

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

NEW WAGE-HOUR ADMINISTRATOR CAUTIONS BUSINESS MEN REGARDING  
POSSIBLE SUITS BY THEIR EMPLOYEES

The success of a group of track workers in suing a major railroad for double the amount illegally withheld from them in wages indicates that employees suits may be a major factor in the enforcement of the Fair Labor Standards Act, said Colonel Philip B. Fleming of the Wage and Hour Division, U. S. Department of Labor, shortly after his appointment as Administrator of the Division was confirmed by the United States Senate.

Colonel Fleming referred to the judgment handed down by Judge Isaac Meekins in the United States Court for the Eastern District of North Carolina at Fayetteville, against the Atlantic Coast Line Railroad in favor of five track workers who had sued under Section 16(b) of the Act.

"While the judgments awarded these five maintenance-of-way workers were about \$100 each plus court costs and attorney's fees of \$100 for each case," said Colonel Fleming, "this verdict evidently presents a very serious situation to the railroad, as similar suits may be brought by other workers.

"This suit was brought by these employees independently of the Wage and Hour Division after an injunction suit brought by the Division in the United States Court at Richmond revealed that many of this class of employees of this railroad, an \$80,000,000 corporation ranking 13th among United States railroads in average miles of road operated, were being charged excessive rental for converted box cars, many of which were in fact non-existent, in an attempt to show a legal hourly wage rate on the books.

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"I am calling attention to this in the hope that the management of establishments covered by the Wage and Hour Law — that is, those engaged in interstate commerce or in the production of goods for interstate commerce -- who have not yet put their houses in order under the Act, will do so before situations like this accumulate to serious proportions.

"Any employer who has been violating the law by failing to pay the minimum wage of 30 cents an hour and at least one and one-half times the worker's regular rate for work in excess of 42 hours a week, will find the Wage and Hour Division field personnel in our 30 branch offices ready and willing to cooperate with him in coming into compliance with the Law."

Section 16 (b) of the Act referred to provides:

"Any employer who violates the provisions of Section 6 (Minimum Wages) or Section 7 (Maximum Hours) of this Act shall be liable to the employee or employees affected in the amount of their unpaid minimum wages, or their unpaid overtime compensation, as the case may be, and in an additional equal amount as liquidated damages. Action to recover such liability may be maintained in any court of competent jurisdiction by any one or more employees for and in behalf of himself or themselves and other employees similarly situated, or such employee or employees may designate an agent or representative to maintain such action for and in behalf of all employees similarly situated. The court in such action shall, in addition to any judgment awarded to the plaintiff or plaintiffs, allow a reasonable attorney's fee to be paid by the defendant, and costs of the action."

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