, in addition to those sold by the Superintendent of Documents, included the giving of 594 sets of maps on hour and wage legislation, 604 sets of wall charts, and 1,986 posters. Five hundred and thirty sets of films have been lent for temporary use and 132 were circulated by university extension services or film agencies. Though the reporting of the numbers of showings of these films is far from complete, the wide use to which they have been put by the extension services and other agencies is indicated by the fact that nine agencies alone reported 3,967 showings, to more than 200,000 spectators, during the year. Thirty-six bulletin displays and 22 miscellaneous exhibits were sent out.

In cooperation with the Exhibits Division of the Department of Labor, the Women's Bureau prepared exhibits for the celebration of the Department's twenty-fifth anniversary and is planning exhibits for the welfare and industrial sections of the New York World's Fair of 1939.

Conferences.

Besides the conferences called by the Bureau or the Department, the Women's Bureau was represented at the conferences or conventions of the national and international organizations listed below:

International Association of Governmental Labor Officials; American Association for Labor Legislation; American Federation of Labor; International Association of Industrial Accident Boards and Commissions; American Vocational Education Association; League of Women Voters; National Federation of Business and Professional Women's Clubs; American Association of University Women; Young Women's Christian Association; National Council of Catholic Women; and National Jewish Conference.

Addresses have been made before these and many other groups, such as State federations of clubs, university women, trade-union

leagues and auxiliaries, college vocational conferences, committees considering legislation for women, trade organizations, and so forth.

The Bureau has continued its active cooperation with groups concerned with such important matters as adult education, vocational education and guidance, the elimination of home work, improved standards in household employment, women's camps, and self-help.

Publications.

Eight bulletins have been issued since the beginning of the fiscal year and five others are in press. The titles follow:

- No. 152. Differences in the Earnings of Women and Men.
- No. 153. Women's Hours and Wages in the District of Columbia in 1937.
- No. 154. Reading List of References on Household Employment.
- No. 155. Women in the Economy of the United States of America.
- No. 156. State Labor Laws for Women. Parts I (Summary) and II (Hour Laws).
- No. 157. The Legal Status of Women in the United States of America. (29 States printed during year.)
- No. 158. Unattached Women on Relief in Chicago, 1937.
- No. 159. Trends in the Employment of Women, 1928-36. (In press.)
- No. 160. Industrial Injuries to Women and Men, 1932 to 1934. (In press.)
- No. 162. Women in Kentucky Industries, 1937.
- No. 163. Hours and Earnings in Certain Men's-Wear Industries. (In press.)
- No. 164. Women in Industry. Revision of Bulletin 91. (In press.)
- No. 166. The Effect of Minimum-Wage Determinations in Service Industries. (In press.)

Information on certain subjects of especially frequent inquiry or changing status was made available in mimeographed form. This includes the following:

- Minimum-wage laws and orders, 1936-37. (September 1937.)
- State minimum-wage orders for laundry and dry-cleaning occupations. (February 1938.)
- State minimum-wage orders for retail and wholesale trade occupations. (March 1938.)
- State minimum-wage orders for beauty-culture occupations. (June 1938.)
- Material pertaining to the legal aspects of booth renting in beauty shops. (June 1938.)
- A year of minimum wage.
- Suggested language for a standard minimum-wage bill for women and minors.
- Suggested language for a standard minimum-wage bill for men, women, and minors.

Recommendations.

The Women's Bureau has had an important part in bringing about and in acquainting the public with the very real progress that is apparent in shorter hours of work, improved working conditions, and the acceptance of the principle of a minimum wage. That adequate wages, and equal pay for equal work, still are far from realization; that industrial accidents and disease remain uncontrolled; that household employment and agricultural labor are almost wholly unregulated; that seasonal employment, home work, lack of vocational training, are problems unsolved; that women's organization and participation in the labor movement is extremely backward; that there still are citizens who consider that married women should not be gainfully employed no matter how low the family income may be—these and others too numerous to be cited are matters pressing for attention if the Women's Bureau is to be wholly successful in its job of promoting the welfare of wage-earning women.

The many needs of governmental assistance in the field of women's employment are stimulating; the Bureau's handicap of small staff and insufficient appropriations is disheartening. That industry can-

not get along without women and that women cannot get along without industry should be apparent to everyone—employers and workers, legislators, the average citizen. Further, that the health and welfare of women citizens, especially in relation to the country's future, are so important as to warrant inclusion among constructive emergency measures should be obvious.

Outstanding among the subjects in need of study are the following:

Women's employment opportunities.

If it be true, as available data indicate, that men are encroaching in women's traditional fields of retail trade, hotels and restaurants, laundries, office work, textiles, men's clothing, and confectionery, more attention must be given to women's vocational training and guidance, since women cannot be restricted to machine feeding and household employment. Specialized and more adequate training before entering employment is essential, and teachers and counselors require help in this. Community needs that could be met by women entering entirely new lines of employment should be studied and developed.

Work with women's groups.

Assistance to groups of women interested but uninformed is a vital need. Consumers' cooperation is essential in many matters concerning women's employment, and so is advice to working women in the use of scientific material, especially in collective bargaining. Controversial matters such as the employment of married women, the age at which women become unemployable, women's stability or instability as measured by time spent in an industry, all could and should be given scientific study.

These and other lines of inquiry have been advocated for years in the Bureau's recommendations, but insufficiency of appropriation has prevented their being undertaken, in spite of the fact that no other agency is authorized to render such service on a Nation-wide scale.

Respectfully submitted.

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Director.

