

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

Inactive

NEARLY 20% OF AMERICAN LABOR STILL GETS LESS THAN 40 CENTS

New York - Despite the white light of publicity on the wages of the relatively few highly-skilled and highly-paid workers in industry, some 7,500,000 American wage earners still make less than 40 cents an hour, L. Metcalfe Walling, Administrator of the newly consolidated Wage and Hour and Public Contracts Divisions of the United States Department of Labor, pointed out today.

"Any realistic discussion of wages must take into consideration the large number of American workers who are still right on the edge of the minimum standard of health and decency or below," Mr. Walling said.

"Some 7,500,000 American wage earners still get less than 40 cents an hour. This represents 19% of the 40,000,000 American workers exclusive of proprietors and Government employees. Of this number 1,500,000 covered under the Wage and Hour Law are getting between 30 and 40 cents. Some of the others in agriculture, retail trade, domestic service, fisheries, and other types of work not covered by the Wage and Hour Law are getting as little as fifteen cents an hour or less.

"Even for those of the 7,500,000 who are getting up to 40 cents an hour or \$16 at the most for a forty-hour week, it must be remembered that the rise in prices has levelled the purchasing power of their 40 cents down toward that of the 30 cents set as a minimum standard of decency when the Act was passed in 1938.

"In addition, even in these war times, there are still employers who illegally withhold from their workers even the modest minimums required by law. Since Pearl Harbor about \$16,250,000 in restitution has been agreed to or ordered paid to 415,000 workers in 22,000 establishments throughout the country. It must be remembered that this underpayment of covered workers is discouraged, not only by the criminal provisions of the Act, but by the double penalty which workers can collect. In most states workers not covered by the Federal Law have no such protection."