

For Release Thursday,
March 6, 1941

R-1300

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

HEARING ON DEDUCTIONS FOR DINING CAR MEALS
TO BE HELD

A hearing on deductions for meals served employees on dining cars, insofar as they affect the 36 cent minimum wage ordered for trunk line railroads which went into effect March 1, will be announced in the very near future, General Philip B. Fleming, Administrator of the Wage and Hour Division, said today.

The Wage and Hour law states that a "'wage' paid to any employee includes the reasonable cost, as determined by the Administrator, to the employer of furnishing such employee with board, lodging or other facilities, if such board, lodging or other facilities are customarily furnished by such employer to his employees."

In determining "reasonable cost" as directed by Congress, the administration of the Wage and Hour Law in Regulations Part 531 has stated "reasonable cost does not include a profit to the employer or to any affiliated person."

A survey conducted by the Wage and Hour Division has indicated that the trunk line railroads now making deductions for crew meals do so on different bases. On the evidence of the hearing, the Administrator will determine a uniform basis for computing deductions.

Any finding as a result of the hearing, General Fleming said, will be in accordance with decisions of the United States courts in Wage and Hour cases that no deduction or charge can be made for meals unless the meals were voluntarily accepted by the employees.

#

(7493)