

May 29, 1946

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

The first jail sentence in the New York area handed down for violation of the provisions of the Fair Labor Standards Act was given a Bronx furniture manufacturer in U. S. District Court in New York today by Judge Harold M. Kennedy, it was announced today by L. Metcalfe Walling, Administrator of the Wage and Hour and Public Contracts Division, U. S. Department of Labor.

Sentenced to serve three months concurrently on each of three groups of counts of violations of the Act's overtime and record-keeping provisions and the prohibition upon the shipment in interstate commerce of goods produced in violation of the Act's provisions, was Achille Giannasca, 1941 Narragansett Avenue, the Bronx, president of the Modern Reed and Rattan Co., Inc., 79 Alexander Avenue, the Bronx. In addition, Judge Kennedy fined both Giannasca and the corporation \$50 each on each of 13 counts, or a total of \$2,600.

The jail sentence, possible under the Act only upon a second conviction, followed Giannasca's conviction by a jury on May 13, following a five-day trial. He and the corporation had pleaded guilty to substantially the same charges on January 9, 1942, at which time the corporation was fined \$700 and Giannasca \$500.

The charges upon which the corporation and its president were found guilty this month involved falsification of records in connection with failure to pay overtime pay, for work in excess of 40 hours in a single workweek, to eight employees. The violations occurred over a period of eight weeks, the weekly underpayments amounting to from \$125 to \$150 each week.

Pointing out that there has previously been only one other jail sentence in the country imposed under the Act, Mr. Walling stated:

"This is an indication of the serious consequences of willful violation. There is no justification, after nearly eight years of education and enforcement of the Wage and Hour Law, for deliberate violations such as this. I would not hesitate to prosecute repeat offenders to the full extent of the law. While many violations can still be classified as non-willful, it must increasingly be recognized that there is less and less justification for failure to observe a 40-cent an hour minimum wage, reasonable child labor standards, and overtime pay."