

U. S. DEPARTMENT OF LABOR  
WAGE AND HOUR DIVISION  
165 W. 46th St.  
New York, N.Y.

PAPER CORPORATION FINED \$3,000 ON "HOT GOODS" CONVICTION

Walling Hails Case as Step Towards Extending Law's  
Benefits to 100,000 Pulpwood Workers

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Found guilty of violating the "hot goods" provision of the Fair Labor Standards Act---the shipment in interstate commerce of goods produced in violation of the Act---the Southern Advance Bag and Paper Company, a Maine corporation, must pay a fine of \$3,000, L. Metcalfe Walling, Administrator of the Wage and Hour Division, U. S. Department of Labor, today was advised.

The fine was imposed by Judge Benjamin C. Dawkins in U. S. District Court at Monroe, Louisiana, where a jury returned a verdict of guilty against the company. The corporation and three officials had been charged with criminal violation of the "hot goods" provision, but the jury found only the corporation guilty.

The corporation operates a paper and bag mill at Hodge, Louisiana, where, the jury found, the corporation "unlawfully and wilfully" shipped in interstate commerce paper which was made from pulpwood produced in violation of the minimum wage and overtime provisions of the Wage-Hour Law. It was shown that the corporation knew, on the basis of the price it paid for pulpwood, that pulpwood cutters and truckers who produced and hauled the wood were not and could not be paid in accordance with the minimum requirements of the Law.

Commenting on the case, Mr. Walling said:

"The conviction is a major step towards bringing the benefits of the Wage and Hour Law to the approximately 100,000 pulpwood workers in the United States who, through the peculiar nature of their employment, have not as a whole been receiving the protection of the Law.

"It is the aim of the Division, through vigorous action of a similar nature, to bring the benefits of the Wage and Hour Law to these workers, many of whom have been paid as little as 10 and 15 cents an hour. Although this action was brought against a mill in the South, the decision will benefit woods workers in New England and the Northwest as well. We confidently look forward to better compliance with the Law as a result of this conviction."

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