

For Release Monday,  
November 4, 1940

R-1129

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

OVERTIME EVASIONS ILLEGAL

Continuing to pay the same salary to workers for a 42-hour week after October 24 is a violation of the Fair Labor Standards Act, even though the employer makes a show of compliance through bookkeeping manipulations, Colonel Fleming, Administrator of the Wage and Hour Division, U. S. Department of Labor, warned today.

On October 24, the standard workweek was reduced to 40 hours, after which overtime at time and one-half the regular rate of pay had to be paid.

Colonel Fleming pointed out the illegality of adopting a bookkeeping rate for the purposes of the overtime provisions of the Wage and Hour Law and a different rate for actual payment.

"The Act requires that overtime must be paid at the rate of time and one-half the 'regular rate' of pay at which the employee is employed," Colonel Fleming said. "Time and one-half must be paid upon the rate at which the employee is actually employed and paid, and not upon a fictitious rate which the employer adopts solely for bookkeeping purposes."

These practices are violations of Section 7 and as such will subject the employer to the penalties prescribed in the Act, Colonel Fleming warned.

###

(6116)