

U. S. DEPARTMENT OF LABOR
Wage and Hour & Public Contracts Divisions

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A substantial increase in the minimum wage provision of the Fair Labor Standards Act -- in line with the original intent of the Congress and with present economic conditions -- stands out as the most important proposal to amend this basic wage and hour law, which went into effect eight years ago on October 24.

This is emphasized by L. Metcalfe Walling, Administrator of the Wage and Hour and Public Contracts Divisions, U. S. Department of Labor, in a statement marking the anniversary of the law.

"Although only eight years old, the Wage and Hour Law already has been accepted by labor and industry alike as a kind of economic charter for the low-paid workers of America," Mr. Walling stated. "However, as was so clearly shown in testimony from all sources during the last session of the Congress the 40 cents per hour minimum wage provision under the law is pitifully inadequate today; the minimum wage must be increased to at least 65 cents an hour."

Other amendments, proposed before the last Congress by the administrator and which he hopes the next Congress will consider and act upon early next year, would:

Extend the benefits of the law by broadening its basic coverage provisions.

Tighten the child labor restriction provisions.

Bring under the minimum wage provision seamen, who now are denied both minimum wage and overtime protection.

Modify present exemptions in the agricultural and fish processing and handling industries, to give workers in these industries fuller benefits from the law, which is possible without ill effects on the industries.

Give the Administrator power to interpret the Act, subject to court review, so as to provide certainty and uniformity of standards and their application, and to protect employers who cooperate by complying in good faith with the Administrator's interpretations.

Give the Administrator power to sue directly to collect back wages for employees so that money earned but not paid employees may find its way into their pockets.

Punish more severely the wilful violators than the non-wilful.

Provide a uniform federal statute of limitations to prevent the cutting off of federal rights by unreasonably

short State statutes, and to permit a uniform period in all parts of the country for recovery of back wages due under the Act.

Mr. Walling pointed out that extension of the benefits of the Act to more than one million more workers could be obtained through the broadening of the coverage provisions to apply to all workers employed in activities that "affect interstate commerce." This, he explained, would remove inequalities now existent between workers in similar jobs in different plants or even in the same plant, which prevail because the Act now applies only to workers engaged in interstate commerce or in the production of goods for interstate commerce.

The Administrator especially called attention to the minimum wage provision of the Act as being in need of immediate amendment. "It is imperative" he said, "that the statutory minimum be raised to a level which reflects current price levels and the economic progress made during the last few years."

A 65 cents an hour minimum wage would more nearly provide for a decent standard of living for the nation's lowest-paid workers, Mr. Walling stated, "although even at 65 cents an hour a worker could earn only \$1,300 a year for 50 weeks of 40 hours each -- an annual income on which an American family of four still would find itself compromising with necessity."

A resume of Wage and Hour and Public Contracts Divisions activities during the past eight years shows that more than \$100,000,000 in restitution of unpaid wages for violation of the minimum wage and overtime provisions of the Wage and Hour Law has been found due to 2½ million of the nation's workers. During the 1946 fiscal year alone some \$13,000,000 in back wages was recovered for 271,000 workers through efforts of the Divisions. In addition, workers themselves have obtained millions of dollars in back wages through employee suits.