

WAGE AND HOUR STANDARDS AFTER THE WAR

The Wage-Hour Law, in effect five years on October 24, celebrates its anniversary in war time with industrial conditions very different from those under which it was enacted. Now we are troubled by a man power shortage, not by unemployment and a great many employers are actually asking the government for permission to raise wages.

Under the circumstances a good many workers have come to forget about the Wage and Hour Act, to feel that, although it was a good thing, it meant little to them personally. Their unions had already secured for them better provision than the minimum of 40 cents an hour or less and the time and a half overtime pay after 40 hours which the Act provides. To these workers, industry committee action under the Act has seemed remote even though it has brought nearly all the 21,000,000 covered workers under the protection of a 40 cent an hour minimum--the highest provided for under the Act--and has made recommendations for the inclusion of all other covered workers, two years ahead of the date set in the statute.

Higher paid workers should not lose sight of the influence that the raising of minimum wages has in normal times on readjustments on up the scale. But whatever the immediate usefulness of the Wage-Hour Act to higher-paid workers today there can be no question as to the importance of the law to all labor in the post-war period after victory has been won. We all know that there will be unemployment when demobilization coincides with the retooling of our production plant to make peace-time goods.

In the period of difficult post-war adjustment, the protection of the Wage-Hour Law will come to mean something personal again to a great many who may not think it does today. It stands as a bulwark against wage slashing. It

protects the decent-minded employer as well as labor from cut-throat competition. It sets a floor under which wages cannot go and in setting a minimum standard it influences wage scales all the way to the top.

That floor under wages, set in 1938, can prove very useful when the labor market is slack. There have been several proposals for strengthening the law which labor should seriously consider now, against the time of need that will come after the war. One of these concerns raising the 40 cent limit on the minimum pay that may be set by industry committees. With the rise in the cost of living, the 40 cents an hour set by Congress in 1938 as the minimum decent standard that was to be our goal will not buy today as much as it would then. To equal the purchasing power aimed at by Congress at the time of enactment, industry committees would have to be empowered to set minimum hourly rates up to 50 cents or more. The exact rate could be determined by Congress, but this is one direction in which labor at the present time should do some thinking with an eye to the post-war situation.

Another way in which the law might be strengthened is along the line of increased coverage. Despite the greatly increased number of workers in war industry, almost all covered under the Act, less than half of the civilian labor force now receives its protection. Extension of coverage to include all occupations under the jurisdiction of federal regulation, including extension of the minimum wage protection, at least, to workers on industrial or more-than-family-sized farms would greatly affect total labor standards throughout the country.

Labor is keenly aware of the importance of the Wage-Hour Act as a bulwark in the period of post-war adjustment. Now is the time to take thought and action if the bulwark is to be strengthened as much as possible before the need is upon us.