

SUPPLEMENTARY MINORITY REPORT OF THE
TEXTILE INDUSTRY COMMITTEE SIGNED BY E. L. FOSHEE

MINORITY REPORT
To the Administrator
Wage and Hour Division
Under the Fair Labor Standards Act of 1938

In addition to concurring in the Minority Report as submitted to the Administrator, I respectfully submit an additional point, to wit:

It is my judgment that the majority erred in refusing to grant a $2\frac{1}{2}$ cent differential to and in favor of the Southwestern Cotton Mills. The Act is plain on this point (Sec. 8 (c)). And the Southwestern brief (to which the Administrator's attention is respectfully directed -- specifically to the section devoted to the study, including tables and charts, on freight costs) presents undisputed higher rates to 15 major points, such points chosen because they are the actual major markets of the southwest; and further in a letter dated January 21, 1939 (see record) they submitted actual freight charges paid on incoming and outgoing freight acknowledged in Sub-committee "D", in committee discussions not of record, to be excessive. To say, as does Mr. Daugherty in his study of transportation, that "per mile" there is no "discrimination", is failing to meet the issue. The issue is, Does the southwest have to pay more money for freight? The answer, according to the testimony is, It does. And to say with a wave of the hand that it is not of sufficient importance to have any effect, is to deny the record on the point.

On the question of cost of living the majority likewise erred. The Southwest brief on this point (which see) presented figures compiled by a survey on the ground showing a much lower cost than any other figures presented from any other region. Furthermore, carefully examined, the Bureau of Labor Statistics figures on cost of living themselves give the southwest an advantage. And in interpreting same Mr. Hinrichs acknowledged a 5% or 6% advantage. And 5% of a $32\frac{1}{2}$ ¢ wage rate is $1.62\frac{1}{2}$ ¢.

Add to the $1.62\frac{1}{2}$ ¢ an approximate 2¢ an hour allowed in the lowest figures of calculations made in Sub-committee "D", verifiable but again not of record, on the point of freight charges -- discussed above -- and we get a differential, demonstrable and demonstrated of $3.62\frac{1}{2}$ ¢ per hour. This is the minimum and in no sense was accepted as correct by the southwestern men in their testimony, except as proving positively the minimum.

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I conclude, therefore, that the committee majority erred when they defeated my motion and by so doing refused to set up a $2\frac{1}{2}\%$ differential in favor of the southwest.

In view of the above, and of the further relevant testimony in the record, particularly as to the critical condition of the majority of cotton mills in the southwest, I pray the Administrator to find with me on the point of differential and that he decline the recommendation of the majority of Textile Committee No. 1, and that he refer the matter back to the said committee or to another committee for correct determination according to the Fair Labor Standards Act of 1938.

(Signed) E. L. Foshee

E. Leon Foshee,
Member, Textile Committee No. 1

Washington, D. C.,
May 22, 1939

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