

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

UNITED STATES RUBBER COMPANY REVIEWS WAGES PAID UNDER  
FAIR LABOR STANDARDS ACT

Adjusted wage payments totalling approximately \$50,000 are being made to more than 200 employees of the United States Rubber Company, it was revealed today at the office of General Philip B. Fleming, Administrator of the Wage and Hour Division, United States Department of Labor. These payments are a result of an intensive study carried on by the company for the past few months for the purpose of determining whether proper classification of workers had been in effect in its plants. About one-half of one percent of the United States Rubber Company's 42,000 employees will receive restitution payments in sums varying from a few cents to more than a thousand dollars in a few instances. Practically all of the cases were the so-called "white collar" workers.

C. S. Ching, Director of Industrial and Public Relations of the United States Rubber Company, initiated the study of salaries and wages last October when the revised regulations were issued by the Wage and Hour Division covering the classification of workers who are exempt from the provisions of the law as executive, administrative, and professional employees or outside salesmen. It involved an analysis of the duties of individual employees to determine whether there had been misclassifications. Information in relation to individual cases was furnished the Administrator of the Wage and Hour Division and his office worked closely with the company officials to determine the proper status of all workers and aid in determining what would constitute proper adjustment in pay, for those who were found

to have been misclassified.

Mr. Ching said that the study was initiated with the full knowledge that some misclassifications were certain to be found among the 42,000 employees who were on the payrolls at the end of 1940. He said that he felt the company was now in full compliance, not only with the present regulations covering "white collar" classifications, but with respect to all types of work from the time the Act went into effect to the present time.

General Fleming said that "the action taken by this organization with the guidance of the Wage and Hour Division is an impressive demonstration of the results which may be accomplished when business co-operates 100 percent with Federal agencies which are charged with enforcing the statutes. We have worked closely with Mr. Ching, of the United States Rubber Company, and I personally appreciate the zeal with which this company has acted to dispose of the cases of misclassified employees."

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