

U. S. DEPARTMENT OF LABOR  
WAGE AND HOUR DIVISION  
Washington, D. C.

INACTIVE

\$20,000 RESTITUTION WON BY MIDWESTERN WHOLESALE GROCERY AND  
FRUIT COMPANY WORKERS

A consent decree directing payment of approximately \$20,000 in illegally withheld wages to some 750 employees of a large wholesale grocery and fruit company has been signed in the U. S. District Court at Minneapolis by Judge Robert C. Bell, according to word received here today by Colonel Philip B. Fleming, Administrator of the Wage and Hour Division, U. S. Department of Labor.

With 70 branch offices scattered from the Mississippi River to the Rocky Mountains, the Nash-Finch Company, wholesale grocery and fruit firm, with headquarters in Minneapolis, Minnesota, was named in the complaint filed by Donald M. Murtha, attorney for Region XIII of the Wage and Hour Division.

The principal violation involved non-payment for overtime worked, by resort to manipulation of wage rates, continuously since the effective date of the Fair Labor Standards Act. The case involved salaried employees who worked an irregular or fluctuating weekly number of hours before and after the Act. In order to avoid paying these employees extra compensation for overtime at one and one-half times their regular rates of pay, the company entered into written agreements with its employees whereby it set up fictitious low rates of pay upon which to compute time and a half on its books. At each pay period, the employees received the fixed salary, regardless of the number of hours worked.

Following an inspection by the Wage and Hour Division, substantial changes were made in the employer-employee contracts. Harold B. Finch, president of the Nash-Finch Company, stated that the firm was anxious to get into compliance with the Wage and Hour Law and to rectify any errors made in the past.

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