

U. S. DEPARTMENT OF LABOR
WAGE AND HOUR DIVISION
Washington

NORTH CAROLINA FIRST STATE TO SIGN WAGE-HOUR COOPERATION AGREEMENT

North Carolina today became the first state to ratify a plan of cooperation and assistance in the enforcement of the Fair Labor Standards Act of 1938 when Governor Clyde R. Hoey and Forrest H. Shuford, Commissioner of Labor, and Harry McMullan, Attorney General, signed an agreement at Raleigh, North Carolina, designating the North Carolina Department of Labor as the representative of the Wage and Hour Division and the Children's Bureau of the U. S. Department of Labor in the enforcement of the Federal Wage and Hour Law in North Carolina.

The agreement, effective November 1, 1939, follows enabling legislation passed at the last session of the North Carolina State Legislature and is in line with the regulations issued September 21, 1939 by the Wage and Hour Division and the Children's Bureau, with the approval of Secretary of Labor Frances Perkins, for the utilization of state agencies for investigations and inspections under the Wage and Hour Law.

Seven other states have passed similar enabling legislation permitting their state labor departments to act as the representative of the federal agencies charged with enforcement of the Wage and Hour Law, and other state agreements are in process of negotiation at the present time. Special enabling legislation is not necessary in some states which already have the general powers to take such action.

Operation of the North Carolina plan of cooperation will be followed closely by officials of the Wage and Hour Division and of the Children's Bureau who are desirous of making as wide use as possible of the powers conferred upon them by Section 11(b) of the Fair Labor Standards Act to utilize the services of state and local agencies and their employees charged with the administration of state labor laws.

"We are particularly fortunate in working out the first of these state agreements with the State of North Carolina," declared Major Arthur L. Fletcher, Assistant Administrator in charge of the Cooperation and Inspection Branch of the Wage and Hour Division, who before joining the Wage and Hour Division was for several years head of the North Carolina Labor Department.

"North Carolina has more than five hundred cotton mills," he continued, "and about three hundred hosiery mills, together with the major part of the cigarette manufacturing in this country. In addition, it ranks as the second state in the United States in the production of furniture. We are making a good start in testing this new procedure there, where almost every type of covered industry is represented.

"One thing that we are striving for is the elimination of unnecessary duplication of inspections which annoy and irk employers. One inspector, under this agreement, will make an inspection covering all phases of the requirements under the state labor laws and the Federal Wage and Hour statute, instead of having different inspectors making a series of calls."

Under the plan agreed upon, all inspections in North Carolina will be under the supervision of the Chief Inspector of the Division of Standards and Inspections of the North Carolina Labor Department. He will refer all matters concerned with inspections and investigations under the Wage and Hour Law to a Technical Advisor assigned by the Wage and Hour Division to act as liaison officer between the Division and the State Labor Department and to review the reports of inspections and investigations and make recommendations for action to the Regional Office of the Wage and Hour Division.

Mrs. Pauline Horton, who will serve as Technical Advisor for the Wage and Hour Division in North Carolina under this plan, joined the Child Welfare Commission of North Carolina when it was set up in 1919 and for years was engaged in the

administration of child labor laws and as director of the Division of Statistics in the State Department of Labor after the Child Welfare Commission was made a part of the department.

She is regarded as one of the country's outstanding experts on industrial homework and has been working on this problem since joining the Wage and Hour Division.

In order to take care of the increased inspection load, two stenographer clerks and six factory inspectors will be added to the staff of the North Carolina Labor Department, and along with the nine inspectors at present constituting the staff, will devote three-fifths of their time to the work of state inspection and investigation and two-fifths to inspection and investigation in connection with the Federal Wage and Hour statute. The Wage and Hour Division and the Children's Bureau will reimburse the State Department for advancement of salaries and other authorized expenses incurred in connection with enforcement of the Fair Labor Standards Act.

The Technical Advisor, two pay-roll inspectors, who will work out of Raleigh, an analyst, computation clerk and secretary to the Technical Advisor will be engaged wholly in work for the Wage and Hour Division and for the Children's Bureau, and their salaries will be paid entirely from Federal funds.

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