

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

WAGE-HOUR DIVISION COMPLETES FIRST MONTH IN NATIONWIDE LUMBER DRIVE  
BACK PAY RESTITUTION WELL PAST QUARTER-MILLION MARK

Back wages of more than \$315,000 are payable to American lumber workers as a result of the first month's work in the intensive nationwide drive of the Wage and Hour Division, U. S. Department of Labor, for compliance in the lumber industry with the Fair Labor Standards Act. Reports received in Washington from regional offices of the Division indicate that a total of \$262,009 has already been computed, with \$53,000 or more still being figured, and many thousands more not yet totalled in additional cases. Nearly 10,000 workers will benefit in the cases already complete or nearing completion.

"The notable fact," declared Col. Philip B. Fleming, Administrator of the Wage and Hour Division, "is that by far the great proportion of the amount has been agreed to voluntarily by employers in the lumber field and with a minimum of court action. Throughout the entire first month of the campaign, but one criminal action was filed and only a few consent decrees or injunctions secured.

"Of great credit to the lumbermen of America is the cooperative action in correcting things when our inspectors have called their attention to unwitting violations. It is obvious that, in the main, they want to obey the law. Also, much of the restitution has been paid 'on the spot' with immediate benefit to lumber workers. The unpaid obligations will be met at specified early dates, although in some few cases where necessary the Division has authorized 'installment payments'".

"During the month our inspectors called on nearly 1,900 lumber plants. Included, of course, were logging camps, sawmills, concentration yards, and manufacturers of lumber and lumber products. A few, they found, were either predominantly retail or were doing business strictly within their own states. As such, of course, they were not subject to the provisions of the Fair Labor Standards Act. Roughly, one in three were in full or substantial compliance with the statute. Violations were found in over 800 cases."

The Fair Labor Standards Act, Colonel Fleming explained, requires that a minimum wage of 30 cents an hour be paid to all workers engaged on products intended to move in interstate commerce. Certain exemptions may be authorized. It further requires that covered workers be paid overtime at the rate of at least time-and-one-half their regular hourly rates of pay for all hours worked over 42 in a single workweek. The law does not limit the number of hours that may legally be worked in any way whatsoever, he said, provided that the required overtime compensation is paid. The Act prohibits shipment in interstate commerce of any goods not produced in compliance, and it requires that certain simple forms of employment and wage records be maintained. Child labor is outlawed by the Act. Special permits for learners or apprentices may be issued on submission to the Division of satisfactory applications.

"Violations unearthed by our inspectors last month," said Colonel Fleming, "ran the entire gamut, from failure to keep adequate records and falsification of records, through sublegal wages or overtime pay, to the exploitation of child labor. In Minnesota, for instance, our only criminal complaint cited the fact of children eight years old doing hard labor with

their families at starvation wages and under slum conditions. One father, his wife, and 14 children were living in a shack in the woods, putting in hundreds of hours weekly between them, for a weekly salary check of less than \$20. Figured at only eight hours a day for six days for ten of the members of this family, this totals 480 hours of work for the employers' two ten-dollar bills!

"This specific case, of course, was one of the extremes encountered. However, other cases closely approximating this were found frequently enough to convince our entire staff of the constructive value of their task. Incidentally, fines of \$10,000 were levied in this case--\$5,000 on miscellaneous violations and \$5,000 on child labor counts. Restitution amounted to \$35,000, payable to 700 employees."

Particularly in the South, said Colonel Fleming, the lumber industry is somewhat nomadic, with portable sawmill establishments sometimes found a half-dozen counties away from their last post office addresses. Much shrewd tracing had to be done by inspectors in some sections.

Reports from inspectors in the field read like thrilling adventure yarns or tales of pioneer days. Up in the northwest forests, the men have become accustomed to seeking shelter at the cry of "Timber-r-r-r!" In the South, they have become adept at circumventing an evasive mountaineer's inventions. They have developed into super-sleuths tracing the travels of "hot lumber," or lumber produced in violation of the Act, and they have become experts in overriding operators' objections to the Act and parting friends.

To reach isolated mills, inspectors have travelled by train, hand-car, gasoline speeder, automobile, canoe, horse, and on foot. They have become veritable lumberjacks in the "tougher" areas. Some inspectors in remote regions carry compasses and frequently hike across country for miles through unblazed timber to reach lumber operations.

One inspector in the Minnesota district, driving along a highway about midnight under a full moon, heard the ring of axes. Stopping his car, he could see a number of Indians across a swamp-surrounded lake, peeling logs. To get to the group it was necessary to circle the swamp. In doing so, the inspector stepped into a quick-sand bed and sank to his armpits. Fortunately, a tree branch was within reaching distance, and by grabbing this he was able to extricate himself. He completed his inspection of the camp that same night!

Inspectors in this district, urgently pursuing their task of enforcing the minimum wage and maximum hour law, themselves are putting in eighty to ninety-hour weeks, with inspections underway as early as five in the morning or as late as one o'clock, also in the morning.

According to reports covering the first month, the great majority of lumber violations are in the Southern states. In the twelve states of Virginia, West Virginia, Maryland, North Carolina, South Carolina, Georgia, Florida, Louisiana, Mississippi, Alabama, Tennessee, and Kentucky, for instance, the total number of apparent violations was 580, as against 248 for the remaining 36 states and Hawaii and Alaska. It is conceivable, of course, that the proportion may be somewhat different when the drive is complete. In the twelve states listed, 1,050 inspections were made, while 885 were reported for the 38 remaining states and territories.

Tabulated returns, while subject to some revision, indicate that field operations were as follows (as of June 10, 1940):

Inspections 1,885; 531 complying firms; 348 not covered; 828 apparent violations; 299 restitution cases involving \$262,009 to 7984 employees, and at least 53 restitution cases pending involving more than \$53,800 to over 1,400 employees; 11 consent decrees secured, and 107 pending; 1 criminal case.

The "box score" on the entire lumber front for the first month is as follows:

Region 1 (Maine, Vermont, New Hampshire, Massachusetts, Rhode Island): 51 inspections; 6 firms complying; 10 not covered; 35 in violation; 10 restitution cases, amounts not specified; 8 consent decrees pending.

Region 2 (New York and Connecticut); 8 inspections; 8 in violation; 2 restitution cases, involving \$3,946 to 37 employees; 6 restitution cases pending, involving \$16,800 to 283 employees.

Region 3 (Pennsylvania): 360 inspections; 89 in compliance; 144 not covered; 83 violations; restitution cases involving \$13,000 to 650 employees.

Region 4 (New Jersey and Delaware); 27 inspections completed; 7 firms complying; 5 not covered; 15 in violation; 1 restitution case involving \$172 to 1 employee; 12 restitution cases pending, amount not stated.

Region 5 (Virginia, West Virginia, Maryland); 430 inspections completed; 196 complying; 94 not covered; 140 in violation; 68 restitution cases involving \$31,363 to 1396 employees; 11 restitution cases pending involving \$7,000 to 130 employees; 1 consent decree obtained, 4 pending.

Region 6 (North and South Carolina): 221 inspections completed; 89 complying; 27 not covered; 105 in violation; 47 restitution cases involving \$25,264 to 1,129 employees; 21 restitution cases pending, amounts not stated; 20 consent decrees pending.

Region 7 (Georgia and Florida); 225 inspections; 25 complying 200 violations; 21 restitution cases involving \$18,200 to 800 employees;

3 consent decrees secured, 10 pending.

Region 8 (Louisiana, Mississippi, Alabama): 59 inspections; 10 not covered; 49 in violation, 48 restitution cases involving \$64,500 to 687 employees; 35 consent decrees pending.

Region 9 (Tennessee and Kentucky): 115 inspections; 36 complying; 13 not covered; 71 in violation; 33 restitution cases involving \$15,000 to 750 employees; an additional \$30,000 restitution to benefit 1,000 employees; 2 consent decrees, 15 pending.

Region 10 (Ohio and Michigan): 45 inspections; 14 complying; 18 in violation; 15 restitution cases involving \$8,500 to 425 employees.

Region 11 (Wisconsin, Illinois, Indiana): 29 inspections; 8 complying; 11 violations; 16 restitution cases involving \$10,762 to 200 employees.

Region 12 (Montana, South Dakota, North Dakota, Minnesota): 91 inspections; restitution of \$37,000 benefiting 750 employees; 1 consent decree; 1 criminal complaint.

Region 13 (Colorado, Iowa, Kansas, Missouri, Nebraska, Wyoming): 130 inspections; 32 in compliance; 38 not covered; 59 violations; 32 restitution cases involving \$13,295 to 395 employees; 1 consent decree.

Region 14 (Arkansas, New Mexico, Oklahoma, Texas): 70 inspections; 29 in compliance, 7 not covered, 34 in violation; 16 restitution cases involving \$21,007 to 764 employees; 3 restitution cases pending; 3 consent decrees, 15 pending.

Region 15 (Arizona, California, Idaho, Nevada, Oregon, Utah, Washington, Alaska, Hawaii): 75 inspections; huge proportion in compliance; violations rare.

The reports further indicate that the campaign for compliance in

the lumber industry is by no means nearing completion. Time necessary to finish the job as planned in the various regions ranges from just a few weeks to several months. Region 6, for instance, covering the Carolinas, reports that the work so far completed still leaves perhaps 80 percent of the job to do. The majority of establishments already investigated in these states have been found in isolated areas, in the middle of swamps, and so on. For each of the 221 inspections completed in the Carolinas, an average of 45 miles of travel and approximately one inspector-day has been required.

The regional director covering Louisiana, Mississippi and Alabama estimates that nine to twelve months will still be needed, since the number of small plants making barrel staves, boxes, crates, poles, ties and the like, runs into the thousands, many accessible only with difficulty. Four months is the time suggested by the Tennessee and Kentucky region to see the end of the campaign, while the Minneapolis region believes another three months will suffice. About nine months' more work remains in Arkansas, New Mexico, Oklahoma and Texas.

Comments from regional directors and individual inspectors give great credit for the success of the drive so far to the industry itself. Violations in the New York area, for instance, are chiefly failure to keep hour records for employees. Common labor is paid 55 to 60 cents per hour, and compliance with the records and overtime provisions of the Act are rapidly being effected through cooperation of the trade associations and individual operators.

In his report to Colonel Fleming, Arthur J. White, regional director for New Jersey and Delaware, stated:

"A surprising degree of compliance was found among New Jersey firms, which may be attributed to the energetic activities of the New Jersey Lumbermen's Association, Inc. . . . Mr. deNike, secretary of the association, submitted various letters and memoranda which had been forwarded to numerous lumber operators, both wholesale and retail, in the State of New Jersey, and it is his belief that this information has been instrumental in bringing about wholesale compliance."

Many other trade associations have also at their own expense notified their members of the provisions of the Fair Labor Standards Act and the situation of members in regard to the Act. A number of lumber trade publications, and newspapers and other publications in strong lumber areas, have heartily supported enforcement.