

U. S. DEPARTMENT OF LABOR
WAGE AND HOUR DIVISION
165 West 46th Street
New York, New York

40-CENT MINIMUM WAGE FOR RAILROAD CARRIER INDUSTRY APPROVED

A wage order to be issued establishing a minimum wage rate of 40 cents an hour in the railroad carrier industry will increase the wages of between 35,000 and 50,000 of approximately 1,350,000 workers employed in the industry, it was announced today by L. Metcalfe Walling, Administrator of the Wage and Hour Division, U. S. Department of Labor.

The wage order will be effective August 31, 1942, Mr. Walling stated, adding that he had approved the unanimous recommendation of an industry committee for the railroad carrier industry which studied economic and competitive conditions in the industry.

The committee, which was the second appointed for the industry in accordance with the Fair Labor Standards Act, was composed of twelve members equally representative of employers, employees and the public, with George E. Osborne, of Stanford University, Palo Alto, California, one of the public representatives, acting as chairman.

A wage order issued March 1, 1941 on the recommendation of an earlier committee, provided for a minimum wage of 36 cents an hour for employees of trunkline railroads and 33 cents an hour for employees of shortline railroads. This first wage order directly increased wages for about 60,000 trunkline employees and 4,000 shortline employees, most of whom were maintenance-of-way workers. Under the wage order effective August 31, 1942 establishing a 40 cent an hour minimum for both types of employees, many of the employees who benefited under the first wage order will again be affected.

The railroad carrier industry is defined as follows:

"The industry carried on by any express company, sleeping car company or carrier by railroad, subject to Part I of the Interstate Commerce Act, and by any company which is directly or indirectly owned or controlled by one or more such carriers or under common control therewith, and which operates any equipment or facility or performs any service (except trucking service, casual service and casual operation of equipment or facilities) in connection with the transportation of passengers or property by railroad, or the receipt, delivery, elevation, transfer in transit, refrigeration or icing, storage, or handling of property transported by railroad, and by any receiver, trustee, or other individual or body, judicial or otherwise, when in the possession of the property or operating all or any part of the business of any such company or carrier by railroad:

"Provided, however, That the term 'railroad carrier industry' shall not include the industry carried on by any street, interurban, or suburban electric railway, unless such railway is operating as a part of a general steam-railroad system of transportation, but shall not exclude any part of the general steam-railroad system of transportation now or hereafter operated by any other motive power."

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