

U. S. DEPARTMENT OF LABOR  
Wage and Hour and Public Contracts Divisions  
165 West 46th Street  
New York, New York

WAGE-HOUR ADMINISTRATOR STATES ENFORCEMENT POLICY FOR LAUNDRIES

Pending a decision by the United States Supreme Court, indicating the scope of the Section 13(a)(2) exemption from the Wage-Hour Law, no enforcement proceedings under the law will be instituted by the Divisions against laundries operating primarily in intrastate commerce, L. Metcalfe Walling, Administrator of the Wage and Hour and Public Contracts Divisions of the U. S. Department of Labor, announced today. In making the statement Mr. Walling emphasized that he was not referring to an establishment performing any operation on goods in the process of manufacture.

Administrator Walling's statement followed several requests from the trade for a clarification of the status of laundries. A recent decision of the Circuit Court of Appeals for the Sixth District in the case of Lonas v. National Linen Service Corporation held that the laundry there involved was a service establishment and therefore not subject to the minimum wage and overtime provisions of the Fair Labor Standards Act. It was engaged to a large extent in work for commercial and industrial customers.

In response to a recent inquiry on this subject, Mr. Walling said:

"You are no doubt interested in the enforcement policy which the Wage and Hour Division will pursue in view of the recent decision of the Circuit Court of Appeals for the Sixth Circuit in the case of Lonas v. National Linen Service Corporation.

"Since the courts have varied in their interpretation of the section 13(a)(2) exemption (any employee engaged in any retail or service establishment the greater part of whose selling or servicing is in interstate commerce), it seems clear that a decision will have to be rendered by the United States Supreme Court before the exact limits of the exemption can be determined with certainty.

"It is the policy of the Division not to institute enforcement proceedings against laundries falling within the scope of the Lonas case until the decision in this case becomes final. It is anticipated that at that time a further statement of the Division's policy will be issued".

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