

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

JUDGE DENIES APPLICATION FOR INJUNCTION AGAINST
ENFORCEMENT OF "HOT GOODS" CLAUSE

Federal Judge Robert Cooper, in U. S. District Court at San Juan, Puerto Rico, has denied an application of the Caribbean Embroidery Cooperative, Inc., Puerto Rican needlework producers, for an injunction restraining the Administrator of the Wage and Hour Division from pressing court actions against its customers in New York. A cable announcing the decision was received in Washington today.

The Administrator's actions against the New York dealers had been instituted in the Federal District Court under the "hot goods" clause of the Fair Labor Standards Act, which prohibits the shipment in interstate commerce of goods produced in violation of the act. The actions had been brought following a decision by Judge Cooper in December, 1940, in which he held, in part, that certain non-member homeworkers engaged in the production of needlework for the Caribbean Embroidery Cooperative, Inc., were being employed in violation of minimum wage provisions of the act. In that case, the court granted an application of the Administrator for an injunction enjoining the needlework concern from further shipments in interstate commerce of goods produced by such non-members.

In his earlier decision, Judge Cooper had held also that certain other workers producing goods for the alleged cooperative were its "members," and that because of such membership they were not entitled to the benefits of the act. In view of this latter holding, an appeal has been taken by the Administrator to the First Circuit Court of Appeals in Boston where it is now pending.