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

INACTIVE  
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ADMINISTRATOR ISSUES LUGGAGE AND LEATHER GOODS WAGE ORDER

A wage order directing payment of at least 35 cents an hour in the luggage and leather goods industry was issued today by Colonel Philip B. Fleming, Administrator of the Wage and Hour Division, U. S. Department of Labor (Federal Register, December 20). The wage order will go into effect January 6, 1941.

The industry was notified on December 6 that the 35 cents an hour minimum wage recommendation of the committee which investigated the competitive and economic conditions of this industry had been approved, would be effective January 6, 1941, and that the wage order would be issued before the effective date.

The 35 cent minimum will increase the hourly wage rate of approximately 4,900 workers of the 19,000 employed in the industry.

At the same time Colonel Fleming made public the "Findings and Opinion of the Administrator." The findings state in part:

"It was argued at the hearing that small firms manufacturing leather goods to retail at low fixed prices, operating as they do on a very slim margin, would have great difficulty in meeting the increased labor cost that would result from a 35-cent minimum hourly wage rate. It was contended that the labor cost of a number of small firms would be increased from 6.0 to 7.0 percent, but no satisfactory evidence was presented showing that these firms would either have to go out of business or so curtail operations as to force workers out of employment. On the contrary, the record shows that by means of increasing labor productivity and improving the efficiency of operations the increased cost could be absorbed without necessitating any rise in retail prices."

The findings further state:

"In order to carry out the purpose of the Wage Order issued herein and to prevent its circumvention and evasion, I find it necessary that a Notice of the Order, in a form supplied by the Wage and Hour Division, be posted and kept posted in a conspicuous place in each department in every firm employing any employees who are subject to the terms of the Wage Order."

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