

For Release Monday,  
October 29, 1945

PR-68

U. S. DEPARTMENT OF LABOR  
Wage and Hour and Public Contracts Divisions  
165 West 46th Street  
New York 19, N. Y.

SEVENTH ANNIVERSARY OF WAGE-HOUR LAW

Almost \$90,000,000 in restitution has been found due and ordered paid to 2,500,000 workers in 112,000 establishments since the Federal Fair Labor Standards Act has been in force, L. Metcalfe Walling, Administrator, Wage-Hour Division, U. S. Department of Labor, announced today in connection with the seventh anniversary of the law.

"More than two out of five of these establishments had failed to pay some workers the minimum wage", Mr. Walling said. "This minimum wage was set at 25 cents an hour when the Act first went into effect October 24, 1938 and stands at present at 40 cents. Bills to increase the minimum and broaden coverage are now before Congress.

"It must not be thought that all these violations were in the distant past. On the contrary, the need for enforcement is as great as ever, not only for the interest of the worker, but to protect the great majority of employers who comply from competitors who do not. Eight or nine out of ten of our inspections in restitution cases result in stopping current or recurring violations that would otherwise have gone on.

"With the lowered wartime budget for regular enforcement last year, it was possible to complete inspection of fewer than 45,000 establishments, as against more than 54,000 in the year before, but the amount of restitution found due per inspected establishment was even higher than the year before, when the figure reached the then all-time high.

"Just last year, \$15,800,000 of illegally withheld wages were found due and ordered paid to 440,000 workers in 19,000 establishments. Of the 44,300 establishments inspected under the Fair Labor Standards and Public Contracts Acts, 32,800 or 74 percent were found in some violation; 22,300 or 50 percent were in violation of the minimum wage or overtime provisions.

"Most surprising, in view of the general high wage levels, was the relatively high ratio of cases involving failure to pay the modest minimum wage of 40 cents an hour under the Fair Labor Standards Act. Failure to pay this minimum wage was involved in 6,300 establishments, more than a fourth of all those where restitution was found due. These violations of the minimum wage provisions affected 77,000 workers, one-sixth of all those found to be under-paid."

(03695)