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PR-25

U. S. DEPARTMENT OF LABOR
WAGE AND HOUR DIVISION
165 West 46th Street
New York 19, New York

RECORDS JUSTIFYING WAGE DEDUCTIONS REQUIRED UNDER NEW REGULATION

Effective next April 1, employers who make deductions from the wages of employees under the Fair Labor Standards Act for board, lodging, or other facilities or who furnish such facilities to their employees as additions to wages will be required to maintain records substantiating the cost of such facilities in accordance with an amendment to the record-keeping regulations issued today by the Administrator of the Wage and Hour and Public Contracts Divisions of the U. S. Department of Labor.

(over)

(0801)

This amendment is necessary, the Administrator stated, in order to clarify any confusion that may have existed as to the employers' responsibility for keeping records to justify the reasonableness of such deductions from pay. Most employers do keep such records in the usual course of business, the Administrator pointed out. There seems to have been misunderstanding among some employers, however, as to the necessity for keeping such records.

In adopting this amendment to the record-keeping regulations, the Administrator emphasized that it is not intended to impose any requirements beyond the minimum necessary to enable the employer and the Division to ascertain whether deductions are being made in compliance with the Act and the regulations. In cases where the employer can clearly show compliance with the minimum wage and overtime provisions of the Act without resort to cost records, he may apply for an exception from these requirements.