Code of Fair Competition
for
The Construction Industry
Renovize and Help Recovery
An Analysis of
Public Works Allotments
Postponement of Visit to Chapters
CHAPTER I—General Provisions” of the Code of Fair Competition for the Construction Industry was approved by President Roosevelt on January 31, 1934.

Chapter I, hereafter referred to as “the Code”, was submitted to the National Recovery Administration by the Construction League and its allied associations. The Construction League Code Committee consisted of Stephen F. Voorhees architect, as Chairman; John P. Hogan engineer, as Vice-Chairman; F. P. Byington, materials contractor; Willard T. Chevalier, engineer-publisher; C. H. Dabelstein, painting contractor; P. W. Donoghue, plumbing contractor; A. E. Horst, engineering contractor, and William Steele, 3rd, builder, with J. W. Follin, engineer, as Secretary.

This number of The Octagon is devoted primarily to the Code, thereby becoming an authoritative reference document for the time being. The Code, as printed by the Construction League, on heavy bond paper, can be obtained from the League, at 1741 N. Y. Ave. N.W., Washington, D. C. The price is five cents a copy, plus postage.

It will be noted that the Code is published under the heading “Chapter I—General Provisions.” This Chapter I applies to all divisions of the construction industry, and all members of the industry, including architects, are governed by it.

Eventually, the architect will be governed jointly by Chapter I as printed herein, and by the yet-to-be-approved Chapter relating to architectural practice.

The special attention of the architect is called to the following:

Article II—Definitions.
Article III—Hours, Wages, and Employment.
Article VII—Competitive Bidding Practices.

There are many chapters to be added to complete this Code of Fair Competition for the Construction Industry. Some of them are in approximately final form and their approval is expected momentarily. They include the following groups:

General Contractors Division; Painting, Paper-hanging and Decorating Division; Marble Contracting Division; Heating, Piping and Air Conditioning Contractors Division; Tile Contracting Division; Elevator Manufacturing Division; Roofing and Sheet Metal Contracting Division; Mason Contractors Division; Electrical Contracting Division; Contracting and Retail Plumbing Division; and Plastering Division.

With reference to the divisional chapters for the Architects, and for the Engineers, it may be stated that both are under negotiation with officials of the National Recovery Administration.

The last meeting of the Code Committee of the Architects was held in Washington on February 2 and 3. All Committee Members were present, namely—William Stanley Parker, Chairman, Boston; Frederick Mathews, jr., New York City; William G. Nolting, Baltimore; Horace W. Peaslee, Washington, D. C.; and Francis P. Sullivan Washington, D. C., members.

The Code Committee of the Architects has encountered serious difficulties in preparing a Code Chapter for Architects, because of the professional elements involved. The Code Committee of the Engineers has encountered similar difficulties. It is believed that satisfactory solutions can be found with respect to the problems involved.

There has been no substantial change in the status of the Architects’ Chapter since the progress report contained in the January number of The Octagon.

Just as soon as the Architects’ Chapter is approved it will be transmitted immediately to every member of the Institute in a special number of The Octagon. Thereafter, “Chapter I—General Provisions,” as printed herein, and the Architects’ Chapter will be combined in a single document and distributed by the Institute.

FRANK C. BALDWIN,
Secretary.
Code of Fair Competition
for
The Construction Industry
Approved on January 31, 1934 by President Roosevelt
Becomes Effective March 2, 1934

PURPOSES
To effectuate the policies of Title I of the National Industrial Recovery Act, the following provisions are established as a Code of Fair Competition for the Construction Industry, and shall be the standard of fair competition for this industry and shall be binding upon every member thereof.

CHAPTER I—GENERAL PROVISIONS*

Article I. Application.

The provisions of this Code shall apply to the entire industry as hereinafter defined, excluding operations therein undertaken in accordance with bona fide bids made not more than sixty (60) days prior to the effective date, or contracts entered into prior to the effective date; except that the provisions of each chapter incorporated in this Code shall apply only to the division or subdivision of the industry defined in such chapter. In the case of conflict between such chapter provisions and the general provisions of this Code, the chapter provisions shall govern. If any other code of fair competition or a provision thereof, heretofore or hereafter approved by the President, shall conflict with this Code or with any provisions thereof, the Administrator may hold such hearings as he may deem necessary and thereafter may, if in his judgment justice requires, grant such stay, exception or exemption, or make such other determination as he may deem advisable to effectuate the policies of the Act.

Article II. Definitions.

Section 1.—Construction Industry.

The term "construction industry" or "the industry" as used herein shall include the designing and the construction of (and the installing and the applying, including the assembling at the site, of manufactured parts and products incorporated in and to):

(a) building structures, including modifications thereof and fixed construction accessory thereto, intended for use as shelter; and other

(b) fixed structures and other fixed improvements and modifications thereof, intended for use in industry, commerce, sanitation, transportation, communication, flood control, power development, reclamation and other similar projects or services;

and such related divisions or subdivisions thereof as may be defined in chapters hereof, and included hereunder with the approval of the President.

Section 2.—Divisions of the Industry.

The term "division of the industry" or "division" as used herein shall mean a branch of the industry which has been or may hereafter be defined in a particular chapter of this Code. The term "subdivision of the industry" or "subdivision" shall mean a defined section of a division.

Section 3.—Member of the Industry.

The term "member of the industry" as used herein includes any individual or form of organization or enterprise engaged in any phase, or undertaking to perform any of the functions of the industry as defined in Section 1 hereof either as an employer or on his own behalf, including also but without limitation, architects, engineers, contractors and subcontractors.

Section 4.—Member of the Division.

The term "member of the division" or "member of the subdivision" includes any member of the industry engaged in one of the divisions or subdivisions of the industry now or hereafter established.

Section 5.—Employee.

The term "employee" as used herein shall include any person engaged in any phase of the industry, however compensated, but excluding members of the industry.

* Applies to all divisions of the construction industry and must be observed in conjunction with the Chapter for the specific division of the industry.

† Captions to articles and sections, where omitted in the official copy, have been added to assist the reader.
Section 6.—Employer.

The term "employer" as used herein includes anyone by whom any such employee is compensated or employed.

Section 7.—President, Act, Administrator.

The terms "President," "Act," and "Administrator" as used herein shall mean, respectively, the President of the United States, the National Industrial Recovery Act, and the Administrator of Title I of said Act.

Section 8.—Effective Date.

The term "effective date" as used herein shall mean the thirtieth (30th) day after the approval of this Code by the President, provided that in respect of a particular division an earlier effective date may be specified in the chapter applicable to such division.

Section 9.—Sponsors.

The term "sponsors of the Code" as used herein means the following national associations of members of the industry which have applied for the approval of this Code and signified their assent thereto:

3. American Society of Civil Engineers.
4. Associated General Contractors of America.
5. International Society of Master Painters and Decorators, Inc.
10. Tile and Mantel Contractors Association of America.
13. Roofing and Sheet Metal Industries Conference.

Section 10.—This Code.


and such other national associations of members of the industry as shall in like fashion hereafter sponsor additional chapters of this Code.

Section 11.—Population.

Population for purposes of this Code, shall be determined by reference to the 1930 Federal Census.

Article III. Hours, Wages and Conditions of Employment

Section 1.—Mutual Agreements.

In each division or subdivision of the industry, as defined in the chapter incorporated in this Code relating thereto, truly representative associations or groups of employers and employees respectively concerned, after proper notice and hearing and as a result of bona fide collective bargaining, may establish by mutual agreement (when approved by the President as provided in Section 7 (6) of the Act), for a specifically defined region or locality the standards of hours of labor, rates of pay and such other conditions of employment, relating to occupations or types of operations in such division or subdivision, as may be necessary to effectuate the policy of Title I of the Act. For the purposes of this Section, the entire United States may be defined as a region. The terms of such an agreement between the employers and employees of a division or subdivision of the industry shall not be binding upon the employers and employees of any other division or subdivision of the industry.

After the President has approved any such agreement arrived at within any such division or subdivision, and after proper notice of such approval, it shall be deemed prima facie unfair competition for any employer in such division or subdivision to fail to comply with the standards of maximum hours of labor, minimum rates of pay or other conditions of employment so approved and prescribed by the President, in respect of the performance within the defined region or locality of the types of operations concerned; and the failure of such employer to desist from such unfair competition after being given due notice and opportunity to be heard, shall constitute a violation of the requirements of this Code.
The Administrator shall establish one or more Boards for each division or subdivision of the industry concerned to investigate any complaints of unfair competition as defined in this section. Each such Board shall consist of two representatives each of employers and employees of the division or subdivision affected, selected by the Administrator from nominations made by such employers and employees respectively in such manner as the Administrator may approve or prescribe, and an impartial chairman named by the Administrator from nominations made by the employer and employee representatives selected to the Board. Each Board shall give notice and opportunity to be heard to each complainant and respondent and thereafter notify said parties of its findings and report them to the Administrator, as a basis for appropriate action to enforce the requirements of this Code.

The provisions of this section shall not be construed to limit the power of the President, in the absence of such a mutual agreement, to exercise any authority conferred upon him under Section 7 (c) of the Act.

Section 2.—Other Hours and Wages.

Where no applicable mutual agreement, as provided in Section 1 of this article, shall have been approved, employers shall comply with the following provisions as to minimum rates of pay, and maximum hours of labor:

A. No employee, excluding accounting, office and clerical employees, shall be paid at less than the rate of forty (40) cents per hour, provided, however, that the provisions of this paragraph A shall not be construed as establishing a minimum rate of pay for other than common or unskilled labor; and provided further that such provisions shall not be construed to authorize reductions in existing rates of pay.

No accounting, office or clerical employees shall be paid at less than the rate of $15.00 per week in any city of over 500,000 population or in the immediate trade area of such city; $14.50 per week in any city of between 250,000 and 500,000 population or in the immediate trade area of such city; $14.00 per week in any city of between 2,500 and 250,000 population or in the immediate trade area of such city; and $12.00 per week in towns of less than 2,500 population.

The foregoing provisions of this paragraph A establish a minimum rate of pay which shall apply, irrespective of whether an employer is actually compensated on a time-rate, piece-work, or other basis.

B. No employee shall be permitted to work in excess of forty (40) hours per week or in excess of eight (8) hours in any twenty-four (24) hour period, with the following exceptions and limitations:

1. On application of the interested parties and after approval of the National Construction Planning and Adjustment Board or Regional Boards established by it, an employee may be permitted to work forty-eight (48) hours in any one week when the following conditions obtain:

(a) On projects located at points so remote and inaccessible that camps or floating plants are necessary for the housing or boarding of a majority of the labor employed.

(b) On such remote projects, when working time has been lost because of inclement weather or unavoidable delays in any one week, it may be made up in the following four weeks.

(c) On projects in localities where a sufficient amount of qualified labor is not available in the immediate vicinity of the work.

2. The foregoing maximum hours of work shall not be construed as a minimum, either for a day or for a week, and if at any time in any locality truly representative groups of employees in a division or subdivision of the industry, through their chosen representatives, express by written request to their employer or employers a desire to share available work in such division or subdivision, the number of hours of work may be reduced by mutual agreement between such employees and their employer or employers. In the event of inability to arrive at an agreement which will not involve undue hardship on either employees or employers, then such difference, with the consent of all parties in interest, may be submitted to the National Construction Planning and Adjustment Board for a decision. The National Board may require the Regional Boards to secure facts and full information relative to such dispute and submit the same to the National Board for its information.

It is not, however, the intent of this provision that any such reduction will be recommended by the National Board to be put into effect if it appears probable that undue hardship might be occasioned thereby to either employers or employees.

3. The following classes of employees are exempt:

(a) Employees engaged in professional, executive, or supervisory work.

(b) Employees in establishments employing not more than two (2) persons in towns...
of less than 2,500 population, which towns are not part of a larger trade area.

(c) Employees engaged in emergency work, involving breakdowns or protection of life or property.

(d) Watchmen.

(e) Other employees who may be exempted in chapters of this Code specifically applicable only to the divisions or subdivisions of the industry therein defined.

Section 3.—Exemptions.

Where provisions concerning hours of labor or rates of pay have been established for specific projects, by competent governmental authority or agencies (whether Federal, State or political subdivisions thereof), acting in accordance with law, any employer required to comply and complying with the provisions so established shall be relieved of compliance with any conflicting provisions of this Article or of any actions taken in accordance therewith.

Any employer required to comply and complying with the provisions of a valid labor agreement in force on the effective date shall be relieved of compliance with any conflicting provisions of this Article or of any actions taken in accordance therewith.

Section 4.—Minimum Age.

No employer shall employ any person under the age of sixteen (16) years, or under the age of eighteen (18) years in any occupation hazardous in nature or dangerous to health.

Section 5.—Construction Planning and Adjustment Boards.

There shall be established within thirty (30) days from the effective date of this Code, a National Construction Planning and Adjustment Board, and said Board shall consist of twenty-one (21) persons, ten of whom shall be selected by the Industrial Advisory Board of the National Recovery Administration from nominations of the Construction Code Authority and ten shall be selected by the Labor Advisory Board of the National Recovery Administration from nominations of the Construction employee organizations, the selection in each case to be subject to the approval of the Administrator, and one person to act as disinterested chairman to be selected by the President upon the recommendation of the Administrator.

The National Construction Planning and Adjustment Board shall have for its fundamental purpose the planning and the development of policies that embrace the broad spirit of cooperation and good will in the furtherance of all matters that relate to the promotion of better relations between employers and employees within the industry and the furtherance of other matters of their mutual interest. It shall have the authority upon its own motion to select technical advisers and seek the cooperation of all factors involved in the stabilization and promotion of the well-being of both employers and employees in the industry, and shall have the authority to make such rules and regulations for its own conduct as it may deem necessary.

It shall, in its own discretion, following the submission by consent of all parties in interest of any difference within or between any divisions or subdivisions of the industry, give consideration and make determinations on all such differences as may arise relating to wages, hours of employment, and working conditions. The decisions of the National Construction Planning and Adjustment Board shall be final and binding on all parties in interest, except that in the event the representative of the Government, the disinterested chairman, shall dissent from the conclusion, the decision shall be held in abeyance until approval or disapproval has been given by the Administrator.

The National Construction Planning and Adjustment Board shall have the authority, and upon its own motion shall establish in properly defined areas, Regional Construction Planning and Adjustment Boards, and said Boards shall be composed of an equal number of members from employer groups and employee groups, and it is further provided that there shall be no disinterested or impartial chairman of said Regional Boards, it being provided that such Boards shall select from their members a chairman and a secretary.

The National Construction Planning and Adjustment Board shall upon its own motion submit to the Regional Boards, such problems for study as may in the opinion of the National Board be necessary and such reports of the Regional Boards shall be submitted to the final examination of the National Board.

To these Regional Construction Planning and Adjustment Boards may be submitted matters from their respective areas in disputes having the same relationship as matters to be submitted to the National Board. and every effort on their part shall be made to reconcile such existing differences with the requirement that their action shall in all instances be submitted to the National Board for final action.
Nothing in this Section shall be construed as preventing employers and employees in any division or subdivision of the industry as defined in the chapter incorporated in this Code relating thereto from submitting to the Boards provided for in Article III, Section 1 or other Boards similarly composed and selected for consideration and determination, differences that may arise relating to wages, hours of employment, and working conditions, subject to the approval of the Administrator. The findings of fact and determination of such Boards shall be submitted to the National Board for its information.

The cost of conducting the National and Regional Boards herein provided for, shall be borne by the Construction Code Authority, subject to a budget submitted to and approved by it, provided, however, that the cost of the services and the expenses of the members of said Boards, shall not be paid by such Authority.

Article IV. Administration.

To further effectuate the policies of the Act and to administer this Code within the Industry and its divisions and subdivisions, there shall be established a Construction Code Authority, and Divisional Code Authorities, and other administrative agencies as hereinafter provided.

A—Construction Code Authority

Section 1.—Constituency.

The Construction Code Authority shall consist of one member selected from and appointed by each of the sponsors of this Code, enumerated in Article II, Section 9 hereof as sponsoring this Code as originally submitted to the President for his approval; except that the Associated General Contractors of America may appoint thereto not more than four (4) members, one of such members to be selected respectively from each of the following component membership groups of said organization: Building Construction, Highway Construction, Railroad Construction, Public Works, and other types of construction not heretofore specifically enumerated; together with not more than three non-voting members to be appointed by the Administrator to act as his representatives. To the Construction Code Authority as so constituted and established there may be designated not more than one additional member in respect of each additional chapter hereafter incorporated herein, provided that no such additional member shall be selected by any association enumerated in Article II, Section 9 hereof. The method for the selection of each such additional member shall be described in the corresponding additional chapter. The term of such appointments shall not exceed two years, except that, in the event of code continuance beyond the limit now established by law, terms may be readjusted to insure overlapping tenures of office pursuant to a plan or method approved by the Administrator. Voting members are subject to replacement by the selecting agency with the approval of the Administrator.

Section 2.—Powers and Duties.

The Construction Code Authority, acting as a unit or through any designated committee or department created by it from its membership, shall have in addition to any other powers or duties herein conferred upon it, the following powers and duties:

(a) It may establish rules and regulations for the conduct of its affairs; and may appoint such committees, agencies and representatives, and delegate to them such of its powers and duties as it may deem necessary for the proper discharge of its functions hereunder.

(b) It shall be empowered to cooperate with the Administrator in making investigations and surveys concerning the functioning of this Code, the observance of its provisions, and other pertinent matters whether at the request of the Administrator or otherwise, and reports its findings and recommendations to the Administrator.

(c) It shall collect from members of the industry and compile and furnish to the Administrator any reports and other information required under the Act. Except as may be required for the effective enforcement of the provisions of this Code the reports of individual members of the industry required under this Code shall be confidential and only compiled summaries of such individual reports shall be furnished.

(d) In order to collect the information for the Administrator herein called for, it may require, either directly or through any Divisional Code Authority, the registration, in such manner as it may deem appropriate, of all construction work or services of or in excess of $2,000 in value, and in order to defray the expenses of such registration and of the administration of this Code may apportion such expenses on the basis of the value of the work or services so registered, but in no case shall the charge be less than $2.00. The proceeds derived therefrom shall be apportioned upon an equitable basis between the Construction Code Authority and such Divisional Code Authorities as shall cooperate in procuring the registration of such work or services.

(e) It may propose modifications of or amendments to the general provisions of this Code which, after submission to the Divisional Code Authorities affected thereby, may be recommended to the President for his approval, and upon such approval, following such notice and
hearing as he may prescribe, shall have full force and effect as provisions hereof.

(f) It may exercise the foregoing powers and duties in any division of the industry for which no Divisional Code Authority shall have been established; and, if in its opinion the policies of the Act require, it may recommend to the Administrator that an additional chapter of this Code be established for any such division of the industry.

(g) Its members or authorized representatives may attend meetings of any Divisional Code Authority, and it may at any time make appropriate recommendations to the Administrator to insure the proper functioning or representative character of any such Divisional Code Authority.

(h) It may secure an equitable and proportionate payment of the expenses of its establishment, maintenance and activities from members of the industry.

B—Divisional Code Authorities

Section 1—Procedure for Establishing.

There shall be established for each division of the industry a Divisional Code Authority which shall, within the limitations provided herein, administer within such division, this Code and the provisions of any chapter hereof applicable specifically to such division. The procedure for establishing each such Divisional Code Authority shall be defined in the chapter pertaining to that division of the industry. The non-voting members appointed by the Administrator to the Construction Code Authority (or their proxies appointed by the Administrator) may serve in like capacity with respect to any Divisional Code Authority.

Section 2—Powers and Duties.

Each such Divisional Code Authority shall, in addition to any other powers and duties conferred upon it in the chapter applicable to its division, have the following powers and duties:

(a) It may establish rules and regulations for the conduct of its affairs and may appoint such committees, agencies and representatives and delegate to them such of its powers and duties as it may deem necessary for the proper discharge of its functions hereunder.

(b) It shall cooperate with the Administrator and with the Construction Code Authority in making investigations as to the functioning and observance of any provisions of this Code, at its own instance or on complaint of any person affected, and shall collect from members of the industry and compile and furnish to the Administrator, and to the Construction Code Authority, any reports and other information required under the Act. Except as may be required for the effective enforcement of the provisions of this Code the reports of individual members of the division required shall be confidential and only compiled summaries of such individual reports shall be furnished.

(c) It shall study the provisions incorporated in this Code applicable to its own division, and the operation thereof, and after submission to the Construction Code Authority may make such recommendations to the Administrator as it deems desirable for modification or addition thereto. Such recommendations, upon approval of the Administrator after such notice and hearing as he may prescribe, shall become a part of the division Code and have full force and effect as provisions hereof.

(d) It shall receive and so far as possible adjust all complaints as to trade practices between members of its division in the operation of the provisions of this Code applicable to its division.

(e) It may secure an equitable and proportionate payment of the expenses of its establishment, maintenance and activities from members of its division of the industry.

C—Representation and Membership

Section 1—Modification in Selection.

In order that the Construction Code Authority and the Divisional Code Authorities shall at all times be truly representative, respectively, of the industry and of the divisions, and in other respects comply with the provisions of the Act, the Administrator may provide such hearings as he may deem appropriate; and thereafter, if he shall find that the Construction Code Authority or any Divisional Code Authority, is not truly representative or does not in other respects comply with the provisions of the Act, he may require an appropriate modification in the method of selection of the Construction Code Authority, or of any Divisional Code Authority, as the case may be.

Section 2—General Requirements.

The sponsors of this Code who participate in the selection of any Code Authority or administrative agency provided for herein, shall submit to the Administrator true copies of their Articles of Association or Incorporation, Constitution and By-Laws, and other pertinent rules and regulations and any amendments when made thereto, together with such other information as to organization, membership, and activities as the Administrator may deem necessary.

In addition to the information required to be submitted by members of the industry or its divisions under this Code, there shall be furnished to government agencies such statistical information as
the Administrator may deem necessary for the purposes recited in Section 3 (a) of the Act. Except as may be required for the effective enforcement of the provisions of this Code, the reports of individual members of the industry required under this Code shall be confidential and only compiled summaries of such individual reports shall be published.

Nothing contained in this Code shall constitute the members of the industry or the members of the Construction Code Authority or of a Divisional Code Authority or any committee or agency thereof partners for any purpose. No member of the industry shall be liable in any manner to anyone for any act of any other member of the industry or any agent or employee thereof pursuant to this Code. No member of such a Code Authority, committee or agency, shall be liable in any manner to anyone for any act or omission of any other member, officer, agent or employee of such Code Authority, committee or agency. Nor shall any member of any such Code Authority, committee or agency, exercising reasonable diligence in the conduct of his duties hereunder, be liable to any one for any action or omission to act under this Code, except for his own willful misfeasance or nonfeasance.

Article V. Appeals.

Section 1—Construction Appeals Board.

The Construction Code Authority shall establish under rules and regulations prescribed by and subject to the approval of the Administrator, a suitable agency to be known as the Construction Appeals Board, to consist of one architect, one professional engineer, three general contractors and four special contractors.

Section 2—Powers of Board.

The Construction Appeals Board shall hear and determine the appeals referred to in Section 3 of this Article and shall likewise be empowered to determine, in the event of a conflict between the provisions of the various chapters hereof, applicable to specific divisions or subdivisions of the industry, which of such chapter provisions shall govern.

Section 3—Complaint within Division.

Any interested party shall have the right of complaint to the appropriate Divisional Code Authority established for any division of the industry, and of a prompt hearing and decision in respect of any decision, rule, regulation, order or finding made by such Authority or its committees or agencies, under such rules or regulations as may be prescribed therefor and the decision of said Authority thereon may be appealed by any interested party to the Construction Appeals Board.

Section 4—Appeal to Administrator.

Any interested party shall have the right of appeal to the Administrator, under such rules and regulations as he may prescribe, in respect of any decision, rule, regulation, order or finding made by the Construction Code Authority or the Construction Appeals Board.

Section 5.—Limitation of Power.

No decision, rule, regulation, order or finding shall be made by any Code Authority or other administrative agency, excluding the Boards provided for in Article III hereof, provided for in or pursuant to this Code, whether made pursuant to the foregoing sections of this Article V or otherwise, of or in any dispute between employers and employees, or between groups of employees, including, in such last-named classes of disputes, any case or controversy whose determination would directly involve or affect any dispute between groups of employees as to the right to perform specific types of work or operations, including cases commonly known as trade jurisdictional disputes.

Article VI. Adjustments.

In the event that any member of the industry subject to this Code shall have contracted before June 16, 1933, to purchase goods, structures, or parts thereof at a fixed price for delivery after that date and prior to the expiration of this Code, it is equitable and promotive of the policies of the Act that an appropriate adjustment of said price be made to meet any increase in cost to the seller caused by the seller's having signed the President's Reemployment Agreement or having become bound by any code of fair competition approved by the President; provided, however, that in view of the fact that construction operations customarily involve the furnishing of various goods and structures, or parts thereof by a continuous series of independent long-term contracts and agreements at fixed prices between various parties, such as owners (including government departments), contractors, subcontractors and others, such adjustments may be made contingent upon similar appropriate adjustments to be made by all other parties thus participating, from and including the initial vendor of such goods and structures or parts thereof to and including the owners of the works or structure upon which they are used.

Article VII. Competitive Bidding Practices.

Section 1.—Competitive Bidding Defined.

(a) The term "competitive bidding" as used herein shall mean the submission at or before a definite predetermined time of comparable proposals by two or more invited persons to an awarding authority to execute a specific program of work, furnishing a definite service or supplying a material specifically required for a particular project at a stipulated price. This does not
include furnishing quotations on standard products.

(6) The term "awarding authority" as used herein shall mean any member of the industry who may upon competitive bidding award contracts.

Section 2.—Bid Peddling and Bid Shopping.

(a) The practices commonly known as "bid peddling" or "bid shopping" are recognized as unfair and are prohibited. Bid peddling in effect means the offering by the bidder prior to the making of an award of a substitute bid or price lower than the one originally bid without a commensurate decrease in the requirements of the job. The correction of the abuses resulting from such practice is obtainable by regulation restricting or controlling bidders.

(b) Bid shopping in effect means the effort on the part of the awarding authority to induce a bidder prior to the making of the award to lower his original bid price without a commensurate decrease in the requirements of the job. The correction of the abuses resulting from such practice is obtainable by regulation restricting or controlling the awarding authority.

Section 3.—Limitation on Bids and Alternates.

(a) Since it is recognized that the preparation of a bid is a service involving an expense to the bidder and that the inviting of an unreasonable number of bids is an economic waste, the awarding authority shall not invite an unnecessary number of bids.

(b) Only a limited number of alternate proposals shall be required in connection with any bid, and no alternate proposal of a bidder shall be considered by the awarding authority, unless the privilege of alternate proposals is extended to all bidders.

Section 4.—Uniformity of Information.

The awarding authority shall make available uniformly to all bidders, plans and/or specifications or other requisite information which shall be sufficiently complete to enable each bidder to prepare a definite bid in accordance with the regulations herein provided for. He shall prescribe terms of competition which shall insure parity of standing to all bidders.

Section 5.—Qualification of Bidders.

The awarding authority shall not invite bids from a bidder unless such bidder shall have demonstrated to the satisfaction of the awarding authority that he is competent technically and financially to perform the work, and the ability of a bidder to obtain a performance bond shall not be regarded as the sole test of such bidder's competency.

Section 6.—Award at Original Price.

An award if made shall be made at the bidder's original bid price. It is recognized that competition based solely on price is sometimes unfair and accordingly the awarding authority may make an award to a competitive bidder other than the lowest bidder provided the award is made at such competitor's original bid price.

Section 7.—Receipt of Bids.

The awarding authority shall designate a specific hour and place for receiving competitive bids. All bids to be submitted by subcontractors shall be delivered to the contractor at least 24 hours prior to the time set for the receipt of the bid of said contractor by the awarding authority. Bids received after such time or from uninvited bidders shall be returned unopened. All bids shall be required to be signed by a duly authorized representative of the bidder and enclosed in a sealed envelope on the outside of which shall appear its identification as a bid for the particular job.

Section 8.—No Influencing of Bidders.

The awarding authority shall not at any time prior to the specified time for the receipt of bids convey to any bidder information relating to the price or terms of any other bid in order to influence the price or terms of such bidder.

Section 9.—Collusion Prohibited.

There shall be no collusion between the awarding authority and any bidder, nor between the different bidders in the preparation of any bid. The awarding authority shall not use any bid which is so unduly low as to indicate an error or mistake in estimating without first giving the bidder the opportunity of demonstrating by cost sheets or other methods the correctness of the bid that he has submitted.

Section 10.—Time Limit on Awards.

The awarding authority shall make an award or reject all bids for the principal contract with the owner within twenty (20) days after the stipulated time for the receiving of bids except where an extension of time has been requested from the bidders and has been consented to by two or more bidders. In the case of bids conditioned upon the award of a previous contract, each succeeding awarding authority shall make an award or reject all bids within thirty (30) days after the award of such previous contract except as to such bidders as shall agree to an extension of time. The right to reject any or all bids may be reserved by the awarding authority, and such rejection shall be made in writing. Where all bids are rejected, bids shall not be again invited or submitted for the mere purpose of obtaining a lower or revised price or prices for substantially the same work previous to the elapse of ninety (90) days from the date of such rejection, except there be a substantial change in the plans and/or specifications, or except there
be evidence of collusion, or except there be such a marked difference between the bids submitted and the awarding authority's estimate as to the valuation of the work as would indicate to the awarding authority and his Code Authority the necessity of new bids in order to secure fair competition.

Section 11.—Naming of Subcontractors.

Before making an award the awarding authority may require any bidder to name the subcontractors whom such bidder intends to employ for the various divisions of the work bid upon.

Section 12.—Rebates, Refunds and Discounts.

The awarding authority shall not accept rebates, refunds, discounts, or other special allowances or services from a bidder unless included by the bidder in his original bid.

Section 13.—Owners' Compliance.

The various divisions and subdivisions of the industry may provide in the chapters specifically applicable to such divisions or subdivisions, that members of the division or subdivision shall not submit a competitive bid, as defined in Section 1 (a) of this Article, to an owner or any other person, corresponding to an awarding authority as herein defined unless such owner or other person agrees to comply with the regulations provided herein governing an awarding authority.

Section 14.—Checking Bids.

In order to enforce the practice of fair competitive bidding, the Divisional Code Authorities shall provide, if no such method is provided in the chapter applicable to such division, a method satisfactory to the Construction Code Authority for checking bids submitted by members of such division either by designating a depository for the filing of duplicate bids or by some other acceptable method. The Construction Code Authority may require such changes in any such method as may be necessary to prevent conflict between the various methods which may be adopted by the various Divisional Code Authorities.

Article VIII. General.

Section 1.—Labor Provisions of Act.

Employees shall have the right to organize and bargain collectively through representatives of their own choosing, and shall be free from the interference, restraint, or coercion of employers of labor, or their agents, in the designation of such representatives or in self-organization or in other concerted activities for the purpose of collective bargaining or other mutual aid or protection; no employee and no one seeking employment shall be required as a condition of employment to join any company union or to refrain from joining, organizing or assisting a labor organization of his own choosing; employers shall comply with the maximum hours of labor, minimum rates of pay, and other conditions of employment, approved or prescribed by the President.

Section 2.—Reclassification of Employees.

Employers shall not reclassify employees or duties of occupations performed by employees with the intent or for the purpose of defeating the purposes of the Act.

Section 3.—Federal or State Laws.

No provision of this Code shall supersede any State or Federal law imposing more stringent requirements on employers regulating the age of employees, wages, hours of work, or health, fire or general working conditions than those contained in this Code.

Section 4.—Monopolies.

No provision of this Code shall be so construed or applied as to permit or promote a monopoly or a monopolistic practice, or to eliminate or oppress or discriminate against small enterprises.

Section 5.—Additional Chapters.

Additional chapters to this Code may be submitted to the Construction Code Authority for submission by it for the approval of the President, but nothing contained herein shall be construed to prevent any representative association or group from submitting any such chapter directly to the President for his approval, provided that the Construction Code Authority, if then established, shall be given an ample opportunity to consider and examine any such chapter prior to its submission to the President to the end that there may be proper coordination within the industry and between its various divisions and subdivisions. Upon approval by the President, such chapter shall become an integral part of this Code the same as if originally included herein, but any exceptions therein to the general provisions of this Code shall apply only to the members of the division, or subdivision of the industry to which such chapter pertains. No specific provision of this Code applicable to its amendment or modification shall constitute a limitation upon any right to propose such amendments or modifications which may be conferred by the Act.

Section 6.—Presidential Powers.

This Code, and all the provisions thereof, and of any chapter thereof, are expressly made subject to the right of the President, in accordance with the provisions of subsection (b) of Section 10 of the Act, from time to time to cancel or modify any order, approval, license, rule or regulation issued under Title I of the Act and specifically, but without limitation, to the right of the President to cancel or modify his approval of this Code, or of any additional chapter thereof, or any conditions imposed by him upon such approval.
EXECUTIVE ORDER

CODE OF FAIR COMPETITION FOR THE CONSTRUCTION INDUSTRY

AN application having been duly made, pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for my approval of a Code of Fair Competition for the Construction Industry, and hearings having been held thereon and the Administrator having rendered his report containing an analysis of the said Code of Fair Competition together with his recommendations and findings with respect thereto, and the Administrator having found that the said Code of Fair Competition complies in all respects with the pertinent provisions of Title I of said Act and that the requirements of Clauses (1) and (2) of Subsection (a) of Section 3 of the said Act have been met:

Now, THEREFORE, I, Franklin D. Roosevelt, President of the United States, pursuant to the authority vested in me by Title I of the National Industrial Recovery Act, approved June 16, 1933, and otherwise, do approve the report and recommendations and adopt the findings of the Administrator and do order that the said Code of Fair Competition be and it is hereby approved.

Approval recommended: FRANKLIN D. ROOSEVELT.

Hugh S. Johnson,
Administrator.

The White House
January 31, 1934

LETTER ON JURISDICTIONAL DISPUTES

THE WHITE HOUSE
WASHINGTON, D. C.

General Hugh S. Johnson
Administrator for Industrial Recovery
Washington, D. C.

Dear General Johnson:

The Construction Industry Code which I have approved today affords a great opportunity for solving many of the problems which have distressed this industry, and in approving the Code it is my hope and expectation that the opportunity now open will be availed of to the fullest possible extent.

One of the problems most in need of solution is that of trade jurisdictional disputes. The effects of such controversies are uniformly injurious to all interested parties, the employees, the employers and the public, and I therefore suggest that one of the first duties of the National Construction Planning and Adjustment Board, provided for in the Code which under the Code can have jurisdiction of such disputes should be that of making a thorough study of disputes, their causes and origins, and of methods of their prevention and amicable solution in accordance with the needs and interests of everyone concerned.

Upon completion of its study the Board should submit its findings and recommendations for my consideration and for such action or order as may be appropriate.

Very truly yours,

(Signed) FRANKLIN D. ROOSEVELT.
HOW can we do our part in assisting in the
general recovery of the Country? Ren-
ovize, and in so doing we make a good
investment for ourselves; put men back to work
and get money back into circulation, which in
the end will come back to us through other
channels.

There are over 800,000 homes in the country,
it has been stated, that have been neglected for
want of repairs during the last few years. Sup-
pose an average of $100.00 was expended on these.
Think of the employment increase that alone
would give, and the large amount of money the
unemployed would have to put into general
circulation.

Now is the time and the chance for those
especially interested in the building industry to
popularize modernization work—to drive it home
to the people of the country—make them “Ren-
ovize conscious”—that this is the time to “Re-
model, Repair and Restore at today’s bargain
prices.” It is good business for you and—Its
Good for Business.”

There should be campaigns put over in every
city, both large and small. Many have. Loan
Corporations, Banks, and most important—the
Government—are stressing the good of this move-
ment and are urging people to put forth every
effort to Renovize at this time. The National
Recovery Administration strongly recommends
the policy and the Home Loan Bank Act provides
for loans for modernization.

If Government or other agencies make loans for
modernization instead of financing new unnec-
essary buildings at this time—“It would be far
sounder in restoring values in existing structures
and thus safeguard many mortgage investments
held by financial institutions and protect equity
owners. It would be an act of wisdom to utilize
what we have instead of creating more space to
destroy existing values, thus creating destructive
competition with many older but still serviceable
properties.”

This does not mean we do not need any new
buildings, because it has been shown that although
population has not increased of late in the same
proportion as in the past, yet families have in-
creased greatly and this means new homes in
addition to the old.

The Renovize Campaign of Philadelphia, one
of the largest, increased employment in that sec-
tion 22% while the other locations went down.
The small campaign in Washington increased
repair permits 27% over the same period of the
previous year. And, both of these were con-
ducted in very distressing times. These figures
alone show the good of the work of some of those
who have worked for civic betterment.

There is great agitation nowadays about our
blighted areas or slums, and rightly so. Does it
not seem that now would be a good time to clean
up or at least make a good start on it? Renovize
some of the better ones and clean out the rest.
And, it looks like our Government, under the
leadership of P. W. A., Housing Division, Robert
D. Kohn, Director, is going to do a great work
in pushing this forward—doing the work directly
in some places and loaning to Limited Dividend
Corporations in others. When this is under way
it will tend to not only put money in circulation
but will wake up some of those who have not seen
the good investment it will make for themselves
as well as for the community.

There is another phase of this, if properties are
not kept up, and that is; the loss of income to
owners of property who hold them for investment.
Think of the increase in return from property
kept up to the trend of the times. Large Trust
Companies, owning and managing properties for
investment, both homes and business, will tell
you of the great difference in income when kept
up to date and those which are not. Buildings
built many years ago but kept in good condition
and modernized are generally well rented at all
times, while many comparatively new ones not
kept up are poorly rented. Does this not show
good business or the lack of it?

This also will aid to regain confidence; there
will be of course an increase in employment; and
a stimulation of business and stabilization of Real
Estate Values. All of which are important factors
in our Recovery Program.

It is almost inconceivable what can be done
with old, out of date properties, and most of us
do not appreciate that with small expenditure
beautiful homes can be made from such. This
has been brought before the public in a demon-
strations of the shanty which was rebuilt on a public
square near the center of the city in Washington,
D. C. Many thousands went through this house
and marveled at its hominess—yet it was made
out of a mere shell which was much worse than
one would ordinarily have for remodeling.

There are many new devices and appliances we
can adapt to our old homes—they can be repaired
as to woodwork; painting should be done at least
every three years to protect from deterioration;
heating and plumbing should be kept up for
economy; and insulation should be studied for
comfort, in both summer and winter as well as
for saving of fuel.
Many magazines and other such agencies are at the disposal of those who see the good in this work for themselves, and, better still, get a good architect or builder and his advice will pay for the cost of using this professional service.

Therefore, let us push this as a part of the Recovery Program; make it Nationwide; get our unemployed back to useful work; make for betterment of our Cities' appearances, all because of a fact which should be a slogan for use all over the country.—

"Renovize Now—Its Good Business for You and Its Good for Business."

Architects and Stock Plans

From the Magazine of the Common Brick Manufacturers' Association

EVERY once in a while, more or less seriously, some architect takes us to task for offering stock house plans to prospective builders. In some instances they poke fun at us, in others they are inclined to scold. Their objection is natural, but whether it is justified right now is open to question. In time it doubtless will be.

The weakness in the architect's position is that, generally speaking, he has made no serious attempt to sell himself, his services and his profession, to the builders of small homes. He has yet to convince this type of prospect that his services are worth the fee he asks. And that the building contractor isn't capable of doing the job as well.

Small home builders as a rule do not bother about architects. They haven't been impressed, educated, if you will, to the need of one. Their meager knowledge of construction is culled from the magazines. Their ideas of design, and frequently their choice of plan and type of home, come from the same source. And they place a child-like trust in the contractor.

The architect has willfully and flagrantly neglected this field. In our own case a plan service became an imperative part of our promotional effort. House plans were necessary if small brick houses were to be built. And the architects weren't worrying about whether they were being built at all, much less whether they were being built of brick.

It is encouraging to note that in many cities today the local institutes are busying themselves in an effort to sell architecture to the public. It is equally unfortunate that they were half a century late in beginning. And incidentally through their own bureau the national organization is offering a service of better than the average stock plans.

The small house field is becoming increasingly important. Upon it right now depends largely the revival of the construction industry. When the architect comes to realize its possibilities there will be less building of houses haphazardly by so-called jerry builders, more of real architecture in this type of home and, let's hope, no need for the objectionable stock house plan.

A forward step in this direction is provided by the recommendations of the committee on design of the President's Conference on Home Building and Home Ownership which found that the average small home is defective in design and too frequently poorly built. The committee made some very pertinent suggestions regarding design, construction and the responsibilities of architects, especially in the small home field. The architects have the solution of the stock plan problem in their own hands.

The Producers' Council

MEMBERSHIP in the Producers' Council is definitely and steadily increasing for the first time in three years. The new year finds the Council with forty-one companies and associations, a gain of fourteen new members during the last three months of 1933, with good reason to anticipate additional enrollments during the first quarter of 1934.

The loyalty and continued support of the older members in spite of the difficulties of reduced income and the necessity for curtailment of many of their usual activities is ample evidence of the recognition of these concerns that the Council will continue to be a vital factor in future developments in the building industry. With business conditions gradually improving the Council is justified in looking forward to many years of useful service. The Institute can join with the Council in its gratification over its success in weathering the depression which has forced the abandonment of so many other worthwhile activities.

Since the publication of the list of new members of the Council which appeared in the October, 1933 issue of The Octagon, the following have been added to the growing membership roll:

February, 1934

A JOURNAL OF THE A. I. A. 15

Chase Brass & Copper Company, Waterbury, Connecticut.
Edison Electric Institute, New York, New York.
Libbey-Owens-Ford Glass Company, Toledo, Ohio.
The Master Builders Company, Cleveland, Ohio.

An Analysis of Public Works Allotments

By Lawrence Mehren

The final list of allotments of the $3,300,000,000 Public Works fund appropriated by Congress last June has just been made public.

As far as the construction industry is concerned, two general divisions of this fund can be made at the outset—public works done in and by the construction industry, and public works other than construction. Construction work provided for in the sense that our industry considers construction, amounts to approximately $2,300,000,000. The remainder of the fund has been allocated to ship-building, Civilian Conservation Corps work, NRA administrative expense, loans to railroads for equipment, airplanes for the Army and Navy, and other public works not construction. In a word, 70% of the Congressional appropriation is to go for construction, and the remaining 30% for public purposes of other types.

A general division of the construction fund can be made by segregating allotments for Federal projects and for non-Federal projects. The tabulation just made public by the administration shows $1,600,000,000 for Federal construction (or 65% of the construction fund) and $630,000,000 for non-Federal projects. This Federal total of a billion six hundred millions includes, however, the work of the Civil Works Administration, which is by no means all construction work.

Of the non-Federal projects, $165,000,000 was allocated to building construction—schools, hospitals, housing, etc. This is 26% of the non-Federal total. The detail breakdown of non-Federal allotments is as follows:

<table>
<thead>
<tr>
<th>Character</th>
<th>Number</th>
<th>Allotment</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waterworks</td>
<td>451</td>
<td>$66,666,972</td>
<td>10.6</td>
</tr>
<tr>
<td>Sewers</td>
<td>347</td>
<td>133,964,260</td>
<td>21.3</td>
</tr>
<tr>
<td>Schools</td>
<td>330</td>
<td>62,548,539</td>
<td>10.0</td>
</tr>
<tr>
<td>Streets and highways</td>
<td>273</td>
<td>40,468,935</td>
<td>6.4</td>
</tr>
<tr>
<td>Bridges &amp; structures</td>
<td>83</td>
<td>163,530,245</td>
<td>26.0</td>
</tr>
<tr>
<td>Hospitals</td>
<td>78</td>
<td>27,415,794</td>
<td>4.4</td>
</tr>
<tr>
<td>Other buildings</td>
<td>171</td>
<td>26,297,870</td>
<td>4.2</td>
</tr>
<tr>
<td>Power</td>
<td>44</td>
<td>27,258,900</td>
<td>4.3</td>
</tr>
<tr>
<td>Housing</td>
<td>20</td>
<td>48,771,958</td>
<td>7.8</td>
</tr>
<tr>
<td>Recreation</td>
<td>12</td>
<td>2,371,620</td>
<td>0.4</td>
</tr>
<tr>
<td>Misc. improvements</td>
<td>67</td>
<td>28,664,505</td>
<td>4.6</td>
</tr>
</tbody>
</table>

Totals.............. 1,876 $627,959,598 100.0

With regard to the Federal fund, the great bulk went to heavy construction—dams, reclamation and irrigation, the $400,000,000 for roads, etc. A very rough tabulation shows that about $260,000,000 of this Federal fund goes to building construction. This figure is variable, however, because general allotments to various Federal Departments may be used for building in addition to the funds already earmarked for building by specific allotments.

How much of the Public Works fund has been actually expended?

The Treasury balance sheet on January 29 showed that $590,000,000 has been disbursed—or 18%. However, this amount includes $322,000,000 for the CWA. Consequently, excluding CWA, $268,000,000 had been disbursed—about 8% of the fund.

Pilgrimage Week to Natchez

Thousands who love the history and romance of the Old South will be interested to know that the Natchez Garden Club again will sponsor "Pilgrimage Week" to the ante-bellum homes of Natchez.

Their invitation reads as follows:

"Step into the past with Natchez!"

"The Natchez Garden Club invites you to come to Natchez during the week of April 2nd. At
this time Natchez will recreate the days of the Old South. Twenty-two ante-bellum houses will be open to the public and priceless treasures of a by-gone era may be seen. You will be welcomed by ladies in hoop skirts, girls in bonnets and pantelettes, and by typical southern colonels. You may enjoy real southern cooking served by black mammys. "Special entertainments are planned for each evening.—Old fashioned balls in ante-bellum houses and other colorful events of the past will be reenacted. "A complete tour of the houses requires two days. A nominal registration fee will be charged for each tour."
For further information write Mrs. Balfour Miller, Natchez, Mississippi, Chairman of pilgrimage activities.

The Forty-Ninth Annual Exhibition
The Architectural League of New York

Last day for advance submission of photographs—Thursday, March 1st, 1934. At 115 East 40th Street.

Last Day for Return of Entry Slips—Monday, April 16th. At 115 East 40th Street.

Only Day for the Reception of Exhibits—Friday, May 4th, 9 A. M. to 5 P. M. At 215 West 57th Street.

Press View—Tuesday, May 15th, 10 A. M. to 2 P. M.

Opening—Tuesday, May 15th, 3 to 6 P. M.

Award of Medals—Tuesday, May 15th, 4 P. M.

Public Exhibition—From Wednesday, May 16th to Saturday, June 2nd inclusive.

Exhibits Discharged—Monday, June 4th, 9 A. M. to 5 P. M.

Circulars of Information and Entry Slips furnished on request to The Architectural League of New York, 115 East 40th Street, New York, N. Y.

President's Visit to Western Chapters Postponed

In the January number of The Octagon, it was stated that President Russell would make a visit to the Chapters in the Central States, Western Mountain and Sierra Nevada Divisions. Unfortunately, this trip must be abandoned, or postponed until after the Convention in May. The three Regional Directors, Messrs. Frederick M. Mann, Raymond J. Ashton, and David J. Witmer, were notified—just as this number of The Octagon goes to press. They were requested to communicate with their respective Chapters.

The decision in this matter is a great disappointment to the President. It was made by him at the time of his recent visit to Washington and after conference with other Officers of the Institute. It is almost unnecessary to say that the drastically reduced income of the Institute, as shown by the books at The Octagon for the period between January 1 and January 31, inclusive, is responsible.

The membership is familiar with the proposed plan for the reduction of dues and the adjustment of delinquent accounts, as set forth in the Treasurer's statement of January 1st and accompanying letter of the same date by the President. Since those communications were sent out the returns in dues for the month of January can be compared with previous years. Judged by such comparison, the income from dues, as set up on the 1934 budget of the Institute, will be 35% less than anticipated.

In view of the reduction in Institute activities contemplated when the 1934 budget was approved in November, it now becomes apparent that every possible economy must be practiced in order to keep those activities in operation until May—at which time the financial affairs of the Institute can be considered and acted upon by the Convention.

The President wishes the Chapters and Members of the Divisions mentioned above to have this frank explanation of the postponement of his long anticipated visit to them. He hopes very much that the visit will be possible after the Convention.