

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

LEATHER INDUSTRY WAGE ORDER SETS 40¢ AN HOUR MINIMUM

A wage order calling for payment of at least 40 cents an hour in the manufacture of leather, effective September 16, 1940 (Federal Register, August 14, 1940) was issued today by Colonel Philip B. Fleming, Administrator of the Wage and Hour Division, U. S. Department of Labor.

The 40-cents-an-hour minimum was recommended by an industry committee composed equally of representatives of the public, employers and employees under the chairmanship of Monsignor Francis J. Haas, dean of the School of Social Science, Catholic University of America, Washington., which investigated the economy of the industry.

Application of the 40-cent minimum wage to the industry, as defined, will increase the hourly wage rates of more than 2,700 wage earners. The total number of employees in the industry is about 49,000 of which around 43,000 are in the northern branch and about 6,000 in the Southern branch of the industry. The leather industry is defined as "the manufacture of leather (including rawhide) from any type of hide or skin; the currying and finishing of leather; the manufacture of welting and power transmission belting when made wholly or principally of leather."

The findings note that economic data considered by the committee indicated that a 40-cent minimum would result in a direct increase in the total wage bill of the tanning, currying and finishing division of the industry of approximately 0.49 percent; of the belting division, about 1.7 percent and of the welting division about 2.2 percent. There are approximately 47,600 employees in the tanning, currying and finishing division; 1,000 in the belting and about 250 in the welting divisions.

The wage order requires the posting of a notice containing its provisions in every establishment manufacturing leathers; as defined, for interstate commerce.

The findings of the Administrator further note:

"It is apparent from the findings . . . that there is no justification for the establishment of minimum wage differentials for any region or definable group in the industry. The record does not disclose differences in living, transportation or production costs within this industry or any differences in the minima provided in union contracts in any of the manufacturing areas which would require or justify any classification within this industry under Section 8(c) of the Act. Moreover, since the recommendation of 40 cents which the Committee has made is the maximum permissible under the Act, and since I have heretofore found that no substantial curtailment of employment will result in the industry as a whole or in any area or definable group of plants within the Industry, I conclude that no issue of a classification within the Leather Industry is presented by the evidence adduced."

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