

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

"WHITE COLLAR" HEARING GETS UNDER WAY

The question of what is a "bona fide" executive, as applied to the wholesale distributing trades, was to be taken up today in a public hearing before Harold Stein, Assistant Director of the Hearings Branch, Wage and Hour Division, United States Department of Labor, in the Hall of Nations Room, Hotel Washington. The hearing was to start at 10:00 a.m.

The law exempts from wage and hour provisions "any employee employed in a bona fide executive, administrative, professional * * * or in the capacity of outside salesman (as such terms are defined and delimited by regulations of the Administrator)." Testimony will be received on all these employments in wholesaling activities.

The hearing, starting today and continuing into next week, deals with petitions to amend the definitions for all these employments made by the Administrator of the Wage and Hour Division before the Act went into effect on October 24, 1938.

It is estimated that there are some 1,500,000 clerical or "white collar" workers employed by all establishments in all industries covered by the Act; that is, establishments engaged in interstate commerce or in the production of goods for inter#state commerce. The definitions of the Wage and Hour Division exempted relatively few of these from the requirements of the 30 cents-an-hour minimum wage and at least time and a half their regular rate for overtime.

As provided in the regulations of the Division, petitions suggest substitute definitions. That suggested by the Southern States Industrial Council representing its wholesaling members, is that the term "administrative" shall embrace "clerical employees such as bookkeepers, payroll clerk, auditors, cost accountants, statisticians, and all other office help regularly employed on a straight salary basis and given vacations and sick leave with pay." This would exempt all white collar workers.

That suggested by the Motion Picture Producers and Distributors of America, Inc.,

proposes that an executive is one who, among other qualifications, gets at least \$50 a week; an administrative employee is one who similarly gets at least \$30 a week and a professional is one who is "engaged in work predominantly intellectual" and gets at least \$200 a month.

That proposed by the United States Wholesale Grocers, Inc., suggests that an employee employed in a "bona fide administrative capacity" means "any employee whose primary duty is the management of a customarily recognized department and who gets not less than \$20 a week."

The Tidewater Wholesale Grocery and Feed Association, Inc., suggests exempting all white collar workers engaged at a salary of \$100 a month or more.

Other definitions have been proposed by Mid-Continental Oil and Gas Association, National Wholesale Druggists Association, American Retail Federation, Council of National Wholesale Associations, and the Shell Oil Co. Some 75 persons representing trade organizations, corporations or labor unions have informed the Wage and Hour Division of their intention to testify at these hearings. Eighteen firms, including bakeries, ice cream companies, and milk distributors, have indicated their interest in a possible change in the definition of "outside salesmen." At present this definition does not exempt those making recurrent sales on routine deliveries. It is this part of the definition which the petitioners would like to have changed.

Among the labor organizations opposing any change in the definitions who will be represented at the hearings are the American Federation of Labor and the Congress of Industrial Organizations, and these affiliated organizations: United Office and Professional Workers of America (C. I. O.); Federation of Architects, Chemists, Engineers and Technicians (C. I. O.); International Ladies Garment Workers Union (Independent); American Newspaper Guild (C. I. O.); United Retail and Wholesale Employees of America (C. I. O.), International Brotherhood of Teamsters, Chauffeurs, Stablemen and Helpers (A. F. of L.).

Representatives of the National Consumers League and the League of Women Shoppers also will testify in opposition to any change.

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