

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

WAGE-HOUR CASE SETTLEMENTS SPEEDED, FLEMING REPORTS

Elimination of the administrative bottle-neck of clearance with Washington before settlement of cases under the Wage and Hour Law, has resulted in a marked speed-up in the disposition and settlement of complaints, reports based on the first two weeks under the increased field authority program revealed today. In the first 15 days of 1940, 131 cases were settled. This compares with 990 cases settled in the preceding 14 months and 63 cases settled in the last two-week period before the initiation of the new plan. In other words, 13 per cent of cases settled were settled in these two weeks, compared with 87 per cent settled in the preceding 56 weeks.

Of the 131 cases which were disposed of in the last two weeks, violations were found to exist in 104 establishments, according to reports made public today by Colonel Philip B. Fleming, who is directing the activities of the Wage and Hour Division. In these establishments, restitution of back wages was accomplished in 92 cases by the field inspection staff of the Division, while in the remaining 12 cases legal action was necessary. A total of almost \$66,000 restitution was involved in these 104 cases to approximately 4,000 employees. The remaining 27 cases of the 131 settled in the past two weeks, were dropped--11 because no violation was found upon inspection, and 16 because employers in the establishments inspected were found not to be affected by the provisions of the Act.

Cumulative totals show that of the 1121 cases disposed of since the Division began its work, 751 ended in restitution to the employees who

were underpaid in violation of the Law, while 370 cases were dropped. Of the 751 settled cases legal action was necessary to dispose of 124 cases while restitution was made without recourse to the courts in the remaining 627. A breakdown of 370 cases dropped shows that 239 revealed no violations despite the complaints received, while in 131 cases the employees were not affected by the provisions of the Act.

Criminal action is taken in most cases only where the violation is flagrant and wilful--often involving, in addition to failure to pay the minimum wage and non-payment of overtime, such offenses as falsification of records or intimidation of employees.

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