

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

DIVISION ACTS TO ASSIST RED CAPS SUSTAIN \$77,253.98
JUDGMENT FOR BACK WAGES

The Wage and Hour Division, U. S. Department of Labor, today moved to assist the red caps of the Union Terminal Co., Dallas, Texas, in their legal fight to sustain a judgment of \$77,253.98 for back wages and liquidated damages in an employees suit under the Fair Labor Standards Act.

A motion asking permission to file a brief in support of the judgment was filed in behalf of Colonel Philip B. Fleming, Administrator of the Division, with the Fifth Circuit Court of Appeals at New Orleans, La.

The judgment for \$38,626.99 in back wages and an equal amount of liquidated damages under Section 16(b) of the Act was granted by Federal District Judge William H. Atwell May 18, 1940, in the case of A. J. Pickett vs. Union Terminal Co.

Judge Atwell ruled that the tips collected by the red caps could not be treated as wages paid by the defendant terminal company. The company appealed and the case is scheduled to come before the Circuit Court of Appeals for argument on November 14, 1940, at Forth Worth, Texas.

Colonel Fleming's motion stated that "the fact that 15 or more actions under Section 16(b) of the Act have been instituted by red caps and their representatives in the various district courts to recover back wages alleged due them under the Act by reason of matters similar to those complained of in this case attests to the public importance involved."

Colonel Fleming also stated that the Division has two cases pending to enjoin alleged violations of the Act on the part of Ohio railroad terminal

companies employing red caps and expects that questions similar to those in the Dallas case will be involved.

Last week Colonel Fleming asked the Sixth Circuit Court of Appeals at Cincinnati to advance the hearing--not expected to come before next April--in the red cap case against the Cincinnati Union Terminal Co. because of the public interest in the case. The Division appealed in this case from a district court ruling dismissing its petition for an injunction on the ground a tipping and guarantee plan had been abandoned for a system of 10 cents a bag or parcel to be collected by the red cap from the public.

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