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OPERATION OF THE WAGE CEILING ON PICKING COTTON,
CALIFORNIA, 1943

This is the fourth of a series of reports prepared at the request of the California USDA Wage Board on the operation of agricultural wage ceilings in California in 1943. The first wage ceiling order covered cutting, sledging, and packing cannery asparagus; the second picking sun-dried raisin grapes; and the third picking cannery tomatoes.

By
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Berkeley, California
July 1944

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OPERATION OF THE WAGE CEILING ON PICKING COTTON,
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SUMMARY OF FINDINGS

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The wage ceiling on cotton picking ran into difficulties because of differences of economic interest among cotton growers, yet was generally effective in preventing pirating, in reducing the amount of labor turnover, and in stopping the spiraling of wage rates. Labor shortages had been so severe during the previous season that some growers had gone into their neighbors' fields to bid workers away at higher pay. Workers also spent much of their time shopping from farm to farm for higher wage offers. As a result, picking rates advanced from \$1.50 to \$3 a hundred pounds before the end of the 1942 season. In spite of this 30 percent of the crop was still in the field on the first of January 1943 as compared with less than 15 percent in a normal year. So cotton growers were anxious to have a wage ceiling in 1943 to make sure that there would not be a repetition of the previous season. A second phase of their problem was that cotton prices had advanced very little over those of 1942, whereas general wage rates had risen by almost 20 percent.

The misunderstanding over the 1943 ceiling program began in a difference of opinion over what the ceiling rate should be. Leading growers insisted on \$2 a hundred pounds, but Government authorities set the rate at \$2.25. The growers also requested that they be allowed to set up an organization to administer the ceiling themselves. When this request was not granted they set up a cotton area committee to keep the State Wage Board informed as to their ideas on administration and enforcement. This committee set up two policies, which were followed by the State Wage Board and which produced a

good deal of opposition: (1) The \$2.25 ceiling rate would apply to the second picking as well as the first and (2) no adjusted rates would be permitted "early in the season" to growers with weedy fields, poor stands of cotton, lack of housing, distance from town, or other disadvantaging conditions. Small growers claimed that these policies were discriminatory (1) because they ordinarily had to pay somewhat more than the large operators to get their small acreages picked and (2) because they usually made their second picking while the grades were still good even though this meant they had to pay a premium in order to get pickers.

Workers blamed the Government for holding wages so low they could make only \$3 to \$4 a day on second picking. Many of them quit to take other jobs. Growers with poor picking conditions who found they could not get their cotton picked at ceiling rates often devised extra-legal means of getting the job done. Local officials tried various devices to apprehend violators but found the job was extremely difficult.

Aside from these problems the season moved smoothly. The workers generally started picking for \$2 and demanded \$2.25 as soon as that was announced as the ceiling rate. Pickers were well satisfied with the \$6 to \$9 a day they were able to make on first picking. By November 14, 153,672 bales had been ginned as compared with 134,317 by that date the year before, and growers began to prophesy that all the cotton would be picked by the first of January; but failure to increase the rate resulted in low earnings on the second picking and a heavy reduction in working force. By January 16 only 291,754 bales had been ginned compared with 312,854 by that date the previous year. The season ended shortly after the first of April.

Suggestions for improvement in future wage ceilings for cotton include the following:

- (1) Formulation of a ceiling rate in anticipation that it will also

be the going rate.

(2) An increase of 50 cents per 100 pounds in the picking rate to take effect at approximately the time the weather changes and the workers go into second picking (about December 15). This increase could either apply to all cotton or to the second picking only, depending upon harvest conditions.

(3) More flexibility in wage ceiling orders and in rules for granting adjustments so that growers with small acreages, poor yields, weedy fields, no housing, and other unfavorable conditions would not be placed at a disadvantage in the labor market. Provisions to accomplish these purposes probably should be set out in the original order. Future orders should contain a more specific statement as to when growers can depend upon obtaining permission to pay adjusted rates.

(4) County and area committees of growers should represent the rank and file of the growers. If the committees are composed solely of prominent growers, there may be bias in favor of one type of operator.

(5) Workers should be represented adequately on all committees speaking for the industry. One worker representative cannot give sufficient weight to the workers' viewpoint in the face of opposition from several prominent growers.

(6) County committees should act purely as advisory bodies. The actual duties of administering the ceiling should be carried on by paid public personnel. Personal and group viewpoints apparently play a less important part in decisions made by such officials.

(7) Safeguards are needed to prevent labor contractors from defeating the intention of the ceiling order. Probably ceiling rates should be set on the functions they perform.

- (8) A definite policy is needed in regard to the activities of pressure groups, whether of growers, workers, processors, or other interests. They can be of immense value in obtaining data as to proper ceiling rates and methods of administration. On the other hand, it would be disastrous to allow determination of ceiling rates or administrative set-ups to depend upon the strength of group pressures. Success in stabilization of wage rates depends on the establishment of comparable levels for all types of farm operations. Competing pressure groups might easily defeat this purpose.
- (9) "Crack-down" methods of handling growers suspected of violations should be avoided in favor of friendly pressure.
- (10) A fundamental change is needed in wage ceiling orders so that the employer will bear the sole responsibility for violations. The present system of making both grower and worker responsible encourages collusion between employer and employee. Perhaps if employees were not liable under the order they would be less ready to stand with their employers in covering up violations.

THE COTTON INDUSTRY IN CALIFORNIA

It is reported that the missionary padres introduced the production of cotton into California and taught the Mexicans to grow small patches of it around their homes for their own use. Many attempts were made by California authorities to get the incoming white settlers to raise it but they refused to be interested. In 1856 the State Agricultural Society offered \$75 for the best acre of cotton, and in 1862 the State Legislature offered a premium of \$3,000 to the grower producing the first 100 bales of cotton of 300 pounds each. The latter award was not claimed until 1865. Experiments in cotton production were carried on all over the State with yields of from 50 to 750 pounds to the acre. The most

rapid increase in production of cotton was made in Merced County. 1/

Picking was done chiefly by the Chinese who were paid 90 cents per 100 pounds of seed cotton. The best workers picked 180 pounds a day and the majority only 75 to 90 pounds. In 1872 a Merced grower figured that his expenses for growing, ginning, and baling averaged \$44.66 per 500-pound bale, or approximately 9 cents per pound of lint. In 1880 another grower figured his cost of production and baling at 8 cents a pound. His total cost per acre was \$21.77 and his net profit at $12\frac{1}{2}$ cents a pound for lint was \$9.24 per acre.

Long-staple Pima Egyptian cotton was introduced in the Imperial Valley in 1914 but also met with a cool response. Slow development of the cotton industry in the State was due partly to heavy competition from the South and other established cotton areas and partly to the cyclical business depressions which periodically destroyed the market for it. 2/

World War I provided the proper incentives for the production of cotton in the State--higher prices and ready markets. Cotton production expanded rapidly and was set on a firm basis by the introduction of the Acala variety. This variety was discovered in southern Mexico in 1906 by the United States Department of Agriculture and was adapted to California conditions by workers of the United States Cotton Experiment Station at Shafter. 3/ Staple length generally ran 1- $\frac{3}{32}$ inches and commanded a premium over shorter staples. Yields were consistent at from 1 to $1\frac{1}{2}$ bales to the acre, and the proportion of lint ran higher than for other short- or medium-staple varieties. In 1926

1/ Hilgard, W. E. Report on Physical and Agricultural Features of California, 1880.

2/ Boone, Andrew R. "California Acala Cotton in California." Magazine of Pacific Business. Nov. 1937.

3/ Nieman, W. F. Cotton Cultivation in California. 1926.

an act of the State Legislature made it illegal to grow any other variety of cotton in the State. Small acreages of long-staple cotton are produced in Riverside and Imperial Counties but all other cotton in the State is of the Acala variety.

The major cotton-producing area in the State is in the southern San Joaquin Valley, extending from south central Kern County northward through Kings, Tulare, Fresno, and Madera Counties into south central Merced County (table 1 and fig. 1). Yields in Kern, Kings, and western Fresno Counties are especially heavy. Kern County yields averaged 776 pounds per acre in 1939, 863 in 1940, 604 in 1941, 659 in 1942, and 601 in 1943. Yields are less heavy in the eastern and northern parts of the producing area. Merced County yields were 512 pounds to the acre in 1939, 685 in 1940, 448 in 1941, 401 in 1942, and 421 in 1943. ^{4/}

The acreage in cotton in California has varied widely with changing market

Table 1.- Cotton acreage and yield by counties and areas, California, 1940-43 ^{1/}

Area and county	Acreage harvested			Pounds lint per acre		
	1941	1942	1943	1941	1942	1943
	Acres	Acres	Acres	Lbs.	Lbs.	Lbs.
San Joaquin Valley						
*Kern	71,800	72,100	68,300	604	659	601
*Kings	34,700	32,200	26,200	519	500	576
*Tulare	84,400	85,600	72,300	581	581	594
*Fresno	79,800	80,100	69,700	550	555	575
*Madera	47,800	48,100	35,600	523	460	503
*Merced	22,290	23,080	14,170	448	401	421
Stanislaus	380	320	30	279	278	271
Southern California						
Riverside	6,961	10,570	2,420	441	278	299
San Bernardino	175	50	---	251	240	---
Imperial	2,694	2,880	280	324	268	375
State total	351,000	355,000	289,000	551	544	567

*Counties covered by ceiling.

^{1/} Data from California Cooperative Crop Reporting Service.

^{4/} California State Crop Reporting Service, California Cotton Reports for Crops of 1941 and 1943.

AREA COVERED BY COTTON WAGE CEILING ORDER, 1943

Figures indicate 1943 acreages

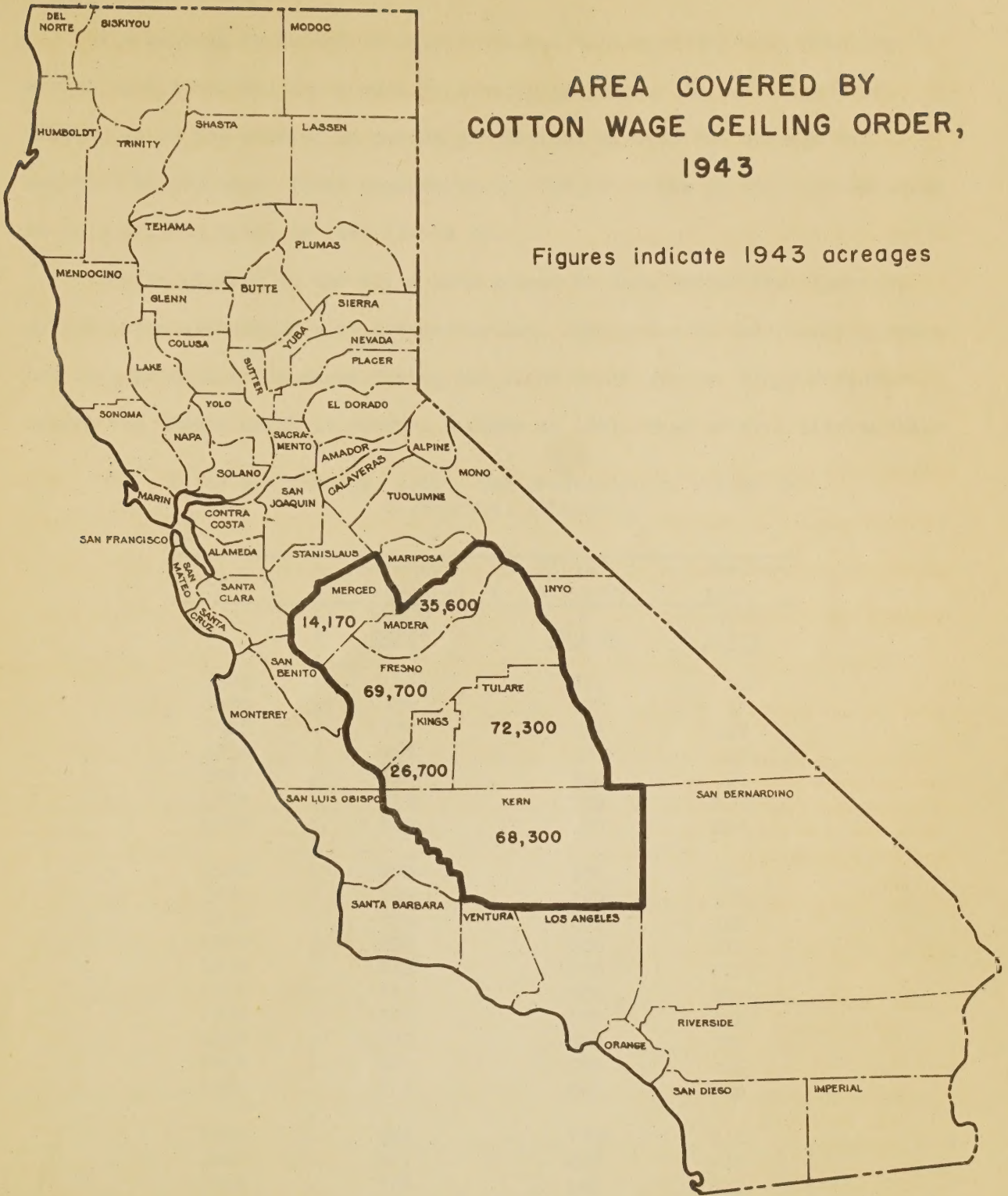


FIGURE I

The acreage in cotton in California has varied widely with changing market conditions and Government regulatory programs. In 1937 a peak of 624,000 acres was reached in cotton production; by 1943 the acreage had dwindled to 289,000. Total production was 738,000 bales in 1937 but amounted to only 341,000 bales in 1943 (table 2).

Cotton growers in the State have shared to some extent the financial difficulties associated with overproduction. The price to California growers had been as high as 35 cents during the first World War but dropped slowly during the 1920's until it reached 6 cents in 1931, then after a rise to 12.5

Table 2.- Acreage, yield, and production of cotton in California, 1923-43 ^{1/}

Year	Acreage harvested 1,000 acres	Yield per acre Pounds	Produc- tion 1,000 bales
1923	83	313	54
1924	129	287	77
1925	172	339	122
1926	162	387	131
1927	128	340	91
1928	218	378	172
1929	309	400	259
1930	270	468	264
1931	192	440	177
1932	123	503	129
1933	208	500	217
1934	223	556	259
1935	218	524	239
1936	368	574	442
1937	620	570	738
1938	341	596	424
1939	327	648	443
1940	348	749	545
1941	351	609	456
1942	356	583	432
1943	289	574	341

^{1/} Data from U. S. Department of Agriculture, Agricultural Marketing Service.

cents during the first years of the cotton control program it dropped back to 8.8 cents in 1938. Yet cotton is reputed to be the one California crop that has made some money for growers each year since 1930 and there is a strong sentiment in favor of increasing cotton acreage at the present time rather than reducing it.

Many cotton growers of California feel that Federal control measures have prevented them from making full use of the natural advantages of this State for cotton production; for example, by restricting cotton acreage in newly developed areas such as the irrigated valleys in California, Arizona, and New Mexico. Some growers estimate that the present cotton area of the State would approximate one million acres instead of a quarter million if southern cotton interests had not influenced legislation against cotton expansion in California. Before the cotton control program, probably 45 percent of the cotton growers in the State were one-crop farmers as compared with the present 10 percent. A study made in Tulare County in 1939 indicated that farm operators in that county had approximately one-third of their acreage in cotton with the rest in orchards, vineyards, alfalfa, grain, and pasture. Tenants had a higher proportion of their land in cotton than owners, and small growers a higher proportion than large ones. ^{5/} In the last several years, acreages of cotton have been further reduced and growers have planted alfalfa, hay, grain, beans, potatoes, tomatoes, and vegetables in its place. The change-over to greater crop diversification has not always been successful, partly because the farmers lack the technical knowledge necessary for the development of other crops.

^{5/} Smith, William H. Variations in Farm Organization Associated with Tenure of Cotton Farms in Tulare County, 1940. (Unpublished thesis in Giannini Library.)

Figures compiled by the Agricultural Adjustment Agency in 1939 give a picture of the size of cotton acreages per farm in the State (table 3). A total of 4,847 farms, or 78.5 percent of all cotton farms in the State, had less than 50 acres; but this group of farms comprised only 30.8 percent of the total

Table 3.- Cotton farms and planted acreage on farms in California participating in the 1939 Agricultural Conservation Program, as of November 2 1/

Size group in planted acres	Farms		Acreage	
	Number	Percent	Number	Percent
Under 10	1,412	22.9	7,990	2.9
10 - 19.9	1,720	27.9	25,170	8.8
20 - 29.9	828	13.4	20,294	7.1
30 - 39.9	557	9.0	19,407	6.8
40 - 49.9	330	5.3	14,835	5.2
Total under 50 acres	4,847	78.4	87,696	30.8
50 - 59.9	231	3.7	12,705	4.5
60 - 69.9	183	3.0	11,895	4.2
70 - 79.9	135	2.2	10,125	3.6
80 - 89.9	125	2.0	10,625	3.7
90 - 99.9	80	1.3	7,600	2.7
Total 50 to 100 acres	754	12.2	52,950	18.7
100 -249.9	416	6.8	62,181	21.9
250 -499.9	104	1.7	35,608	12.6
500 -999.9	42	0.7	28,441	10.0
Total 100 to 1,000 acres	562	9.2	126,230	44.5
1,000 acres and over	10	0.2	16,915	6.0
Grand total	6,173	100.0	283,791	100.0

1/ Original data from Agricultural Adjustment Administration, U. S. Department of Agriculture, Berkeley, Calif.

cotton acreage. Most of the acreage, 50.5 percent, was in holdings of more than 100 acres, and a number of large operators had over 1,000 acres. Some clash of interest has always existed between the large operators who are located chiefly on the west side of the Valley, and the smaller ones on the east side.

The cotton growers of the State are not organized into an association but their interests are represented by several organizations. The Cotton Department of the California Farm Bureau Federation speaks for the growers on matters of general economic and political policy. A cotton seed association looks after matters pertaining to improvement of the Acala strain of cotton and has loaned valuable equipment to the United States Experiment Station at Shafter. The Agricultural Labor Bureau of the San Joaquin Valley calls annual meetings of the growers so that they may establish uniform chopping and picking rates for each season. They have been helped by the Associated Farmers in combating organized agitation among workers.

Many of the cotton growers and pickers have come from the South and have brought with them the traditions and practices of the southern cotton industry. One of these is the method of financing the production of cotton. Probably a major part of the cotton in the State has been produced on borrowed money. Nearly all this financing has been done by the gins or their affiliated credit agencies. Operating funds are obtained in this way by some growers who could get along without them. Cotton is planted by some growers merely because it provides a convenient means of obtaining loans with which they can finance other crops.

Several large ginning companies operate most of the gins in the area. These companies buy cotton lint and seed, and their processing plants produce cottonseed oil, meal, and other cottonseed byproducts. The LaFollette investigations indicated that these companies were financially interested in the San

Joaquin Valley Agricultural Labor Bureau, the Associated Farmers, and other organizations concerned with labor recruitment and control. 6/

Cotton growers usually are friendly toward these companies due largely to their financing activities. "It was cotton financing that developed the San Joaquin Valley. When the banks wouldn't loan a red cent the gins let us have the money we need at 5 or 6 percent. We only paid interest for the time we used it too. A lot of this land that had never had anything on it was brought under cultivation by cotton finance money." This point of view is quite common among cotton growers and also gives some idea of the part played by cotton in the economic development of the area.

LABOR REQUIREMENTS IN COTTON AND IN COMPETING CROPS

Total labor requirements for cotton production are among the highest of any crop in the State. Professor R. L. Adams, of the University of California, estimated that total requirements for the 1943-44 season would be 2,234,392 man-days. The only crop which exceeds this in labor demand is grapes. Combined requirements for raisin, table, and wine varieties were estimated at 2,890,554 man-days. The other high labor-using crops in the State, namely, peaches, tomatoes, oranges, alfalfa, lemons, and asparagus, have labor needs ranging from 70 to 45 percent of the total man-days required for cotton.

Labor requirements are moderate until the harvest season. Planting, cultivating, and irrigating are commonly done by the operator himself or by year-round laborers on his farm. Planting is usually done in April. Chopping operations require the hiring of from 6,000 to 8,000 extra workers in May and June. 7/ The total number of workers required at the peak of the picking,

6/ "Employers Associations and Collective Bargaining in California." Report of Committee on Education and Labor, U. S. Senate, 77th Cong., 2d sess, Rpt. No. 1150, Part 4, Oct. 1942.

7/ A detailed description of cultural and harvest operations in cotton is to be found in H. B. Brown's Cotton, chs. XIII, XVI, XVII.

season in October and November will run from 33,000 to 38,000. Professor Adams estimated month by month man-day requirements for the 1943-44 season to be as follows:

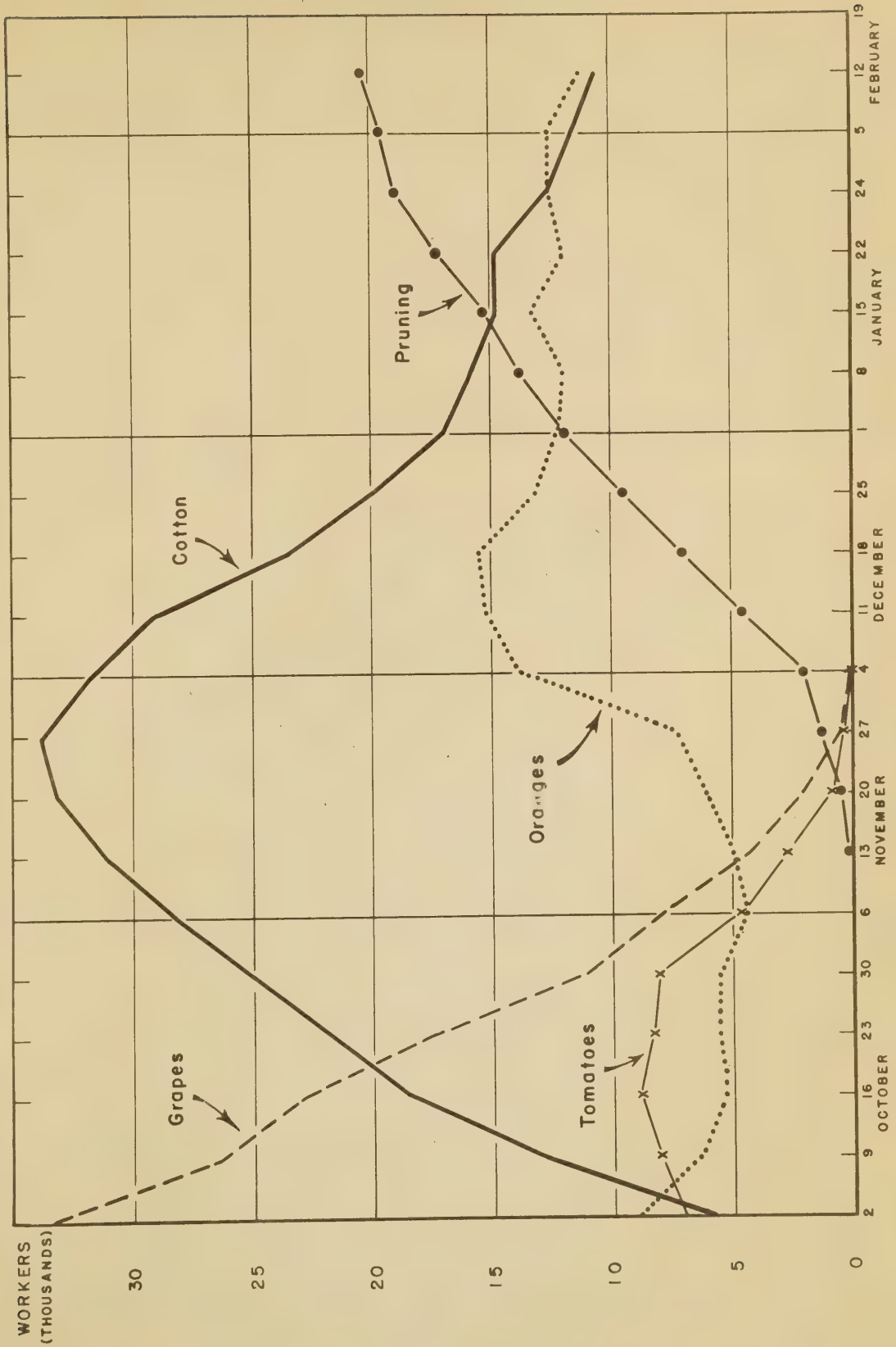
<u>Month</u>	<u>Man-days</u>	<u>Percentage of total</u>	<u>Month</u>	<u>Man-days</u>	<u>Percentage of total</u>
April	18,517	0.83	Oct.	743,144	33.26
May	68,169	3.05	Nov.	563,062	25.20
June	63,540	2.84	Dec.	284,427	12.73
July	46,000	2.06	Jan.	192,169	8.61
Aug.	31,137	1.39	Feb.	134,092	6.00
Sept.	70,257	3.14	Mar.	19,878	.89
			Total	2,234,392	100.00

The Farm Labor Office of the Agricultural Extension Service estimated the total number of workers employed in cotton picking week by week for the 1943-44 season (table 4). Their figures indicate a later peak need than the estimates made by Adams because of the fact that the 1943 season was somewhat late, but total requirements are much the same.

The cotton harvest normally starts during the last week in September and continues until the latter part of February. At the time the cotton season opens the demand for workers for peaches, alfalfa, beans, and potatoes has already terminated and the need for grape, fig, prune, and hop pickers is coming to a close (table 4 and fig. 2). Tomato picking is still at its peak but is generally over by the first week in November. Except for cotton, the winter months would be a slack period of labor demand in the San Joaquin Valley. Cotton, therefore, helps to provide a year-round cycle of labor requirements. ^{8/} Not all the workers from other crops will pour into the cotton harvest. Cotton picking requires considerable manual dexterity; only an expert can make money at it. It is a stoop labor job and many farm workers refuse to do work of this

^{8/} When cotton pickers were told that the crop might all be harvested by January 1 this year, they asked, "Then, how am I going to be able to get through January, February, and March without work?" A delayed cotton harvest is an advantage to the workers.

WORKERS EMPLOYED IN COTTON AND COMPETING CROPS DURING
THE COTTON SEASON: UPPER SAN JOAQUIN VALLEY - 1943 - 44*



* BASED ON DATA IN TABLE 4

FIGURE 2

type. Such workers generally migrate south to pick oranges or wait in the area until the pruning season begins.

Harvesting of walnuts, Emperor grapes, and olives starts at about the same time as cotton but these crops require only a few thousand workers apiece. By the middle of November the Tulare County citrus harvest begins and this requires as many as 12,000 workers up to shortly before Christmas. By that time, the demand for tree and vine pruners begins. Total demand for pruners in the State exceeds 30 thousand and lasts into March. In Kern County the cutting of potatoes for seed begins during the latter part of the year and runs to the first part of March. The 1943 demand for these workers has been estimated at from 3,000 to 4,000.

Competition from Southern California and Arizona is heavy because weather conditions there are comparatively favorable for field work during the winter months. The peak farm labor demand in Arizona of 20,000 to 25,000 workers comes in October, November, December, and January and is occasioned by the Arizona cotton crop. The citrus, cotton, and winter-vegetable crops in southern California require an equal number of workers.

Daily earnings in competitive crops generally are higher than in cotton (table 4). Cotton picking, however, is regarded as a family operation and earnings per person are less than if it were carried on by adult male workers alone. Also, it is commonly done by Mexicans and by whites from the southern part of the United States who are not always in a good bargaining position during the winter months.

WAGE RATES AND LABOR RELATIONS IN THE COTTON INDUSTRY

The earliest data on cotton wage rates in the State indicate that during the late sixties and early seventies Chinese workers were being paid 90 cents a hundred pounds for picking cotton. ^{9/} The next figures available are

^{9/} Hilgard, W. E. Report on Physical and Agricultural Features of California. 1880.

Table 4.- Major crops competing with cotton for labor, with estimated average daily earnings during 1943 season 1/

Week ending:	Total workers employed by crops and average daily earnings										
	Cotton	Tomatoes	Grapes	Oranges	Olives	Walnuts	Pruning	Potatoes	Vegetables	Hay & grain	No.
Oct. 2	5,800	7,125	33,500	---	75	2,300	---	1,000	1,000	5,005	
9	12,700	8,025	26,500	---	1,550	2,575	---	950	1,160	4,180	
16	18,630	8,700	22,700	---	2,250	2,600	---	775	1,350	3,200	
23	21,900	8,360	17,450	---	2,710	2,340	---	720	1,350	975	
30	25,000	8,105	11,300	---	2,700	1,930	---	740	1,850	675	
Nov. 6	28,200	4,850	8,150	---	2,950	1,330	---	730	2,100	925	
13	31,400	4,410	4,250	1,370	2,700	1,080	---	720	1,325	980	
20	33,100	700	2,100	3,480	1,050	450	425	700	2,050	450	
27	33,700	500	400	4,155	650	200	1,350	900	4,600	450	
Dec. 4	31,800	---	---	9,060	---	---	2,180	900	4,470	450	
11	29,050	---	---	9,860	---	---	4,410	400	2,105	450	
18	23,600	---	---	9,860	200	---	7,070	150	1,720	450	
25	19,800	---	---	6,960	200	---	9,550	100	755	450	
Jan. 1	17,000	---	---	5,740	350	---	12,100	100	625	325	
8	15,900	---	---	4,840	575	---	13,700	100	575	325	
15	14,900	---	---	5,000	700	---	15,200	50	250	---	
22	14,900	---	---	3,375	700	---	17,400	1,060	350	---	
29	12,500	---	---	2,920	700	---	19,125	1,050	250	---	
Feb. 5	11,600	---	---	2,200	975	---	21,525	850	300	---	
12	10,370	---	---	645	1,025	---	20,375	1,000	300	---	
19	10,100	---	---	---	1,200	---	18,850	1,000	350	---	
26	8,650	---	---	---	1,000	---	13,250	800	500	---	
Mar. 4	4,000	---	---	---	600	---	10,465	700	2,000	---	
11	3,800	---	---	---	430	---	6,975	300	3,255	---	
18	2,150	---	---	---	250	---	2,175	300	4,250	---	
Av. daily earnings:	\$6.00	\$8.00	\$9.00	\$9.00	\$8.00	\$7.00	\$7.50	\$8.00	\$7.50	\$7.00	

1/ Data from Calif. Weekly Farm Labor Reports, Cooperative Extension Work, U. S. Dept. of Agr. and Univ. of Cal., 1943. Av. earnings compiled from same reports, growers and processors reports, and data of Tulare Co. Farm Labor Comm.

for 1924 when the rate was \$1.25 for the first picking, \$1.50 for the second, and \$2 for the third. 10/ In 1925 the rate was \$1.50 and \$2.50. The farm price of cotton lint was 24 cents per pound in 1924 and 18.8 cents in 1925.

Average annual wage rates for picking cotton in California from 1924 to the present have been computed by the Bureau of Agricultural Economics (table 12). 11/ These consist of season averages and do not show differences in rates between first and second picking. They indicate a very close relationship between the price of cotton and the rates paid to pickers. They follow closely the tradition that the picking rate shall be 10 percent of the price received by the grower. There was a slow decline in rate per 100 pounds from the high figure of \$1.65 in 1925 to 45 cents in 1932. The rates then increased slowly until they reached \$1.30 in 1941. They mounted rapidly to \$1.90 for the 1942 season and probably averaged around \$2.10 for 1943.

It is difficult to determine from these figures just how much the average worker earns per day. The labor force consists of women, children, and aged persons as well as adult males. The number of hours that a worker can put in during the short winter days is limited. On damp foggy days the cotton may be too wet for picking until afternoon. Experts can pick from 400 to 600 pounds in a 10-hour day on the first picking, but the average for all pickers would probably not exceed 250 pounds and for able-bodied men 300 pounds. On second picking in January or February, the same pickers would average but little more than half the amount that they could pick in November. A group of six expert pickers indicated that their performance on second picking at various yields was approximately as follows:

10/ Neiman, W. F. Cotton Cultivation in California. 1926.

11/ U. S. Bur. Agr. Econ. Farm Wage Rates, Farm Employment, and Related Data. Jan. 1943.

<u>Stand of cotton per acre</u>	<u>Daily performance 7-8 hour day</u>	<u>Daily earnings at \$2.25 per cwt.</u>
One bale	275 lbs.	\$6.19
3/4 bale	225 lbs.	\$5.06
1/2 bale	175 lbs.	\$3.93
1/4 bale	125 lbs.	\$2.80

These men were all experts and stated that "average" pickers could not even make \$4 a day. Furthermore, fields with a bale or three-fourths of a bale to the acre on second picking were very scarce.

As a general rule the rate for snapping cotton is approximately two-thirds of that for picking. Daily earnings for snapping at \$1.50 per cwt. ran slightly higher than for picking at \$2.25, but some workers claimed they could make more at picking. Such differences appeared to depend chiefly on the abilities of the individual worker.

Hourly earnings of experienced adult workers at the War Food Administration Labor Supply Centers (formerly Farm Security Administration Farm Labor Camps) have been computed for the 1942-43 season and for the first 2 months of the 1943-44 season. The reports were discontinued on December 1, 1943. These are compared with the earnings that workers in the same centers were able to make at other farm jobs (table 5 and fig. 3). Average hourly earnings for the 1942-43 season were slightly higher for cotton picking than for other farm jobs--64 and 63 cents, respectively. Earnings in cotton were lower at the beginning of the season when the rates for picking ran around \$1.75 to \$2.25. At \$2.50 a hundred, earnings tended to be equal with those in other jobs. Snapping at \$1.75 and \$2 and picking at from \$2.50 to \$3 paid the workers more than they could earn at other types of farm work.

In the 1943-44 season the earnings of cotton pickers were held below the average for the area by the wage ceiling. Hourly earnings of cotton pickers during the first 2 months of the 1943-44 season averaged 66 cents, whereas workers on other farm jobs averaged 80 cents. This difference was partially due to high wage rates for picking grapes, oranges, and olives.

COMPARATIVE EARNINGS PER HOUR PICKING COTTON AND DOING OTHER FARM WORK — 1942-43 AND 1943-44 SEASONS*

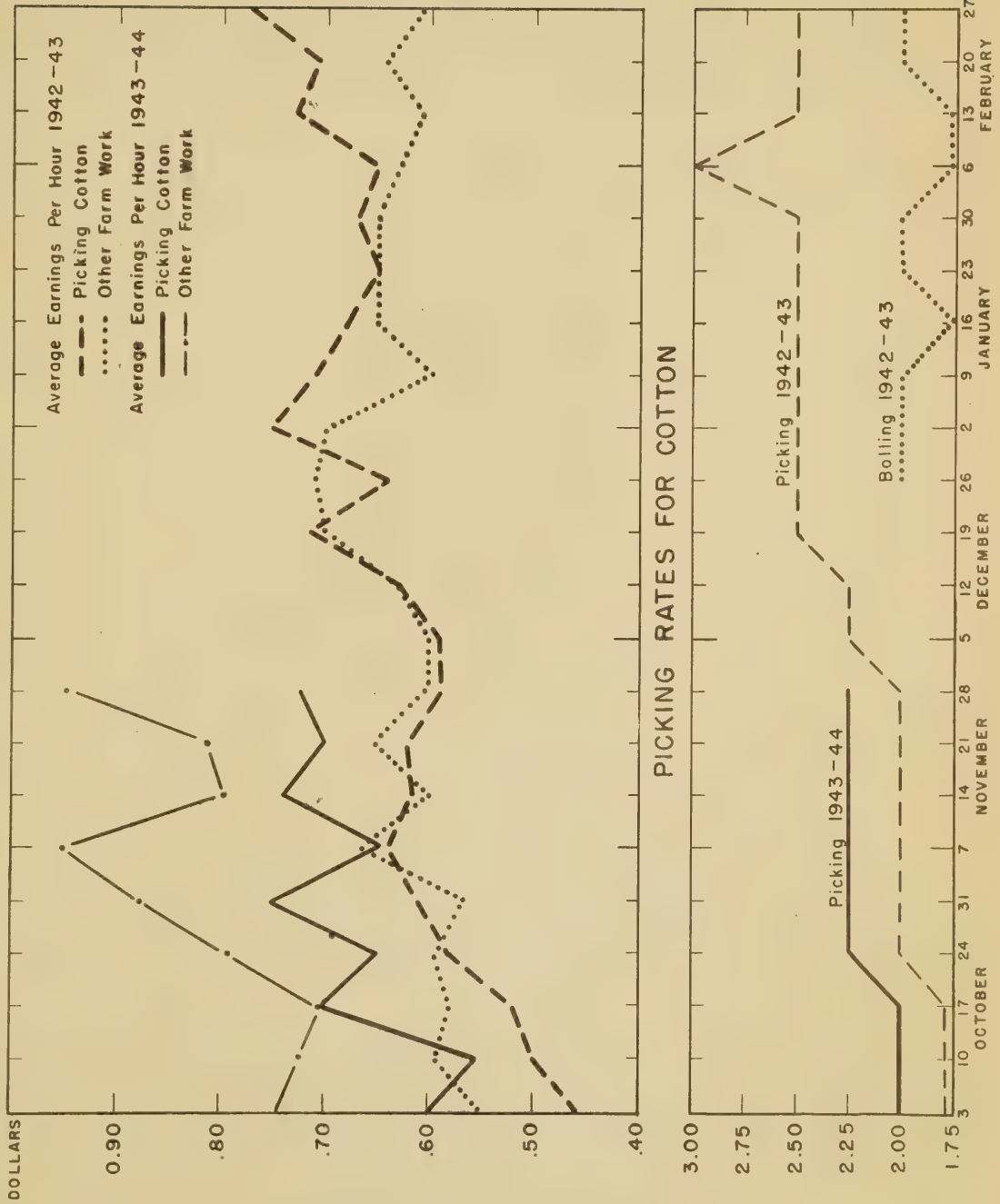


FIGURE 3

Table 5.- Comparative earnings per hour of experienced workers picking cotton and doing other farm jobs during 1942-43 and 1943-44 cotton harvest seasons, together with wage rates for picking and snapping cotton: workers at War Food Administration Farm Labor Supply Centers in the cotton area 1/

Week ending:	Earnings per hour 2/				Number cotton pickers who were paid 3/							
	1942-43		1943-44		1942-43				1943-44			
	Picking: cotton	Other farm jobs	Picking: cotton	Other farm jobs	1.75	2	2.25	2.50	2.75	3	2	2.25
	Dols.	Dols.	Dols.	Dols.	No.	No.	No.	No.	No.	No.	No.	No.
Oct. 2:	0.46	0.52	0.52	0.74	21							20
9:	0.50	0.59	0.51	0.72	34							18
16:	0.52	0.58	0.71	0.71	9	14						22 8
23:	0.58	0.59	0.65	0.73	8	33						15 30
30:	0.61	0.57	0.73	0.88	2	44						8 32
Nov. 6:	0.64	0.67	0.64	0.95		64	1					8 41
13:	0.61	0.60	0.74	0.79		56	1	3				34
20:	0.62	0.67	0.70	0.81		45	1	9				50
27:	0.59	0.60	0.72	0.95		39	24	9		2		36
Dec. 4:	0.59	0.60	4/			34	34	14				
11:	0.63	0.63				13	21	22	3			
18:	0.71	0.70				8	11	27	6			
25:	0.67	0.71					8	33	4			
Jan. 1:	0.64	0.70				5/11	3	27	26			
8:	0.75	0.60				5/13	14	19	9	14		
15:	0.71	0.65				14	11	5/1	12	7	3	
22:	0.65	0.65				1	6	1	11			
29:	0.67	0.65				4	6		10	4		
Feb. 5:	0.65	0.63				32	3		6	2	6	
12:	0.73	0.61				19	8	2	11			
19:	0.71	0.64				26	31		10			
26:	0.78	0.63				4	10		6	2	1	
Season:												
average:	0.64	0.63	0.66	0.80								

1/ Formerly F.S.A. Farm Labor Camps. Located at Arvin, Shafter, Wasco, Firebaugh, Linnell, and Woodville.

2/ For hours actually worked. "Other farm jobs" are largely picking oranges, olives, figs, and grapes, pruning vines, and cutting seed potatoes. Figures for workers which fell below the general level of performance were excluded from the comparison. Such figures were for women, children, and aged persons who picked cotton.

3/ Rate is per hundred pounds of seed cotton.

4/ No figures gathered after December 1, 1943.

5/ Rate is for snapping.

Weekly pay-roll records for Mexican Nationals during the 1943 season give some idea of performance in picking cotton by inexperienced but willing workers. They picked an average of 26 pounds an hour on first picking, earning an average of 58 cents. The Mexican Nationals in Kern County averaged as high as 34 pounds, and earned 76 cents an hour after having had 7 weeks of experience (table 6).

A comparison of the earnings of Mexican Nationals in a diversified farming county indicates that those picking cotton were unable to make as much as workers who harvested other crops. Highest average earnings were for harvesting walnuts, 83 cents an hour; those picking oranges and olives averaged 78 cents; and those who picked cotton earned 65 cents (table 7). The differential in earnings between cotton and other crops in this county in 1943 amounted to approximately 17½ percent. That is, earnings at picking cotton amounted to 82.5 percent of those in other crops. Such a differential may be justified partly by the 1943 price of cotton which was comparatively modest as compared with the prices of walnuts, oranges, and olives.

Table 6.- Hourly performance and earnings of Mexican Nationals picking cotton in Kern, Fresno, and Tulare Counties, October, November, and December 1943 1/

Week ending	Pounds of cotton picked and earnings per hour by counties							
	Kern		Fresno		Tulare		All cos.	
	Lbs.	Dols.	Lbs.	Dols.	Lbs.	Dols.	Dols.	
Oct. 14	20	0.40	---	---	---	---	0.40	
21	26	0.52	25	0.50	---	---	0.51	
28	30	0.60	25	0.50	26	0.53	0.54	
Nov. 4	26	0.52	25	0.50	30	0.60	0.54	
11	26	0.52	25	0.50	27	0.54	0.52	
18	30	0.60	28	0.56	32	0.65	0.60	
25	30	0.67	28	0.63	28	0.58	0.62	
Dec. 2	34	0.76	31	0.70	30	0.66	0.70	
9	34	0.76	29	0.70	22	0.50	0.65	
16	32	0.72	30	0.67	19	0.43	0.60	
Season average	29	0.60	27	0.58	24	0.55	0.58	

1/ Compiled from official pay-roll records supplied to the War Food Administration by employers of Mexican Nationals.

Table 7.- Average earnings per hour of Mexican Nationals picking cotton and harvesting other crops, week by week, Tulare County, 1943 ^{1/}

Week ending	Average hourly earnings harvesting					
	Cotton	Walnuts	Grapes	Olives & oranges	Vegetables	Figs
	Dols.	Dols.	Dols.	Dols.	Dols.	Dols.
Oct. 28	0.53	1.09	0.74	---	---	---
Nov. 4	0.60	0.95	0.65	---	---	---
11	0.54	0.83	0.60	---	---	---
18	0.65	0.64	0.77	---	---	---
25	0.58	0.76	0.71	0.79	0.70	0.89
Dec. 2	0.66	0.78	0.70	0.78	0.70	0.59
9	0.50	0.79	---	---	---	---
16	0.43	---	---	---	---	---
Season average	0.55	0.83	0.69	0.78	0.70	0.74

^{1/} Compiled from official pay-roll records supplied to the War Food Administration by employers of Mexican Nationals.

Wage rates and labor relations in the cotton industry have been greatly influenced by the Agricultural Labor Bureau of the San Joaquin Valley. This organization was incorporated in 1926 to assist growers to obtain labor. For many years its manager, Frank Palomares, maintained an employment and recruiting agency in Fresno. Workers were not only recruited for cotton picking and cotton chopping but also for work in grapes, peaches, figs, and other seasonal crops in the six southern counties of the San Joaquin Valley.

At the time of its organization its directors expressed an interest in better housing for workers, better educational standards for their children, and stated that "the high standards of living already set up here must be maintained and there will be at all times a close cooperation and a full understanding with those interested in labor to endeavor to see that this standard is maintained." ^{12/} Apparently, it was difficult to maintain these

^{12/} Hearings before House Committee To Investigate Interstate Migration of Destitute Citizens, Part 7, p. 3065.

altruistic desires during the depression years, for in 1936 the organization was roundly condemned by a group of Fresno ministers for sponsoring the establishment of wage rates so low that, "women and children of farm labor families must work in the field with the men to make enough to sustain the families." 13/

An annual function of the Bureau has been to call farmers together before each harvest season to consider uniform picking rates for each of the crops. The rates agreed upon by the growers are maintained by mutual assent rather than by coercion. In years of good labor supply, growers generally have adhered to the agreed rates throughout the season. When the labor supply has been short, however, growers have gradually broken away from their agreement and have paid the rates that seemed necessary in order to get their work done. These methods have been generally effective in holding down labor pirating but have also been subject to a good deal of criticism, especially from small growers. Charges such as the following are frequently heard: "Big growers who have already signed a season contract to get their cotton picked for a dollar go to those meetings and set a maximum rate of 90 cents. Then they raise the devil if any of us pay more than that."

Farm workers began to organize during the depression to combat the tendency toward low wages. In 1933 organized local groups refused to pick for the 60-cent rate established by the growers. The strike lasted almost a month, involved 10,000 pickers in Kern, Kings, and Tulare Counties, and resulted in several clashes between strikers and growers. The governor appointed a fact-finding commission which decided that the growers could afford to pay 75 cents. 14/ Workers also protested the wage rates established by the growers in 1936 and

13/ Hearings before Senate Subcommittee on Violations of Free Speech and Rights of Labor. Part 51, p. 18838. (Materials presented have strong anti-grower bias.)

14/ Taylor, Paul S. and Kerr, Clark. Documentary History of the Strike of Cotton Pickers in California, 1933.

1937 but no serious trouble arose until the 1939 season. In that year the Agricultural Workers Union, affiliated with the UCAW (United Cannery, Agricultural, Packing and Allied Workers of America) and CIO, called a strike of cotton pickers in Madera County. Several clashes between workers and growers resulted, 143 strikers were placed in jail, and a great deal of antagonism between workers and growers was generated.

Growers have formed several organizations to combat union activity among the workers. Chief of these is the Associated Farmers which was organized in 1934 following the series of agricultural strikes in 1933. It has followed a policy of preventing organized activity among farm workers rather than either to try to abolish conditions that produce unrest or to attempt to establish peaceful means of settling labor disputes. 15/

The details of the struggle between capital and labor in the cotton industry are not important to an understanding of the present situation, but its net effects in terms of psychological attitudes are significant. Most important of these is a strong anti-worker, anti-union attitude on the part of those growers who have had labor trouble. This is usually associated with a strong inclination to try to keep wages down, and an attitude of accusing workers of laziness, indifference, and lack of good faith. These attitudes are less common among growers remote from labor conflict areas and among those who have only entered the industry in recent years. Growers of the former type are especially inclined to be interested in "labor relations" and to become members of groups connected with wage setting and wage stabilization.

Almost equally important is the antagonistic attitude of migratory pickers who have worked in the area for a number of years. They are suspicious

15/ "The Associated Farmers of California Inc. Its Reorganization, Policies and Significance, 1935-39." Report of Committee on Education and Labor, U. S. Senate, 73th Cong., 2d sess. Rpt. No. 398, Part 4, Apr. 1944.

and dissatisfied no matter how much they are making and intentionally spread rumors of higher wages being paid elsewhere in an effort to force growers to increase their wage rates. They show no concern over whether a grower loses his crop; but seem to take special satisfaction in indifference on such occasions. At present they blame the growers for bringing in Mexican Nationals and for setting up wage ceilings in order to force wage rates down. Newer workers are less inclined toward these attitudes.

In spite of this background of economic conflict some headway is being made toward a constructive labor policy. Numerous growers and processors take pride in having a comparatively "human" point of view toward their workers. "The same workers come back to me year after year because I give them a square deal and take an interest in how they are getting along." Officials of the San Joaquin Valley Labor Bureau are also inclining toward the point of view that stability of agriculture in the Valley depends upon the development of an adequate resident labor force. They believe that such a program will require fair wages, proper housing, and the planting of crops that will provide year-round employment. In such a program cotton will have an important place.

REQUEST FOR A \$2 CEILING AND FOR GROWER ADMINISTRATION

It became apparent early in 1943 that the price of cotton was not going to advance much over the levels of the previous year. In fact, the market price was declining and most farmers would dispose of their cotton through the Government loan, which would average but little more than 20 cents a pound for the season. Among the first persons to consider a wage ceiling for picking cotton were members of the cotton section of the California Farm Bureau. They asked that hearings be held by the State Wage Board to determine the sentiment of the growers. The Board announced that hearings would be held in regard to wage ceilings both on grapes and on cotton in Fresno on August 18 and in Visalia

on August 19. Members of the cotton section, however, secured a postponement of the cotton hearings until a meeting could be called by the San Joaquin Valley Agricultural Labor Bureau to discuss 1943 wage rates and the possibilities of a wage ceiling program. This meeting was held in Fresno on August 24 and the growers voted to ask for a ceiling rate of \$2. The idea was also presented to them that the growers might work out a plan to administer their own program. Cotton growers who presented the proposal felt that this would prevent Federal authorities from injecting into the program some measure of social reform. 16/

A special committee was appointed to outline a program for grower administration. This committee presented the following proposal at both the Fresno and Bakersfield hearings:

Tulare, California
August 31, 1943

California State Wage Board

Gentlemen:

At the cotton growers' meeting, called by the Agricultural Labor Bureau, on August 27, a committee of six cotton growers was appointed to make recommendations on a wage stabilization program for cotton picking.

Four members of the committee: M. W. Dula, of Visalia; A. L. Fourchy, of Fresno; J. B. Boyette, of Corcoran; and Eugene Hayes, of Madera, met in Tulare August 31, and after a careful consideration of the problems involved, submit the following recommendation to the State Wage Board:

1.- Cotton picking should be stabilized at the rate of \$2 per hundred pounds in the following counties: Kern, Kings, Tulare, Fresno, Madera, and Merced.

16/ The point of view is indicated by the following excerpts from a report on "Agricultural Wage Stabilization," made by the Cotton Department of the Farm Bureau on July 26. "Past experience with Federal agencies leads us to believe that wage stabilization means increased farm wages and the preservation of social gains...A program for wage stabilization must be based on the following conditions: (1) It must be administered by those who are sympathetic toward the farmer's viewpoint. (2) State and local boards must have full authority to make final decisions and modify rates according to conditions."

2.- No variation is to be permitted from this established rate except on approval of the county committee on the recommendation of the community committee.

3.- A county committee of 7 members and the necessary community committees shall be named by the County War Board in each of the 6 counties.

4.- An area committee shall be established consisting of 2 representatives from each of the 6 counties. Each county committee shall have the authority to select the 2 representatives of that county.

5.- The duties of the area committee shall be to act as an advisory committee to the State Wage Board and to recommend the following changes in the program:

1. A rate for second picking.
2. A rate for snaps.
3. Termination of the program.
4. Any other needed adjustment as conditions make necessary.

It is the opinion of the committee that, if the above recommendations are incorporated in the order setting up a wage-stabilization program for cotton picking, the most serious objections to a Federal program will be eliminated, thus making it possible to secure the unanimous backing of growers which is necessary for a successful wage-stabilization program.

The committee gave considerable thought to the development of a plan whereby a sliding scale could be adopted to take care of varying conditions of picking and thereby eliminate most of the necessary adjustments that will have to be made by county committees. We have not been able to develop a workable formula, and it is our opinion that the inclusion of any such plan in the program would only lead to confusion and the eventual breakdown of the program.

Respectfully submitted,

M. W. Dula

A. L. Fourchy

J. B. Boyette

Eugene Hayes

Growers at the Wage Board hearings generally fell in line with the recommendations made by the committee. Several, however, claimed that there should be some wage differential to offset the heavy advantage of the grower who had housing for his workers. There was common agreement that the rate should be changed during the season but three viewpoints were presented as to the criteria for making the change. One group held that the change should be

between the first and second picking; a second thought that the increase should occur at the time when fall rains and fogs set in; and a third group believed that a change in rate at a certain date, such as December 1 or December 10, was the only feasible way to handle the situation.

Grower sentiment had pretty well crystallized behind the request for a ceiling rate of \$2. All those who testified at the Fresno hearing and three-fourths of those at Bakersfield indicated that they wanted a \$2 rate. In their eagerness to strengthen their case for a \$2 ceiling some growers testified that \$2 was the highest rate they had paid during the previous season. Such testimony sounded fantastic, coming after the emphatic statements made at the beginning of the hearing in regard to runaway wages during the 1942 harvest. They admitted workers would not be able to earn as much at this rate as they had earned in picking grapes, but said they were operating under a comparatively close ceiling and their crop could be picked over several months during the slack season of the year, whereas raisin growers had to pay enough to draw workers away from other crops.

Members of the State Wage Board decided after the hearings that probably some rate higher than \$2 would be necessary if the cotton growers were to be able to obtain enough labor to handle their crop. The average cotton picker would probably pick only 250 pounds of cotton per day and would hardly be satisfied with \$5 when he could make from \$7 to \$9 in other crops. Two meetings were held with a committee of cotton growers composed of three members from each county. The growers held out inflexibly for a \$2 rate but the Wage Board finally submitted a \$2.10 ceiling rate to Washington for approval.

A second difference of opinion between members of the committee and the Wage Board was in regard to whether a ceiling rate would necessarily become the going rate. Some members of the Board felt that the growers should hold to their \$2 rate as established at their Labor Bureau meeting, then a margin

of 10 cents would be permitted to those growers with weedy fields, poor yields, and other natural disadvantages. The growers maintained that the rate would move up to the ceiling figure overnight.

Washington officials would not approve the \$2.10 rate so another meeting was held with the area cotton committee. All parties agreed to a ceiling of \$2.25 and that the growers in the meantime would hold to the \$2 rate as long as they were able.

PROGRESS OF THE 1943 SEASON

The 1943 cotton harvest was delayed from a week to 10 days by cool summer weather but the bolls were maturing all at one time and it appeared that the picking would be easy and the earnings high. Preliminary estimates of the California Crop Reporting Service were that the yield would run 607 pounds to the acre as compared with 544 in 1942 and an average of 577 pounds for the period 1932-41. ^{17/} The labor supply appeared to be from 20 to 25 percent greater than in the previous year. This increase was largely due to a movement of workers away from urban jobs to farm labor. The movement was associated with the exemption of farm workers from withholding taxes or with their deferment from military service. Migration of workers from the Middle West was greater than had been anticipated. Adverse weather conditions in that part of the country caused farmers to come to California in an effort to obtain some income for the year. Some 1,100 Mexican Nationals were also to be employed at cotton picking and many additional Nationals were to be employed in the citrus and other competing crops.

The beginning picking rate was \$2 per hundred, as recommended by the San Joaquin Valley Labor Bureau, except in northern Kern County where a few growers were paying \$2.25 and \$2.50 in order to get their cotton off before the

^{17/} California Field Crop Report for November 1, 1943.

potato season started. The wage ceiling rate of \$2.25 was announced on October 8 and resulted in a general agitation among workers to be paid at that figure. Most growers still continued to pay \$2 but more operators in northern Kern County shifted to \$2.25. The break to a \$2.25 rate occurred over a 3-week period with the large operators on the west side of the Valley and in the Tulare Lake area holding to the \$2 rate for the longer period of time. Workers refused to regard the Government rate as a ceiling and demanded that it be paid in fields of all types. The growers submitted rather than risk losing their crews.

Growers were pleased at the general absence of wage-raising tactics on the part of workers during the rest of the season and were inclined to overstate the speed with which the harvest was carried on. Comparative ginning figures for the 1943 and previous seasons indicate a good average harvest but not the exceptional speed that the growers claimed they observed (table 9).

As in previous years, the picking started first on the east side of the Valley among the small growers who were anxious to harvest their small crop as soon as possible in order to get the advantage of better grades. These fields are also closer to the centers of population in which workers prefer to live as compared with grower camps on the west side. As the first picking was finished in those areas, the workers gradually moved to the west side, choosing to continue first picking there rather than to start on the second picking on the east side.

The original theory as to how the \$2.25 ceiling would work was that the pickers would continue first picking until it had been completed on the west side, then they would return to the east side and perform the second picking according to the routine they had followed on the first. The theory, however, failed to work out in the 1943 season. The early growers had their first picking off by the latter part of October. Many of them were still waiting in

January and February for the pickers to return from the west side.

There are several reasons for this nonappearance of workers: (1) It is customary for cotton pickers to receive from 25 to 50 cents more a hundred for the second picking, and when they found they weren't going to get it they quit cotton for some other crop; (2) they were unable to earn as much in cotton as in other crops so left it just as soon as fog and dew in the mornings shortened the length of the working day; (3) the cotton matured evenly and the growers who had to wait for workers were frequently able to get all the cotton off at one time; (4) yields and earnings on the west side were higher than on the east; and (5) growers on the west side were inclined to offer special inducements to the workers to hold them until all the cotton was picked.

Data compiled in the Farm Labor Office of the Agricultural Extension Service at Visalia give some indication of the movement away from cotton to oranges and other crops. Population of the farm labor camps in the cotton areas of the county dropped at least 50 percent from October 10 to January 7. During the same period the orange camps around Exeter and Porterville and the vegetable camps near Dinuba filled to capacity (table 8).

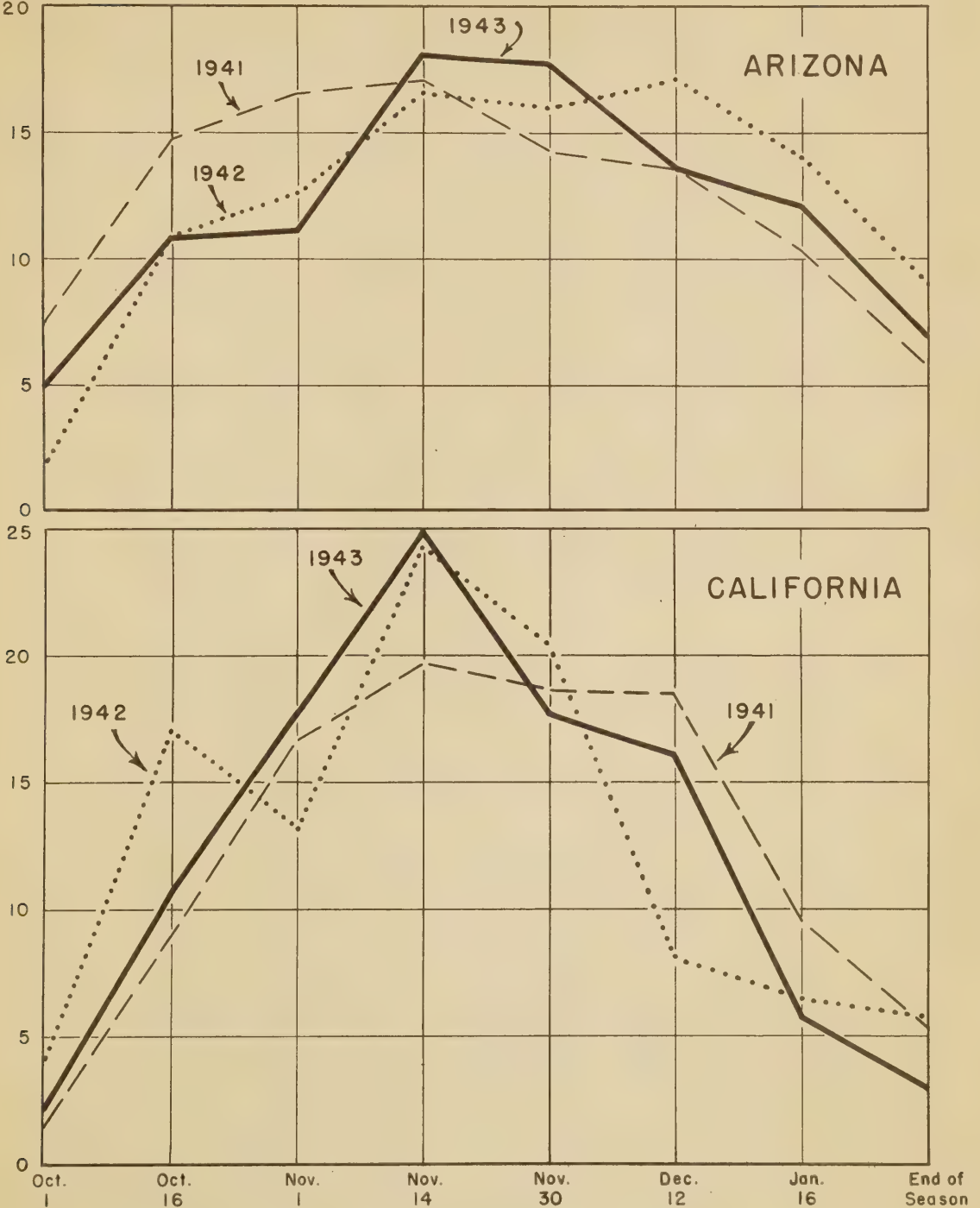
The rate for snapping was announced as \$1.50 a hundred on December 23. At that time the cotton stems were not yet brittle enough to make snapping easy. Furthermore, ginners in most areas agreed not to accept snapped cotton. By the latter part of January, however, more cotton was being snapped than picked.

Progress of the harvest was slowed down after the first of the year by intermittent rains and cool, damp mornings. Some gins, however, began to close by the first of February, and by March first picking had been completed in Kings and Kern Counties. The picking season was finally brought to a close in Fresno County during the second week in April.

Progress of the 1943 harvest can be compared with harvests of previous years through a comparison of ginning figures (table 9; fig. 4). These indicate

RATE OF HARVESTING COTTON DURING SELECTED PERIODS 1941 - 42 - 43

Percent of Total Crop



Source: U. S. Bureau of Census

Table 8.- Distribution of workers among various crops in Tulare County as indicated by camp population of 24 labor camps, October 11, 1943, to January 7, 1944 1/

Date	Number of camp occupants by area and major crops													
	Visalia		Tulare		Exeter		Pixley		Porterville		Tinuba		Tulare County	
	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.
10-11-43	69	2,860	80	291	89	221	48	175	52	127	85	4,841	74	
10-18-43	71	1,732	49	306	93	211	47	197	58	144	96	3,793	58	
10-25-43	77	1,374	38	320	97	221	48	201	60	124	83	3,541	54	
11- 1-43	78	1,330	37	330	100	271	58	257	76	129	86	3,649	56	
11- 8-43	78	1,319	37	365	100	271	58	283	83	138	92	3,715	57	
11-15-43	82	1,353	38	365	100	286	60	313	92	141	94	3,852	58	
11-20-43	80	1,407	40	330	100	301	64	361	100	130	86	3,891	60	
11-27-43	83	1,392	39	368	100	150	34	361	100	135	90	3,834	60	
12- 4-43	82	1,514	42	368	100	133	29	363	100	130	86	3,904	60	
12-11-43	81	1,520	42	381	100	133	29	358	100	130	86	3,906	60	
12-18-43	83	1,494	41	---	---	55	12	314	92	130	86	3,400	58	
1- 7-44	54	1,350	38	312	97	110	23	152	50	135	100	2,978	46	

1/ Data compiled by Farm Labor Office of Agricultural Extension Service, Visalia, covering 2 War Food Administration and 22 private labor camps in the county.

that more cotton was picked at the early part of the 1943 season than in the previous year. The peak of the season was reached, however, on November 14, whereas it occurred 2 weeks later in both 1941 and 1942. This slump occurred in spite of the exceptionally favorable weather conditions which continued in 1943 up to December 10. It must have been caused, therefore, by movement of workers to better-paying crops. This movement is normal but it came somewhat earlier in the 1943 season and appeared to involve a larger number of workers.

Some growers have had the impression that the California ceiling caused workers to migrate to Arizona. There was no ceiling on picking rates in that State, and the rate for short-staple cotton rose to \$2.50. Figures on ginning indicate, however, that the harvest moved more rapidly in California than in Arizona. On the other hand, there was no sharp drop in picking after November 14 in Arizona as there was in this State (table 9 and fig. 4).

ADMINISTRATIVE MACHINERY FOR THE CEILING PROGRAM

The State War Board announcement of the cotton ceiling order contained the following instructions: "Each county affected by the Order should proceed immediately to set up a Cotton Wage Stabilization Subcommittee as outlined in the above-mentioned letter (War Letter No. 467). It is also requested that each county name two growers of the county subcommittee to sit on a district growers committee, which may be called upon to meet from time to time to consider matters affecting the operation of the Order in the whole cotton-growing area of the State." 18/

According to the provisions of War Letter No. 467, the County Wage Stabilization Subcommittee was to be composed of: (1) A War Board or Agricultural Adjustment Agency county committeeman to serve as chairman; (2) two or more

18/ War Letter No. 501, October 8, 1943.

Table 9.- Cotton ginned in California and in Arizona within specified periods, 1941, 1942, 1943 1/

Period	Bales ginned		Average number bales ginned per day		Rate of completion per period	
	1941	1942	1943	1942	1941	1942
	Bales	Bales	Bales	Bales	Pct.	Pct.
California						
Prior to Oct. 1	5,337	2,295	2,776	889.5	462.7	4.3
Oct. 1 - 17	60,685	30,277	37,068	3,569.7	2,180.5	17.2
Oct. 18 - 31	38,206	48,560	49,075	2,729.0	3,505.4	13.2
Nov. 1 - 13	65,590	53,185	64,753	5,045.4	4,981.0	24.4
Nov. 14 - 30	72,389	65,625	59,580	4,258.2	3,860.3	20.6
Dec. 1 - 12	19,887	46,204	38,814	1,657.3	3,234.5	8.0
Dec. 13 - Jan. 15	46,201	66,708	39,688	1,358.8	1,167.3	6.6
After Jan. 15	87,274	86,507	49,151	1,179.4	665.0	5.7
Total bales	395,569	399,361	340,905			
Total acres	351,000	355,000	4289,000			
Arizona						
Prior to Oct. 1	35,610	13,434	17,304	583.8	220.2	283.7
Oct. 1 - 17	19,334	14,805	13,312	1,137.3	870.9	783.4
Oct. 18 - 31	17,800	13,647	9,000	1,271.4	974.8	642.9
Nov. 1 - 13	16,978	16,705	13,007	1,306.0	1,285.0	1,000.5
Nov. 14 - 30	18,065	21,481	16,715	1,062.6	1,263.6	983.2
Dec. 1 - 12	12,463	15,973	9,071	1,038.6	1,331.1	755.9
Dec. 13 - Jan. 15	27,041	37,755	22,876	795.3	1,111.6	672.8
After Jan. 15	31,046	53,903	29,558	419.5	728.4	399.4
Total bales	178,337	187,703	130,843			
Total acres	245,000	271,000	4202,000			

1/ Data from U.S. Dept. of Commerce Bul. 180. Cotton Production and Distribution, Season of 1942-43.

2/ Data from Dept. of Commerce, Bureau of the Census.

3/ Based on average number of bales ginned per day for each period.

4/ Data from Cooperative Crop Reporting Service.

representative growers; (3) a labor representative, such as a labor contractor; and (4) a disinterested party. "Representatives of the State Wage Board and this office will be available to assist County War Boards and their subcommittees but the bulk of administrative work will have to be done by local people...Any requests or appeals for individual adjustment of ceilings should be made to the County U.S.D.A. War Board. The County Board, through its subcommittee, would make an immediate investigation and report its findings to the State Wage Board." In other words, the function of the county committee was to investigate and make recommendations for handling grower appeals to pay adjusted rates.

The district or area committee was made up of prominent growers and ginners and actually was instrumental in setting out the policies for the administration of the ceiling order. It was composed of essentially the same growers that had urged acceptance of the \$2 rate and of a program of grower administration.

Several meetings of the district committee were held. At the one on November 10, the committee recommended that:

- (1) A rate of 25 cents a hundred be allowed to contractors.
- (2) Pickers should be allowed no extra pay for weighing, transportation, or housing.
- (3) Adjusted rates should not be granted this early in the season.
- (4) There would be no change in rate for second picking.

At the one held on December 13, the committee recommended that:

- (1) A limited number of adjustments might be granted on first picking.
- (2) No increase in rate be made for second picking.
- (3) That a \$1.50 ceiling rate be established for snapping.
- (4) That the ceiling order be continued to the end of the season.

In addition to the county committee, some counties followed the recommendations of the special committee appointed at the San Joaquin Valley Labor

Bureau meeting and appointed community committees of growers who were to handle all requests for adjustment made in their particular communities. Some counties held weekly county meetings of these community committeemen and thus kept in close touch with the picking situation in every part of the county.

This special administrative set-up is subject to the criticism that it represented only one side of the wage question. Growers participated actively and effectively at all levels in the organization, but only two counties had any representation of labor at all and those representatives were inactive. One became resentful at the anti-labor bias of some of the growers on the committee and stayed away after the first meeting. Public representatives generally were unfamiliar with the basic issues involved and were willing to allow the growers to make all decisions.

The decision by the district committee and officials of the State Wage Board that there would be no adjustments meant that the county and community committees had very little to do. Their members fretted because they had to travel long distances to meetings and then found they couldn't even pass on the requests for adjustment that had been brought before them. The elaborate machinery had some value from an educational and public relations viewpoint but was not used for actual administration until after the middle of December when the area committee agreed that some adjustments might be granted.

At the State level the wage order was handled by the State Wage Board and State representatives of the Agricultural Adjustment Agency. The entire board was called together to hold the initial hearings and to make the recommendations for ceiling rates. They were called together again during the season to conduct a hearing on a violation case in Visalia and to recommend a rate for snapping. Administrative details such as publicizing the ceiling order, notifying county personnel of their duties, handling requests to pay adjusted rates, and investigating rumors of violations were handled by the staff of the

chairman of the Wage Board. Actually, therefore, two different staffs were employed in handling the ceiling. The Wage Board itself was largely a fact-finding and judicial body whereas administrative policies and procedures were handled by the Agricultural Adjustment Agency and the State War Board staffs.

ADJUSTMENTS AND VIOLATIONS

The policy of making no adjustments for weedy fields, distance from labor supply, and other disadvantaging circumstances met with considerable opposition from the growers who were directly affected. In prior years the base wage rates established at grower meetings had permitted them to pay from 10 to 15 cents above the base rate. ^{19/} Consequently, growers who wished to get their crops off as soon as possible, or who could not get pickers at the 2.25 rate, began to offer extra inducements to their pickers or their labor contractors. They promised to pay the workers 15 cents a hundred pounds extra for weighing the cotton they had picked or 10 cents extra for transportation. Others began paying the contractors from 30 to 40 cents a hundred pounds for weighing, and indicated that they would make no inquiry as to how much the contractor might pay his workers.

Consequently, the area cotton committee decided on November 13 that 25 cents a hundred was the maximum that could be paid to a contractor for all his services and that pickers could not obtain extra pay for weighing. The result was not exactly what had been anticipated. Foremen of picking crews began declaring themselves to be contractors so they could collect this extra money. Rumors spread about that they divided it with their pickers, but such reports were difficult to verify.

^{19/} "The growers at their meetings consider the cost of living, the price of the commodity, and their ability to pay. Then they vote upon a basic wage... Where the cotton is not clean, a poor crop, or accommodations are not furnished, higher levels are maintained." F.J. Palomares, Manager, Agricultural Labor Bureau, in Hearings before Select Committee to Investigate Interstate Migration, Part 7, p. 3063.

As indicated in the discussion on "Progress of the Harvest" the no-adjustment policy affected some areas seriously but did not affect others. These areas became centers of requests for adjustments, rumors of violations, and general discontent with the ceiling. They included the Wasco-Shafter area in Kern County, the Visalia-Tulare-Dinuba area in Tulare County, the Kingsburg-Selma area in Fresno County, and scattered parts of Madera County. Growers in those districts accused the west-side operators of using their housing and transportation facilities to take unfair advantages. Housing, they said, had been expanded to include lights, water, fuel, use of cow, hay for the cow, free vegetables, free wine, free trips to town, and whatever else was necessary in order to hold the workers. Growers who picked up workers in town offered them free beer or wine, free lunches, free movie tickets, and similar inducements to keep them climbing into their trucks morning after morning.

Growers who had to wait to get their first picking done actually had some advantage. They were able to get both their first and second pickings off at the same time and usually at close to the \$2.25 rate. Weather conditions were so favorable that the loss in grade was slight, only from \$3.75 to \$5.00 per bale. Those that offered extra inducements to get pickers earlier probably lost money by doing so. They lost their crews when the first picking was over, then had to wait 2 months or more in order to get a second crew in, and these workers generally cost them more than the ceiling rate.

Requests for adjustments became quite numerous when growers were ready to make their second picking and could not obtain workers at the ceiling rate (table 10). They wanted either a higher blanket rate for second picking or individual permission to pay \$2.50 or \$2.75 in order to harvest the remainder of their cotton. Some went in groups to County War Boards, others went singly, but all were turned down. Some growers soon resorted to one of the numerous ways to avoid the ceiling. Some raised the pay to their contractor to 50 to

Table 10.- Requests for adjustments filed with the California U.S.D.A. Wage Board in connection with the cotton wage ceiling, 1943-44 season ^{1/}

County:	Requests on			Request for ^{2/}				Reason for request			Disposition		
	re-quests	pick-ing	pick-ing	Less than \$2.50	No. 2.50	No. 2.75	No. \$3.00	Weedy	Poor	Dis-stand	De-tance	Granted	No.
	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.	No.
Fresno	7	5	2	3	2	1		5	2	0	7	0	0
Kern	15	11	4	6	8			6	2	4	11	4	4
Kings	0	0	0										
Madera	9	3	6	2	7			2	6	1	1	8	8
Merced	0	0	0										
Tulare	60	5	55		31	21	8	4	53	3	45	15	15
Total	91	24	67	11	48	22	8	17	63	8	64	27	27

^{1/} Includes only those requests that came through to the State Wage Board up to February 15, 1944. Many other requests were rejected at the county and community levels.

^{2/} Some requests did not specify amount asked for and were not explicit as to the reason for the request.

75 cents a hundred pounds for weighing instead of the 25 cents established by the area committee. How much of this extra payment the contractor paid over to his workers did not concern them. Another method of bidding for contractors was to give them half the remainder of the crop for picking it. Growers figured that this generally was equivalent to paying \$3.00 a hundred pounds.

Under these circumstances contractors became very valuable and many workers set themselves up as such. Sometimes the head of a family group set himself up as a contractor so that his family could be paid more than \$2.25 per hundred pounds.

The most common means of evasion of the ceiling was through labor contractors, but some growers paid their workers cash "bonuses" equivalent to 25 or 50 cents a hundred pounds.

Growers who were getting their second picking off while first picking was still to be done were accused of violating the ceiling. After the first picking had been completed those who were getting their second crop off ahead of

others were accused of paying more than the ceiling. What actually was going on was very difficult to detect. Growers did not care to talk such matters over with their neighbors who might report them. Workers kept quiet about it because they too could be held liable. Growers who were trying to remain honest still had cotton in their fields and frequently spread rumors about what their neighbors were doing in order to get cotton picked. It was common for them to feel rather bitter toward those neighbors who had less cotton in the field than they had and yet were getting it picked.

The usual procedure in handling a charge of violation was for the County War Board to send a member of its staff out to investigate. Two State War Board investigators were also kept busy. These men called on the grower who had been reported in an effort to determine what was being done and to warn him that the ceiling order would be enforced. Usually the charge turned out to be a rumor and both the grower and his workers indicated that they were not being paid at above the ceiling rate. If the evidence still pointed toward a probable violation, the State office was notified and a warning letter was sent out. These warning letters ordinarily brought a written reply from the grower or a personal visit to the County War Board office. A few warning letters were sent to workers and to labor contractors but most of the pressure was exerted on the growers (table 11).

One reported case of violation was brought to a hearing before the State Wage Board in Visalia on December 13. The defendant was represented by counsel who produced all the checks paid to the workers together with the ginning receipts. These checked out to indicate that \$2.25 had been paid. Both the grower and the workers testified that no extra payment had been made. A second case was heard before a County War Board committee in Fresno County with almost identical results. The cases indicated that if a grower is careful to have all tangible legal evidence based on the \$2.25 rate it is practically

impossible to determine whether any extra payments were made.

After the snapping season started it was easy for growers to permit part of their cotton to be snapped and still pay the \$2.25 rate. Usually the proportion of "snaps" in such cotton did not run over 15 to 20 percent but this still

Table 11.- Charges of violations of the cotton wage ceiling order reported to the State Wage Board, California, 1943

Date	County	Nature of charge	Official action	Grower response
12- 9:	Fresno:	Obtained advances of \$2.75 from gin to pay pickers	Investigation and warning letter	1/
12-16:	:	Paid \$2.25 plus 75 cents bonus	Investigation and warning letter	Denial
12-18:	:	Said he would pay \$2.25 if necessary	County hearing, warning letter	Denial
2- 3:	:	This worker received over \$2.25	Warning letter	2/
2- 3:	:	Paid workers 25% extra for weighing	Warning letter	2/
2- 3:	:	Paid workers \$1.85 for bolting	Warning letter	2/
11-17:	Kern	Paid workers 15 cents extra for weighing	Investigation	Promised to desis
11-17:	:	Paid workers 15 cents extra for weighing	Investigation	Promised to desis
11-17:	:	Paid workers 15 cents extra for weighing	Investigation	Promised to desis
11-17:	:	Paid workers 10 cents extra for transportation	Investigation	Promised to desis
11-17:	:	Paid workers 10 cents extra for transportation	Investigation	Promised to desis
1- 6:	:	Paid workers \$2.25 for snapping	Investigation	Done without growers knowledge
1-28:	:	labor contractor paid above ceiling	Investigation, warning letter	Denial

Continued

Table 11.- Charges of violations of the cotton wage ceiling order reported to the State Wage Board, California, 1943 - Contd.

Date	County	Nature of charge	Official action	Grower response
2- 9	Kings	:Paid \$1.75 for bolling	:Warning letter	: <u>2/</u>
2- 9		:Labor contractor paid \$1.75 for bolling	:Warning letter	: <u>2/</u>
12- 3	Madera	:Paying \$2.40	:Warning letter	:Misunderstanding of ceiling order
12-30	Merced	:Paid \$2.50	:Warning letter	: Denial
12-30		:Labor contractor paid above ceiling	:Warning letter	:Letter not claimed
12-30		:Labor contractor paid above ceiling	:Warning letter	:Letter not claimed
12-30		:Paid above ceiling	:Warning letter	: <u>1/</u>
11-19	Tulare	:Paid \$2.45	:Personal visit and warning	: <u>1/</u>
12- 6		:Paid \$2.50	:Hearing before State Wage Board	:Acquittal
12-6		:Agreed to pay \$2.35	:Personal visit and warning	: <u>1/</u>
1- 7		:Paid \$3.00	:Personal visit and warning	: <u>1/</u>

1/ No information in State files. Handled at county level.

2/ Data taken February 15 and no reply had been received up to that time.

afforded a substantial increase over the \$2.25 rate. Some growers stated that snapped cotton was being paid for on the \$2.25 basis but such a procedure would have been too easy to detect as gins generally label such cotton as snaps.

It seems probable that most of the second picking came off at substantially above-ceiling rates but many growers still approved of the situation

because labor pirating had been eliminated. A grower was afraid to go into a neighbor's field and bid away his workers. On the other hand, the grower who came around and made the proper offer had his cotton picked next. Actually in the more disadvantaged parts of the ceiling area the ceiling put a premium on dishonesty, calculated lying, and underhanded collusion. The honest grower was placed in the dilemma of either having to violate the ceiling or having to take a chance on not getting his cotton harvested. This produced disrespect for the ceiling order, for the Government, and for the anti-inflation program. As a result of the attitude that has been built up growers in some parts of the cotton wage ceiling area may be expected to search for methods of evasion on any wage ceiling order that is promulgated and start using them as soon as it appears to their advantage to do so.

RELATIONSHIP OF WAGE CEILING RATES TO THE GROWER'S ABILITY TO PAY

Reports in regard to grower earnings in the cotton industry are somewhat conflicting. At one time a person is told, "Cotton is the one crop that pays year in and year out. There are no crop failures. The price always allows the grower to come out but will never make him rich. It's not like potatoes or grapes where the grower probably doesn't make anything for 3 or 4 years, then has a good year and makes up for the others." The next informant is quite as emphatic, "Cotton is the one crop that hasn't had a good year since 1930. Lots of growers just raise it to get the financing. And when it appeared that we might have a chance in these last 2 years, labor has been so high that it has taken all our profit."

The truth seems to lie between the two statements. The returns are modest but relatively certain as compared with other crops in the State. There also appears to be a close relationship between growers' returns and the amount paid for labor. Wage rates have been highly elastic and it appears that in off

years the grower has been able to shift a considerable proportion of his risk to the laborer (table 12). The average percentage of the selling price paid for picking during the last 20 years has been 19.1 percent. In 1931 when the price dropped to 6 cents the percentage was 19.0 and by the next year, with 7.2-cent cotton, it was 14.9. A similar price slump occurred in 1937, 1938, and 1939, with an accompanying reduction in wage rates. The wage reduction appears to lag behind the slump in prices by almost one season but increases also occur more slowly than increases in the price of cotton.

The 1943 rate for picking amounted to 23.0 percent of the amount received by growers for lint and seed. This was a higher proportion than had been paid in any year since 1937 when it was 24.0 percent. In 1926 the proportion was even higher--25.6 percent.

Cotton farmers were inclined to point out that they had been victims of governmental discrimination during the 1943 season. As they saw it, the 1943 governmental loan value of their cotton was low whereas their wage ceiling had been comparatively high. A comparison with the other crops that had wage ceilings indicates that their situation was hardly as bad as they claimed.

In 1943 returns to the cotton growers per pound of cottonseed and lint were just twice the average received during the period 1935-39, whereas returns to asparagus and tomato growers were somewhat less than twice what they had received during this base period (table 13). The raisin-grape grower obtained a price increase that was out of line with that in the three other commodities. The 1943 price was 2.8 times as high as the price had been during the base period.

Wage rates in every case rose relatively more than the price of the commodity. Greatest relative change occurred in harvesting rates for asparagus. Cutting rates for asparagus rose to 3.4 times the rate for the base period, whereas the price of asparagus increased only 1.9 times. Rates for

Table 12.- Comparison of picking rate and price of cotton,
California, 1924-43

Year	Rate for picking		Returns to grower per		Proportion picking cost is of return to growers 1/	Index numbers of 2/	
	100 lbs.	Pound of lint	Ton of seed	Dols.		Picking rate	Price to grower
	Dols.	Cents	Dols.	Percent			
1924	3/ 1.55	4/ 24.0	5/ 40.00	15.2	174	238	
1925	1.65	18.8	40.00	20.6	185	186	
1926	1.55	14.6	20.00	25.6	174	144	
1927	1.47	19.3	37.50	17.6	165	191	
1928	1.46	18.8	31.50	18.3	164	186	
1929	1.45	16.4	27.00	20.9	162	162	
1930	.89	9.9	21.00	20.5	100	98	
1931	.50	6.0	12.60	19.0	56	59	
1932	.45	7.2	10.86	14.9	50	71	
1933	.65	11.1	12.60	14.4	73	109	
1934	.90	12.4	30.84	16.1	101	122	
1935	.90	11.6	32.10	16.9	101	114	
1936	1.00	12.7	35.22	17.2	112	125	
1937	.95	8.9	20.86	24.0	106	88	
1938	.75	8.8	22.65	18.8	84	87	
1939	.85	9.6	27.36	19.2	95	95	
1940	.95	10.4	22.80	20.7	106	102	
1941	1.30	17.2	50.62	16.3	146	170	
1942	1.90	19.2	45.00	22.2	213	190	
1943	6/ 2.10	6/ 20.5	56.00	23.0	233	202	

1/ Includes returns from both lint and seed, figured on proportion of 35 pounds of lint to 65 pounds of seed.

2/ Based on period 1935-39 as 100.

3/ Data from Bureau of Agricultural Economics, Farm Wage Rates, Farm Employment and Related Data, Jan. 1943.

4/ Data from 1943 Outlook Tables: Cotton. College of Agr., Univ. of Calif.

5/ Data from Agricultural Statistics, U. S. Dept. Agr.

6/ Figures from Bureau of Agricultural Economics.

Table 13.- Comparison of picking rates with prices received by growers of asparagus, raisin grapes, tomatoes, and cotton, California, 1930-43 1/

Year	Proportion of price received by growers which was spent for picking				Index numbers of rates for picking and prices received by growers for their product 2/			
	Asparagus: Pct.	Raisins: Pct.	Tomatoes: Pct.	Cotton: Pct.	Asparagus: Picking: rate	Raisins: Picking: rate	Tomatoes: Picking: rate	Cotton: Picking: rate
1930	17.5	15.2	18.5	20.5	109	156	106	119
1931	18.4	10.5	19.5	19.0	104	109	107	101
1932	23.0	13.8	20.0	14.9	71	94	70	86
1933	29.1	11.0	20.0	14.4	65	109	162	94
1934	21.8	8.4	20.7	16.1	88	94	114	91
1935	20.8	9.6	20.9	16.9	99	94	100	90
1936	21.0	9.0	19.2	17.2	380	109	125	107
1937	19.0	10.0	21.3	24.0	115	109	113	111
1938	25.0	12.8	24.4	18.8	88	94	75	97
1939	26.4	11.2	25.8	19.2	93	94	86	99
1940	24.3	9.3	27.8	20.7	112	94	104	99
1941	20.0	8.3	28.6	16.3	137	125	154	110
1942	27.2	13.8	25.9	22.2	151	269	204	146
1943	39.2	11.6	25.6	23.0	192	312	277	197
Average	23.7	10.9	22.7	18.8				

1/ Operations covered: Asparagus--cutting and sledding; raisin grapes--picking and putting on trays; tomatoes--picking for cannery; cotton--picking. Data as to picking rates obtained from growers and processors. Data on prices from Agricultural Yearbook and Agricultural Statistics, U. S. Dept. Agr.

2/ Base period: 1935-39 = 100

picking increased 247 percent, whereas the price of cotton increased 202 percent.

Cotton farmers paid out 23.0 percent of the total value of their product for picking in 1943, but tomato growers paid out 25.6 percent and asparagus growers 39.2 percent. Raisin growers paid out only 11.6 percent of the value of their crops for picking plus another 2.8 percent for turning and rolling.

R. L. Adams, of the University of California staff, has compiled preliminary estimates as to 1943 costs of production for various crops. 20/ These data indicate that grower profits were more nearly a matter of yield per acre than of the picking price per pound (table 14). According to his estimates, growers who produced in 1943 the San Joaquin Valley average yield of 570 pounds to the acre would clear \$48.70 per acre which was twice as much as that made by marginal growers with a 400-pound yield.

Although cotton growers were not so close to "losing their shirts" as they claimed, their 1943 returns were relatively modest as compared with those of the raisin and tomato growers. Using Adams' estimates again, the average Thompson raisin-grape grower cleared \$136.22 per acre in 1943 and the average tomato grower in the major producing counties \$81.16. Returns in tomato production, however, were more variable than returns for either raisins or cotton and some growers failed to make a profit on them at all. 21/

COMMENTS AND CRITICISMS IN REGARD TO THE OPERATION OF THE CEILING

Opinions in regard to the operation of the ceiling were a mixture of the critical and the complimentary. No person was found who gave all aspects of the program his whole-hearted support. Only one person interviewed went so far

20/ Adams, R. L. Supplement to Farm Management Crop Manual. Univ. of Calif. Press, 1943.

21/ Metzler, William H. Analysis of Operation of the Wage Ceiling Order for Harvesting Cannery Tomatoes, California, 1943. Bur. Agr. Econ.

Table 14.- Estimated 1943 cost of producing cotton
for low, average, and high yields ^{1/}

Item	Low yield	Average yield	High yield
	400 lbs.	570 lbs. ^{2/}	750 lbs.
	Dols.	Dols.	Dols.
Labor and use of equipment	52.43	67.38	82.34
Materials	8.75	8.75	8.75
Miscellaneous	15.79	19.64	23.49
Total cost per acre	76.97	95.77	114.58
Return per bale of lint at 20.5 cents per lb.	102.50	102.50	102.50
Return per bale of lint for seed at \$56.00 per ton	23.80	23.80	23.80
Total return per 500 lb. bale	126.30	126.30	126.30
Total cost per 500 lb. bale	96.21	83.80	76.39
Profit per bale	30.09	42.50	49.91
Return for lint per acre	82.00	117.14	153.75
Return for seed per acre	19.04	27.20	35.70
Total return per acre	101.04	144.34	189.45
Profit per acre	24.07	48.57	74.87

^{1/} Basic cost data from Adams, R. L., Supplement to Farm Management Crop Manual, Univ. of Calif. Press, 1943.

^{2/} Computed on average yield for San Joaquin Valley as reported by California Crop Reporting Service in California Cotton Report for the Crop of 1943. May 19, 1944.

as to say that the entire program was a mistake. He had opposed it from the start, claimed that it did not permit the traditional increase in wage rates with changes in the season, and therefore was responsible for the 40,000 bales of cotton that still remained in the fields (January 26). The common opinion was that the wage ceiling had been most valuable in preventing runaway wage rates and in keeping workers on the job. The usual comments by growers were, "We'd have been paying \$3.50 and \$4 a hundred if it hadn't been for the wage ceiling," and "It stopped the labor pirating and workers running around to get higher wages."

The two common criticisms of the ceiling were: "The rate should have been \$2 as the growers requested," and "There should have been an increase in the rate between first and second picking. There always is." These points of view were almost universal among growers and ginnermen. A few growers, however, stated that \$2.25 was right for first picking, but that the rate for second picking should have been from 25 to 50 cents higher. A few more stated that \$2.25 was too low as a beginning rate and that \$2.50 would probably have been the right figure.

Opinions varied to a remarkable extent with the person's position in the cotton industry or his official relationship to the ceiling program. Workers did not object to ceilings in general and stated that they were necessary to keep down inflation. They agreed that \$2.25 was "just about right" for the first picking but were indignant that they were expected to pick in January for the same rate that they had obtained in October. "The Government says it wants the cotton, but the OPA says the pay can't be any more than \$2.25 a hundred, so let the OPA come out and pick it" was the sentiment commonly expressed. "A person just can't make wages in cotton and there isn't much use to go out and break your back for nothing," was the comment made by housewives who had decided to stay at home and look after their families rather than engage in the second picking.

Small growers on the east side of the Valley soundly condemned the cotton area committee for its policies and pointed out that its members were frequently not growers alone but that they also had interests in cotton gins, finance companies, or buying organizations. "They don't represent us, and neither do those county committees. They represent the large growers that have been trying to take advantage of us for years. And now they got us just where they want us. We can't do a thing."

"There aren't more than about 30 of those big west side growers. They were the first ones to violate the ceiling and they're just running it to suit themselves. They've always tried to do us this way, and now they got us so we just can't help ourselves."

They were also critical of the personnel of the county committee. "I wouldn't take an appeal to the members of that committee if it was the last thing I'd ever do. Those same people have been on every committee in this county ever since I can remember. We all know that they just get on them to see what they can get out of them. It must pay a lot better than farming."

On the west side of the Valley the comment was: "These workers are making so much money that they don't care whether they work or not. I heard of a fellow that snapped 1,800 pounds in one day. Think of that at \$1.50 a hundred." They blamed the resulting demoralization of the pickers on the ignorance of Washington officials who thought they could raise the levels of living of the workers. They complained because the workers did not have to pay a withholding tax, took days off without giving notice, and sometimes let their wives and children loaf around the house when there was cotton to be picked. West side growers, however, felt much more secure than in previous years when the small grower with a little cotton, some grapes and alfalfa could pay \$2.75 or \$3 to get his cotton picked with no regard whatsoever for what that might do to wage rates in the cotton industry.

Ginners were almost unanimous in condemning the \$2.25 rate. In fact, their attitude became more critical as the season progressed and it became apparent that the \$2.25 rate was not bringing in the cotton. "If the beginning rate had been \$2 then the workers would now be satisfied with \$2.25. This bungling is causing the loss of millions of dollars to the growers."

Employees of the Farm Labor offices of the Agricultural Extension Service had the job of filling grower requests for pickers. This was not difficult during the early part of the season but was impossible during the latter part. Most of them felt some responsibility for filling grower requests and also for getting all the crops harvested in their territory. A majority believed that a higher rate for the second picking would have brought out a larger working force. Some indicated that the ceiling order would mean a loss of cotton unless a more liberal policy of granting adjustments was adopted.

The work of other public officials was not so directly affected by the wage ceiling order. They were inclined, however, to believe that a change in rate was desirable either between the first and second picking or when the picking day became shorter. According to their observations the rate should have been changed sometime during the period from December 1 to 10 during the 1943 season. Those who had also observed the operation of the raisin-grape ceiling stated that a more flexible program permitting growers to pay adjusted rates as had been done in the raisin-grape order would probably have reduced the friction and the number of violations that occurred in the cotton wage ceiling.

Considerable criticism of the wage ceiling was raised in December when it was observed that a number of farmers were plowing under their remaining cotton. This was sometimes done by growers who were indignant because their request to pay over \$2.25 was turned down by the County Adjustment Committee. The most usual circumstance was that the grower had less than one-fourth of a bale still to be picked and wanted to put the land into some other crop. Less loss would

result by plowing the cotton under than if he were late in planting his next crop. Nevertheless, a transitory wave of criticism from outside sources resulted. This died down when the facts of the situation were made known.

SUGGESTIONS FOR FUTURE COTTON WAGE CEILINGS

As growers indicate, the primary need in cotton wage ceilings is for greater flexibility. First of these is difference in rate as the season progresses. This change can't be made to depend entirely on first and second pickings as these vary so much in yield and with date of completion. The change will need to be universal over the area on some date, depending on:

(1) The progress of the picking; (2) the state of the weather; (3) the labor supply, and other factors. The date should not be set at the beginning of the season but at that time during the harvest when it appears that an advance in rates is necessary in order to keep the workers in the field.

The second major need for flexibility is as between growers. A flat ceiling rate gives an advantage in the labor market to the grower with a long season, housing on his farm, a heavy yield, a clean, well-cultivated field, and also to those living not too far from centers of labor supply. To begin making changes in rates for such situations is, as growers indicate, "a headache"; however, the headaches should be suffered by those responsible for administration rather than by growers who are prevented by the ceiling from getting labor. Such flexibilities were permitted under base wage rates established at grower meetings held under the auspices of the San Joaquin Valley Labor Bureau. Then a special attempt was being made to obtain universal grower support for the recommended wage scale. Grower support is still needed, however, even though compliance with the rate is mandatory rather than voluntary.

Flexibility can be partially obtained by differentiated wage scales but will also require a more elastic administrative policy. Enough wage

differentials should be written into the original order that local authorities may not be able to avoid its intent. Likewise, the circumstances under which local officials are to prevent payment of above-ceiling rates should be set forth so definitely that growers can depend on them.

Greater discrimination should be used in selecting county and area wage stabilization committees. These committees should represent marginal growers as well as the most prosperous, and small growers as well as large. Wherever a clash of interests exists between growers in a county, either both sides or neither should be represented. Growers with strong biases should be passed over in favor of those with a more judicial attitude. Biases against labor, against governmental regimentation, or against the comparatively inept grower all tend directly to affect decisions of grower committees. The purpose of the committee is not to penalize the small, less capable grower for incompetence nor is it to try to bring about other types of reform.

A second weak point in the 1943 cotton wage ceiling program was the lack of proper worker representation. The growers had many representatives on advisory and administrative committees, and many of the officials in charge of administration of the program were growers as well as public employees. No workers attended the wage hearings; only two attended county committee meetings and they were inarticulate. Probably grower representation should be decreased and worker representation increased, or possibly both should be excluded altogether and the program administered by public officials entirely.

Many changes will be needed if worker representation is to be secured. Possibly special hearings to obtain viewpoints of the workers should be held. These hearings should be held in halls or in packing sheds where the workers will feel at home. Workers selected for committee responsibilities should have had some experience in committee participation so that they will know how and when to present their ideas. Probably several workers are needed on such

committees so that they will not be so overwhelmed by the situation that they are unable to function. When a worker representative fails to attend committee meetings another should be secured immediately to take his place. When county officials say "We have a worker on the committee but he hasn't shown up since the first meeting," it may indicate that worker representation is not appreciated.

Growers should be brought to understand that worker representation has no connection with unionization but stems instead from a time-honored principle of democracy that persons whose interests are at stake should have a voice in determining any policies that are adopted rather than to have them imposed from the outside.

Worker participation would bring a viewpoint into the administration of the ceiling that would assist in remedying some of the inequities which existed in the 1943 program. That earnings dropped to \$4 and \$4.50 a day during the winter months seemed to be of little concern to the grower committeemen or to administrative officials. That earnings in one part of the Valley averaged \$1 an hour while they were only 54 cents in another part, or that earnings on one farm were very much lower than on another seemed to be of little consequence to such authorities, but they would be of primary concern to representatives of the workers.

The part to be played by organized growers or other groups in setting ceiling rates and in establishing administrative policies needs more careful consideration. Ceiling rates should not be determined on the basis of the relative strength of group pressures. Unbiased calculation based on price levels, wage rates, costs of production, and similar related data will provide a sounder foundation for an equitable ceiling level than if the determination were left to the push and pull tactics of organized economic groups. The same principle applies to policies of administration. On the other hand,

such groups can be of great value in the wage stabilization program if they will assist in the collection of unbiased information in regard to wage rates, performance rates, and other factors which enter into the determination of accurate wage ceilings.

The position of labor contractors in regard to the wage ceiling needs to be clarified. They were a blessing in 1943 because they furnished a flexibility that was greatly needed. In general, however, they were a source of inequity and evasion. The ceiling prohibited bidding for workers but left bidding for labor contractors wide open. Consequently they had a most prosperous season. Apparently it would be desirable either to require that total payments to contractors be under the ceiling wage level or that each of the functions performed by a contractor be given a specific ceiling rate. The first measure would tend to eliminate contractors and force growers to do their own recruiting, weighing, and supervising. The second would specify that the rate for recruitment and transportation of workers, for example, could be only 10 cents a hundred pounds, weighing 10 cents more, and supervision 5 cents. The latter type of provision might tend to breed still more contractors but would also permit a worker to be paid 10 cents extra for doing his own weighing, and 10 cents for recruitment and transportation of workers.

It seems that the wage-stabilization and labor-recruitment programs of the Government might well be brought into closer coordination. In November, Mexican Nationals were withdrawn from cotton picking at the height of the season. Shortly afterward several hundred Mexicans were sent home from Tulare County because there was a surplus of orange pickers. At the same time cotton growers in the same county were wringing their hands because they could not get their cotton picked. Of course many of the cotton men did not have housing on their farms, but those growers who did have it did not have full camps and were using it for local workers rather than for Nationals. A little more coordination all

the way around would have eased the situation; rather a suspicion was created that large growers were deliberately trying to put the smaller ones out of business. It seems that importees might well be used to advantage in any ceiling order when labor shortages begin to make it work harshly on some growers.

Finally, more attention needs to be given to enforcement. This problem has two major aspects: (1) Should punishment for violations of the order be made more certain and severe? (2) If so, how? So long as the ceiling rate itself is so inflexible as to create inequities, some means of evasion may be needed so that marginal growers will have an opportunity to harvest their crops and support their families rather than spend the season in jail. If a scale of ceiling rates is developed that will be fair to all growers then severe penalties for violations might be in order. Probably the easiest way to bring about more certain enforcement would be to exempt workers from its penalties. At the present time they help their employers to cover up violations; if they were not afraid of the law, they would be more inclined to testify as to what actually happened. This prospect would also cause growers to hesitate longer before they would make offers of payment at above-ceiling levels.

APPENDIX

UNITED STATES DEPARTMENT OF AGRICULTURE
California USDA War Board
P. O. Box 247
Berkeley 1, California
October 8, 1943

WL 501
LBR 70

War Letter No. 501

LABOR ----- No. 70

Re: Cotton Wage Ceiling

We have been informed by wire that the War Food Administration has issued a wage order today affecting the picking of cotton in the following counties:

Fresno	Madera
Kern	Merced
Kings	Tulare

Under the terms of the order, no grower may pay, and no picker may receive, wages in excess of \$2.25 per hundredweight of seed cotton. It is hoped that picking rates can be held below \$2.25 per hundredweight during the early part of the season since the announced ceiling will be in effect for the entire season except for cleanup or scrap picking. This matter should be clearly kept in mind as the ceiling rate cannot be revised upward except in individual cases of hardship.

Any grower or laborer who feels that undue hardship is imposed upon him by this order may appeal for an adjustment by filing application with his county USDA War Board. The State Wage Board will act promptly upon receiving these applications, together with a recommendation from the county USDA War Board.

Procedure for handling appeals and violations is the same as for previous wage orders, and is set forth in detail in War Letter No. 467 (Labor No. 67), issued August 24, 1943.

Each county affected by the order should proceed immediately to set up a Cotton Wage Stabilization Subcommittee as outlined in the above-mentioned letter. It is also requested that each county name two growers of the county subcommittee to sit on a district grower's committee, which may be called upon to meet from time to time to consider matters affecting the operation of the order in the whole cotton-growing area of the State.

It is emphasized that \$2.25 per hundredweight is the maximum that may be paid under the order, but is not necessarily the prevailing rate that should be paid. Testimony of growers at the hearings preceding the issuance of the order indicated that it was the general feeling that a \$2.00 rate would be acceptable to both growers and workers and would be sufficient to insure an adequate supply of labor, at least for the major part of the season. The purpose of the order is not to encourage growers

to pay more than might otherwise be paid, but rather to prevent wages from rising to inflationary levels. It is hoped that rates can be held below \$2.25 for the major part of the season, since this ceiling is for the entire season except for cleanup or scrap picking. Individual adjustments can be made where necessary but there will be no upward revision of the ceiling.

Experience with tomatoes and raisin grapes indicates that a wage order may be administered with a minimum of expense, misunderstanding and violation, provided adequate steps are taken to inform both growers and workers of the provisions and reasons for the order. It is not expected that cotton will offer any new problems.

In connection with requests for upward adjustments, it should be observed that cotton is a less perishable commodity than those covered by previous orders, and that the custom in the past has been to leave some of the less favorable fields until after the better fields have been picked, rather than to increase rates. This should be taken into account in considering individual adjustments.

Under separate cover we are sending each county a supply of notices printed in both Spanish and English, which should be posted in public places and circulated among growers and workers.

This office will be in a position to give immediate attention to requests for individual adjustments or other problems pertaining to the administration of the order.

Dave Davidson, Chairman
California USDA War Board

TITLE 29 - LABOR
CHAPTER IX - WAR FOOD ADMINISTRATION,
(Agricultural Labor)

Part 1105 - Salaries and Wages in Picking of American
Upland Cotton.

Workers in Certain California Counties

Public notice with respect to increases in wages of American upland cotton pickers in Kern, Kings, Tulare, Fresno, Madera and Merced Counties, State of California.

Pursuant to the authority contained in the Act of October 2, 1942, entitled "An Act to amend the Emergency Price Control Act of 1942, to aid in preventing inflation, and for other purposes" (Pub. Law 729, 77th Cong.), as amended by the Public Debt Act of 1943, entitled "An Act to increase the debt limit of the United States, and for other purposes" (Pub. Law 34, 78th Cong. 1st Sess.); Executive Order 9250 of October 3, 1942 (7 F.R. 7871); Executive Order 9328 of April 8, 1943 (8 F.R. 4681); the regulations of the Economic Stabilization Director dated August 28, 1943 (8 F.R. 11960); and based upon relevant facts submitted to me by the Wage Board for California of the United States Department of Agriculture and by other sources, it is hereby determined that:

- Sec. 1105.1 Area, crop and classes of workers.
- 1105.2 Wage rates.
- 1105.3 Applications for adjustments.
- 1105.4 Delegation of authority.
- 1105.5 Procedure.
- 1105.6 Effect of unlawful payments.
- 1105.7 Further delegations of authority by the Administrator.

AUTHORITY: Sec. 1105.1 to 1105.7, inclusive, issued under 56 Stat. 765; 50 U.S.C. App. 961 et seq., Pub. Law 34, 78th Cong.; E.O. 9250, 9328, 7 F.R. 7871, 8 F. R. 4681; Regulations of the Director of Economic Stabilization, Sec. 4001.1 to 4001.21, inclusive, 8 F. R. 11960.

Sec. 1105.1 Area, crop, and classes of workers. Persons engaged in the picking of American upland cotton in Kern, Kings, Tulare, Fresno, Madera and Merced Counties, State of California, are agricultural labor as defined in Sec. 4001.1 (1) of the regulations of the Economic Stabilization Director, issued on August 28, 1943 (8 F.R. 11960).

Sec. 1105.2 Wage rates. No increases in the wages paid pickers of American upland cotton in the counties mentioned in section 1 hereof shall be made above the rate of \$2.25 per hundred pounds of seed cotton without the approval of the War Food Administrator under the procedure provided for herein.

Sec. 1105.3 Applications for adjustments. Any appeals for relief from hardships resulting from this determination and any applications for adjustment in such wages shall be filed by the employer or employee with the Wage Board for California of the United States Department of Agriculture, 2288 Fulton Street, Berkeley, California, which Board, after conducting such investigation as may be required and reviewing such applications or appeals, shall have the authority to make such determinations as are consistent with the

intent of this order. Each such ruling shall be final, subject only to the War Food Administrator's right of review on his own initiative. Any reversal or modification of such ruling by the War Food Administrator shall take effect from the date of its issuance; PROVIDED, HOWEVER, that if a ruling denying an application for permission to make a wage increase is overruled, the final ruling by the War Food Administrator shall incorporate the effective date of the adjustment.

Sec. 1105.4 Delegation of authority. (a) The Wage Board for California of the United States Department of Agriculture, hereinafter called the Board, is hereby authorized to act on behalf of the War Food Administrator, hereinafter called the Administrator, to conduct hearings, in accordance with the procedure set forth in Sec. 1105.5 for the purpose of making findings of fact and recommendations with respect to alleged violations of Sec. 1105.1 to 1105.3, both inclusive.

(b) Three members of the Board shall constitute a quorum for the purpose of conducting such hearings and the chairman of the Board shall act as presiding officer at the hearings, administer oaths and affirmations, and rule on motions, requests, and on the admission and exclusion of evidence.

Sec. 1105.5 Procedure. (a) Preliminary investigation. Preliminary investigations of alleged unlawful wage or salary payments shall be made by representatives of the Administrator. Each such report of investigation shall be submitted to the Regional Attorney, United States Department of Agriculture, for consideration. He shall forward the report, with his recommendations, to the Board. If, after consideration of the report and the recommendations, the Board is of the opinion that there is reasonable cause to believe that a violation has occurred, the Board shall request the alleged violator to appear at a hearing before the Board.

(b) Notice. Notice of the hearing shall be served on the alleged violator not less than ten (10) days prior to the date of the hearing. Such notice shall set forth (1) the time and place of the hearing (2) a concise statement of the allegations of fact which constitute a basis for the proceeding, (3) a statement informing the alleged violator that he may be represented by counsel at the hearing and will be given full opportunity to present written or oral testimony and to examine and cross-examine witnesses on all matters relating to the charge, and (4) a statement informing the alleged violator that failure to appear will not preclude the Board from taking testimony, receiving proof and making findings and recommendations with respect to the charges.

(c) Conduct of the hearing. The rules of evidence prevailing in courts of law and equity shall not be controlling. The test of admissibility shall be the reliability, relevancy, and probative force of the evidence offered.

All testimony shall be given under oath and a written transcript of the hearings shall be made.

The presiding officer shall afford reasonable opportunity for cross-examination of the witnesses. At the close of the hearing the presiding officer may, at his discretion, allow a short period for the presentation of oral argument or for a summary of the facts disclosed at the hearing and, if he deems it advisable, may allow briefs to be filed within a period prescribed by him, not to exceed five (5) days.

(d) Findings and recommendations. Upon conclusion of the hearing, if a majority of the board is satisfied that the charge has been sustained by a

preponderance of the evidence, it shall find accordingly. Findings of fact and recommendations shall be prepared, subscribed by the concurring members of the Board and submitted to the Administrator, together with a transcript of the proceedings. A copy of the findings of fact and recommendations shall be served on the alleged violator. After consideration of the findings and recommendations, the Administrator shall determine whether the alleged violator has made salary or wage payments in contravention of Sec. 1105.1 to 1105.3, both inclusive. A copy of such determination shall be served by registered mail on the alleged violator.

(e) Petition for reconsideration. Within five (5) days after receipt of a copy of the Administrator's determination the alleged violator may file with the War Food Administrator, Washington, D. C., a petition for reconsideration of such determination. Such petition may be accompanied by any affidavits or briefs which the alleged violator desires to submit. Within a reasonable time after receiving such a request for reconsideration, the Administrator shall affirm, modify or reverse his original determination, or direct a further hearing to be held. Such further hearing shall follow the procedure prescribed for the original hearing. The determination of the Administrator shall be final and shall not be subject to review by the Tax Court of the United States or by any court in any civil proceedings.

(f) Transmittal of determination to other Government agencies. If a petition for reconsideration is not filed within the period stated above, or if a petition for reconsideration is filed and the Administrator affirms his original determination, he shall forward his determination to the violator, to the Commissioner of Internal Revenue, and in appropriate cases, to the Attorney General for consideration of criminal prosecution.

Sec. 1105.6 Effect of - unlawful payments. (a) Amounts disregarded. In any case where the Administrator determines that a salary or wage payment has been increased in contravention of Sec. 1105.1 to 1105.3, both inclusive, the amount of the salary or wage paid or accrued at the increased rate, shall be disregarded by all executive departments and all other agencies of the Government for the purpose of:

(1) Determining costs of expenses of the employer for the purpose of any law or regulation, either heretofore or hereafter enacted or promulgated, including the Emergency Price Control Act of 1942, or any maximum price regulations thereof;

(2) Calculating deductions under the revenue laws of the United States;
or

(3) Determining costs or expenses under any contract made by or on behalf of the United States.

(b) Criminal penalties. Any person, whether an employer or an employee, who wilfully violates any provision of Sec. 1105. 1 to 1105.3, both inclusive, shall, upon conviction thereof, be subject to a fine of not more than \$1,000, or to imprisonment for not more than one year, or to both such fine and imprisonment.

Section 1105.7 Further delegations of authority by the Administrator.

Any or all functions, powers, or duties reserved to the Administrator by these regulations may be delegated by the Administrator to such other person or persons as he may designate.

Marvin Jones

War Food Administrator

October 8, 1943

[The remainder of the page contains extremely faint and illegible text, likely a typed letter or memorandum.]

TITLE 29 - LABOR
CHAPTER IX - WAR FOOD ADMINISTRATION
(Agricultural Labor)

Part 1105 - Salaries and Wages in Picking and Snapping of
American Upland Cotton.

Workers in Certain California Counties

Part 1105 (8 F.R 13884) is hereby amended as set forth below:

The title of Part 1105 is revised and amended to read as follows: "Part 1105 - Salaries and Wages in Picking and Snapping of American Upland Cotton."

Section 1105.1 is revised and amended to read as follows:

Section 1105.1 Area, crop and classes of workers. Persons engaged in picking and snapping of American upland cotton in Kern, Kings, Tulare, Fresno, Madera and Merced Counties, State of California, are agricultural labor as defined in Section 4001.1 (1) of the regulations of the Office of Economic Stabilization issued on August 28, 1943 (8 F.R 11960, 12139) as amended on December 9, 1943 (8 F.R. 17602).

Section 1105.2 is revised and amended to read as follows:

Section 1105.2 Wage rates. Notwithstanding the provisions of any contract or other commitment, no increases in wages or payments of wages to the agricultural labor described in Section 1105.1 hereof shall be made in excess of the maximum rate set forth below without the approval of the War Food Administrator under the procedure provided for herein: Provided, that, if any employer was paying a particular employee doing the same type of work at a higher wage rate between January 1, 1942, and September 15, 1942, such employer may pay such employee at the wage rate paid during that period.

(a) Maximum wage rates for picking American upland cotton.

\$2.25 per hundred pounds seed cotton.

(b) Maximum wage rates for snapping American upland cotton.

\$1.50 per hundred pounds of seed cotton snapped.

The last sentence of paragraph (e) of Section 1105.5 is amended and revised to read as follows:

The determination of the Administrator shall be final and shall not be subject to review by the Tax Court of the United States or by any court in any civil proceedings: Provided, however, that nothing herein is intended to deny the right of any employer or employee to contest in the Tax Court of the United States or in any court of competent jurisdiction the validity of:

(1) Any provision in this regulation on the ground that such provision is not authorized by law, or

(2) Any action taken or determination made under this regulation, on the ground that such action or determination is not authorized, or has not been taken or made in a manner required, by law.

(56 Stat. 765; 50 U.S.C. App. 961 et seq.; Pub. Law 34, 78th Cong.; E.O. 9250, 7 F.R. 7871; E.O. 9328, 8 F.R. 4681; regulations of the Director of Economic Stabilization, 8 F.R. 11960, 12139, 16702).

Issued this 22nd day of December 1943.

Wilson Cowen

Assistant War Food Administrator