

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

WAGE AND HOUR CASE HANDLING TO BE SPEEDED UNDER NEW PROCEDURE.

Under a revision of the procedure of the Wage and Hour Division made today by Lieutenant-Colonel Philip B. Fleming, who is directing the activities of the Division, more responsibility has been transferred to the field staff. This action was taken following a survey of the experience gained during the first year of enforcement of the Fair Labor Standards Act. At the same time Colonel Fleming directed that in every case involving falsification of records or other flagrant violation, criminal prosecution be begun.

Where immediate payment of restitution, necessary to bring employers into compliance with the Fair Labor Standards Act, would jeopardize the financial resources of employers, Colonel Fleming said, they will be permitted to pay on the installment plan. This arrangement also was based on experience gained by Inspectors and other enforcement officials during the past year.

"Loss of time through correspondence from Field Offices seeking authorization to move ahead in cases will be eliminated through this revision in procedure," Colonel Fleming said. "This decentralization of authority is certain to speed up enforcement of the Act. The new procedure, arrived at in the light of the Division's experience during the first year of the Act, gives wider discretion to the ranking regional officers than they had heretofore. Proof that those in charge in the Regional Offices are ready for this responsibility is shown by the fact that under the limited authority heretofore

reposed in them, some 700 cases have been closed in the field without the necessity for court action."

Where the violation does not involve falsification and has not been flagrant in nature, the Division will generally seek injunctions against violators. In the past many employers have consented to the entry on such decrees.

Some cases, where there has been no falsification of records, where violations ceased as soon as attention was called to them and the employer demonstrated a cooperative attitude and expressed willingness to make restitution, may still be closed merely by the payment of restitution, Colonel Fleming said.

In all of these matters additional weight will be given to decisions made in the field under the new procedure, and the authority reposed in ranking Regional Officers is increased in this respect by the new procedure.

The payment of restitution by installments covering a period of less than a year may be approved by the Regional Director or ranking regional officer or designated subordinates under the new grant of authority. Installments spread over more than a year, however, must still be submitted to Washington for approval.

Under the installment plan employers will be required to make full payment at one time to workers who have left, or who may leave, during the installment restitution period, and to workers to whom relatively small amounts of wages are due. The usual receipt form signed by employees will be required by the Inspector immediately after the final payment.

Colonel Fleming made it clear in announcing the new procedure that there is no alteration of the Division policy which forbids compromise settlements and is set forth in the Inspection Manual of the Division:

"In no case is the inspector authorized to arrange for the payment of less than the full amount due the worker on the basis of actual hours worked."

The Wage and Hour Division now has 666 employees in the field, of whom 390 are inspectors. The maximum at any time last year was 125. This increase in the staff will also play an important part in the expeditious handling of complaints and should result in a shortening of the elapsed time between the receipt of a new complaint and the closing of a new case.