

U. S. DEPARTMENT OF LABOR
WAGE AND HOUR DIVISION
165 West 46th Street
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WAGE-HOUR ENFORCEMENT POLICY FOR LAUNDRIES AND LINEN SUPPLY COMPANIES

With the Wage and Hour Division of the U. S. Department of Labor withdrawing under recent Court decisions from enforcement against laundries and linen supply companies most of whose transactions are local, L. Metcalfe Walling, Administrator today appealed to the states to take action to protect this group of workers in what is traditionally one of the lowest paid industries.

"Twenty-six states have minimum wage provisions for women and minors," Mr. Walling said. "Twenty-two at present have set state minimums for laundry workers. In the absence of Federal enforcement of wage and hour standards in a part of the laundry field, it becomes doubly important that State enforcement be vigilant where legal minima are already established and that other states step in where possible to prevent exploitation.

"I announced that pending a decision by the United States Supreme Court indicating the scope of the section 13(a)(2) exemption from the wage-hour act, no enforcement proceedings under the act would be instituted by the Divisions against laundries and linen supply firms operating primarily in intrastate commerce. (Release R-1995.) This administrative policy was based largely on the decision of the Circuit Court of Appeals for the Sixth Circuit in the case of Lonas v. National Linen Service Corp. and on varying interpretations of the section 13(a)(2) exemption by the courts.

"In view of the fact that the United States Supreme Court has denied certiorari in the Lonas case, I have decided to continue the Divisions' policy of not instituting enforcement proceedings under the Fair Labor Standards Act against laundries and linen supply firms the greater part of whose servicing is in intrastate commerce, unless the Supreme Court later should decide that the exemption is inapplicable to establishments serving commercial and industrial customers. This policy will not apply to a laundry establishment performing any operation on goods in the process of manufacture.

"Other circuit courts of appeals have indicated that the section 13(a)(2) exemption does not apply to establishments engaged in work for commercial and industrial customers. (Guess v. Montague, C.C.A. 4; Walling v. Sondock, C.C.A. 5; Walling v. Kirschbaum, C.C.A. 3.) In view of these decisions the Division will adhere to its general position with respect to service establishments other than laundries and linen supply firms as expressed in Interpretative Bulletin No. 6. Therefore, the enforcement policy announced in this release is limited to laundries and linen supply firms only."